

REDUCE TRADE BARRIERS FOR U.S. ETHANOL

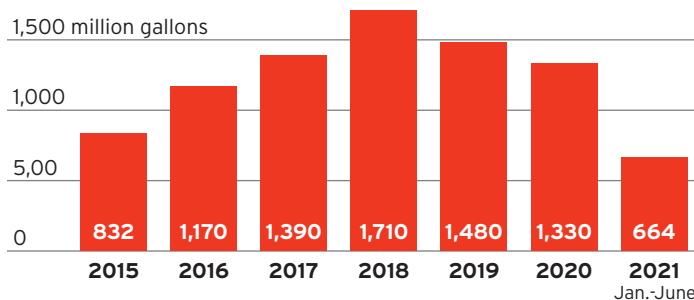


As nations around the globe are looking to achieve their carbon reduction goals, international markets are turning to biofuels as a solution. However, tariffs, technical trade barriers, and follow-through on trade agreements pose challenges to U.S. exporters looking to fulfill the growing biofuel demand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

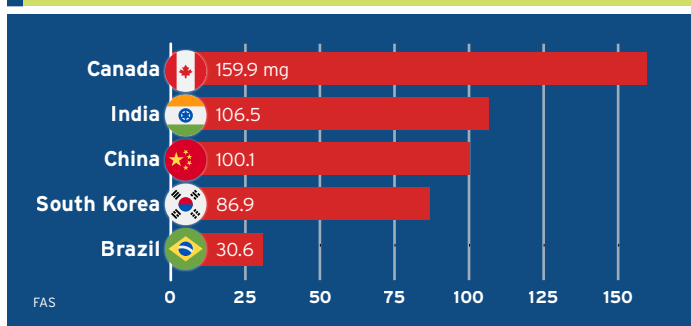
Expanding ethanol use around the world will help lower global carbon emissions and help countries meet their carbon reduction commitments.

SEVEN-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. This year, we are on pace to match 2020 exports.



2021 TOP 5 EXPORTING COUNTRIES



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OPPORTUNITIES TO INCREASE EXPORTS

CANADA: Our strongest trading partner in 2021, Canada is making consistent purchases of U.S. ethanol as its provinces continue to implement stronger biofuel blending goals and the national Clean Fuel Standard could be finalized by the end of this year.

Encourage Canada to treat U.S. ethanol fairly when finalizing its Clean Fuel Standard.

INDIA: is making mostly industrial-grade ethanol purchases, but has large potential if the government adheres to the national ethanol blending goals it has set.

Ask our new trade negotiators to meet with their Indian counterparts to promote the GHG benefits that ethanol brings to the transportation sector and eliminate the ban on fuel imports.

CHINA: Ethanol and Dried Distiller Grains were included in the January 2020 Phase One trade deal, and China has slowly been making purchases this year. Due to historic high corn prices at home, China has purchased about 100 million gallons of ethanol from January to June 2021.

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

BRAZIL: Following months of tense negotiations, Brazilian leadership allowed its tariff rate quota (TRQ) on U.S. ethanol imports to expire in December 2020. 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 our ethanol trade relationship.