



**Testimony of
Geoff Cooper
President and CEO, Renewable Fuels Association**

Re: Initiation of Section 301 Investigation of Brazil’s Acts, Policies, and Practices Related to Digital Trade and Electronic Payment Services; Unfair, Preferential Tariffs; Anti-Corruption Enforcement; Intellectual Property Protection; Ethanol Market Access; and Illegal Deforestation.

September 3, 2025

Docket No. USTR-2025-0043

Good morning. My name is Geoff Cooper, and I am President and CEO of the Renewable Fuels Association, the leading trade association for U.S. ethanol producers. I appreciate the opportunity today to voice our support for the Section 301 investigation into Brazil’s unfair and discriminatory ethanol policies.

RFA strongly believes a thorough investigation is justified and necessary, and we commend the U.S. Trade Representative for bringing much-needed scrutiny to Brazil’s prejudicial and unreasonable actions.

Over the past eight years, Brazil has implemented tariff and non-tariff barriers specifically designed to block U.S.-produced ethanol from entering the Brazilian marketplace. These barriers have been highly effective in achieving the outcomes desired by Brazil. After peaking at \$760 million in 2018, the value of U.S. fuel ethanol exports to Brazil collapsed to zero by 2023 and remains negligible today. Whereas Brazil was once the world’s largest importer of U.S. ethanol, the market has disintegrated over the past five years due to the imposition of numerous barriers.

Among the many discriminatory policies implemented by Brazil, two specific barriers stand out as the being the most injurious to U.S. ethanol producers and distributors.

First, Brazil levies a punitive tariff on U.S. ethanol imports. The tariff rate currently stands at 18 percent and has been as high as 20 percent. In 2017, Brazil abandoned its policy of reciprocal, duty-free access for U.S. ethanol. As a result, U.S. ethanol exports to the country

rapidly deteriorated. Over the past several years, diplomacy efforts by U.S. industry and government to secure the removal of Brazil's tariff have ultimately proven unsuccessful.

The second barrier I wish to address is Brazil's low carbon fuel regulation, known as RenovaBio. Under the program, fuel distributors must achieve annual reductions in the carbon intensity of the fuels supplied to the marketplace. Certified producers of low-carbon fuels receive valuable credits that may be sold to parties who must comply with the program's requirements. Through an opaque process, Brazil's government has certified nearly all Brazilian ethanol facilities for participation in RenovaBio. However, not a single U.S. ethanol facility has been certified or allowed to participate in the program.

U.S. ethanol is blocked from accessing the RenovaBio program via Brazil's use of questionable lifecycle carbon intensity modeling and the imposition of inequitable and unfeasible feedstock tracking requirements. U.S. officials have repeatedly encouraged Brazil to adopt the same land-use and feedstock tracking approach that is applied to biofuels—including imports from Brazil—by the U.S. EPA for the Renewable Fuel Standard. Yet, Brazil's government has steadfastly refused to adopt an equitable or analogous approach for feedstock tracking.

Adding insult to injury, Brazilian ethanol has had virtually unfettered access to the U.S. market for the past 14 years, facing only a 2.5 percent ad valorem duty. In fact, policies like the RFS and state low carbon fuel programs actually give preferential treatment to Brazilian sugarcane ethanol imports over U.S. grain-based ethanol.

In closing, we are confident the Section 301 investigation will provide indisputable evidence that Brazil's unfair policies have severely injured U.S. ethanol producers and farmers. Thus, we support the following actions to ensure U.S. producers are protected against the deleterious effects of Brazil's policies.

1. Continue negotiations focused on permanently removing the Brazilian tariff on imported ethanol;
2. Until the Brazilian tariff on U.S. ethanol is removed, fully enforce the 50-percent tariff on Brazilian imports recently enacted by the Trump administration;
3. Work with Brazil to eliminate the unfeasible barriers that block U.S. ethanol producers from participation in the RenovaBio program;
4. Collaborate with EPA to implement adjustments to RFS compliance credit values for ethanol imported from Brazil; and
5. Remove Brazil's Generalized System of Preferences (GSP) designation.

Thank you again for providing the U.S. ethanol industry an opportunity to share our perspective on the Section 301 investigation and the impact of Brazil's unfair policies on American ethanol producers and farmers. I look forward to your questions.