

# REDUCE TRADE BARRIERS FOR U.S. ETHANOL

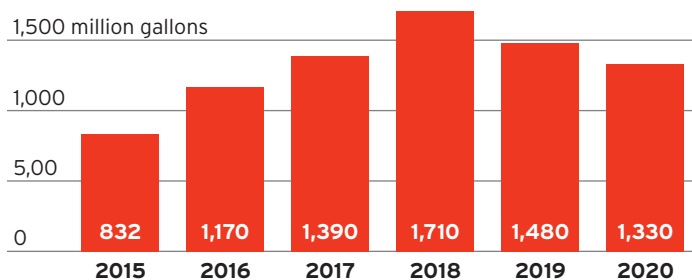


As nations around the globe are looking to achieve their carbon reduction goals, international markets are turning to biofuels as a solution. However, tariffs, technical trade barriers, and follow-through on trade agreements pose challenges to U.S. exporters looking to fulfill the growing biofuel demand abroad.

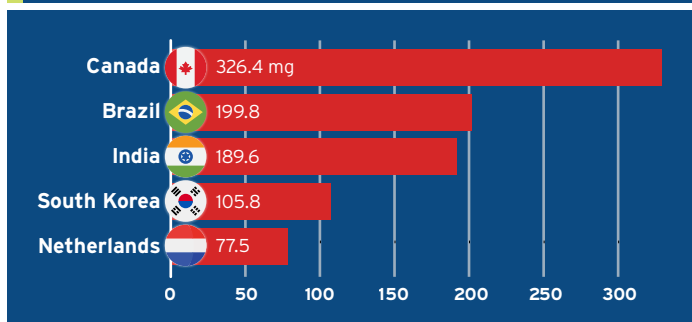
**Expanding ethanol use around the world will help lower global carbon emissions and help countries meet their carbon reduction commitments.**

## SIX-YEAR SNAPSHOT

In 2020, U.S. ethanol exports totaled 1.33 billion gallons which fell 9.8% compared to 2019. This decline is almost entirely due to COVID-19's downward impact on gasoline demand.



## 2020 TOP 5: U.S. ETHANOL EXPORTS



## DIG DEEPER ON OUR DATA HUB



Visit [GrowthEnergy.org/datahub](https://GrowthEnergy.org/datahub) for more charts, interactive graphics, and sources to data related to exports markets and global demand for ethanol.

## OPPORTUNITIES TO INCREASE EXPORTS

**BRAZIL:** Following months of tense negotiations, Brazilian leadership allowed its tariff rate quota (TRQ) on U.S. ethanol imports to expire in December 2020 – a devastating blow to U.S. exports. Ever since, a 20% tariff on all U.S. ethanol into Brazil has been in place. Conversely, Brazilian ethanol continues to be afforded virtually tariff-free access to our markets, causing a significant ethanol trade disparity.

Urge our new trade negotiators to re-engage Brazilian leadership to bring parity to the ethanol trade relationship.

**CHINA:** Ethanol and Dried Distiller Grains (DDGs) were included in the January 2020 Phase One trade deal, but it was reported China has just begun purchasing U.S. ethanol in November 2020, partly due to high corn prices within China.

Pressure China to follow through on its trade commitments towards U.S. ethanol and DDGs and reduce tariffs on both commodities.

**MEXICO:** Mexico's leadership is currently reviewing a case that will determine if E10 can be used nationwide, a move that will result in significant environmental and economic benefits, including Mexican consumers saving over \$11 billion pesos per year.

We are concerned that Mexico's Energy Regulatory Commission (CRE) will prohibit the use of E10 in its revised regulations after Mexico's Supreme Court ruling. We urge you to advocate with our trade representatives for E10 usage in Mexico, as well as its nationwide expansion to include major metropolitan areas.