

Congress of the United States

Washington, DC 20515

March 18, 2024

The Honorable Katherine Tai
United States Trade Representative
600 17th Street NW
Washington, DC 20508

The Honorable Thomas J. Vilsack
Secretary, U.S. Department of Agriculture
1400 Independence Ave. SW
Washington, DC 20250

Dear Ambassador Tai and Secretary Vilsack,

We write to you today as the Foreign Trade Chamber at the Brazil Ministry of the Economy (CAMEX) will soon open a consultation and comment submission period regarding Brazil's current tariff on American ethanol and ask for your continued engagement on behalf of U.S. farmers and biofuels producers during this process.

As you know, on February 1, 2023, CAMEX reinstated an import tariff on American ethanol exported to Brazil. Ethanol from the United States is subject to a 16 percent tariff, expected to rise to 18 percent this year, while ethanol shipped to the United States from Brazil receives duty-free treatment. Moreover, Brazilian ethanol imports are incentivized under the U.S. Renewable Fuels Standard and the newly created 40B Sustainable Aviation Fuel tax credit, as well as California's, Oregon's, and Washington's Low Carbon Fuel Standard program. This treatment is not reciprocated for American corn ethanol in Brazil.

We urge you to engage during CAMEX's comment period to further highlight this issue and remind CAMEX that this tariff imbalance, coupled with ongoing non-tariff barriers such as Brazil's impenetrable RenovaBio biofuel program, puts American ethanol, farmers, and rural communities at a severe economic disadvantage. U.S. biofuel production supports 555,000 jobs across the country and the U.S. ethanol industry annually produces roughly 16 billion gallons of low-carbon, renewable fuel that helps reduce prices at the pump. The biofuels industry is also on the cutting edge of emerging technologies like Sustainable Aviation Fuel that have the potential to grow the economic impact of biofuels even more.

Each year, the U.S. ethanol industry purchases 500 million bushels of corn that are exported as finished fuel-grade ethanol. The value of that purchased corn is approximately \$2.5 billion, while the ethanol exported is worth approximately \$4 billion. The ethanol industry also exports 11 million metric tons of dried distillers grains (DDGS), a nutrient-rich animal feed that is a coproduct of ethanol production, worth over \$3 billion.

Brazil's continued unfair treatment of U.S. exports displaces American ethanol and negatively impacts the rural communities we represent. We appreciate your continued attention to this matter and advocacy with CAMEX and the broader Brazilian government during this open comment period.

Sincerely,



Darin LaHood
Member of Congress



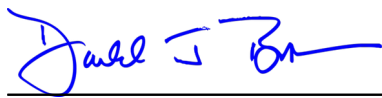
Randy Feenstra
Member of Congress



Mike Bost
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Marcy Kaptur
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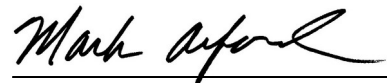
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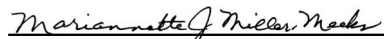
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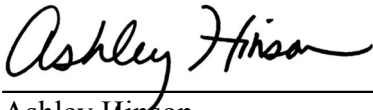
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