

# Impacts of the PFAS Restriction on Trade Between the U.S. and the European Union

## One Page Summary

**Overview:** The U.S. Chamber of Commerce engaged experts to identify the economic sectors most impacted by a potential EU ban on the importing and exporting of goods containing per- and polyfluoroalkyl substances—known as PFAS. This ban—the PFAS Restriction—was proposed by the European Chemicals Agency’s (ECHA), Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) program.<sup>1</sup>

### Top Priorities

- Not all PFAS are created equally and should be regulated according to the best science and risk.
- Many sectors rely on PFAS due to unique properties, such as durability and heat, water, and oil resistance.
- Products critical to modern society – including aircraft, automobiles, cell phones, semiconductors, and medical equipment – cannot be produced without these chemistries as there are no feasible or economic PFAS replacements. Replacing the performance of PFAS in specific products is complex and will likely increase costs for companies and households.
- The PFAS restriction, therefore, would have significant negative impacts on the operations, business models, and supply chain dynamics in those sectors and others.



### Economic Activity At Risk

Table 1 summarizes the total economic and fiscal impacts of goods exported from the U.S. to the EU that contained PFAS in 2022. This activity supported 502,000 jobs domestically, \$168 billion in sales output, \$81 billion in U.S. gross domestic product, and \$46 billion in labor income. The activity generated \$12 billion in federal tax revenues and \$7 billion in state and local tax revenues.

**Table 1** – Total economic and fiscal impacts of goods exported from the U.S. to the European Union that contain PFAS in 2022

Metric	Total Impacts	Unit
Employment	502,000	Jobs (units)
Output	\$168	2022 USD (billions)
GDP	\$81	2022 USD (billions)
Labor Income	\$46	2022 USD (billions)
Federal Tax Revenues	\$12	2022 USD (billions)
State and Local Tax Revenues	\$7	2022 USD (billions)

<sup>1</sup> ECHA defines PFAS as “any substance that contains at least one fully fluorinated methyl (CF<sub>3</sub>-) or methylene (-CF<sub>2</sub>-) carbon atom (without any H/Cl/Br/I attached to it).” [https://echa.europa.eu/nl/registry-of-restriction-intentions/-/dislist/details/Ob0236e18663449b#:~:text=Per%2D%20and%20polyfluoroalkyl%20substances%20\(PFASs,%2FI%20attached%20to%20it\).](https://echa.europa.eu/nl/registry-of-restriction-intentions/-/dislist/details/Ob0236e18663449b#:~:text=Per%2D%20and%20polyfluoroalkyl%20substances%20(PFASs,%2FI%20attached%20to%20it).)

