



U.S.-Brazil High Level Dialogue 2022

Economic Growth & Prosperity

April 25, 2022

The United States and Brazil enjoy one of the strongest and most robust economic relationships in the hemisphere. The United States is the main destination for Brazilian exports of value-added manufactured goods, which creates jobs for both Brazilians and Americans. Recent agreements to facilitate trade, once finalized, will help to advance our trade partnership, reduce barriers to trade, and facilitate investment.

Economic Growth

- In 2021, bilateral trade between the U.S. and Brazil reached a new record of US\$ 70.5 billion. The first quarter of 2022 is showing signs of even stronger trade flow, with a 40% increase over the same period in 2021 reaching \$19B by the end of March.
- 55% of Brazilian exports to the United States are in value-added goods and services, an important driver of job creation for Brazilians and Americans.
- According to the most recent report by the Central Bank of Brazil, the United States was the largest source of foreign direct investment inventories by final beneficiary with more than R\$ 639 billion (US\$ 125 billion) in 2020, almost twice the amount of the next largest source of investments.
- U.S. investments in greenfield initiatives are disproportionately higher than investments in this area from other foreign countries.
- All of Brazil's 18 unicorns, or startups valued at more than R\$ 5B, have received investments from the United States.
- Brazilian companies continue to expand their presence in the U.S. market, either through purchasing U.S. companies or establishing their own businesses across a range of sectors including agriculture, food processing, and finance.
- American energy companies are deploying cutting edge technology alongside Brazilian partners to promote Brazil's growth into one of the largest oil producers and exporters in the world.



- The U.S.-Brazil Energy Forum coordinates bilateral cooperation on energy security and technical exchanges and promotes private sector bilateral investment, such as in renewable and nuclear energy that are providing clean sources of electricity to meet Brazil's growing power needs.
- In February 2022 Brazil was inducted into the Global Entry program, which facilitates business and personal travel to the United States.
- On March 21, Brazil's small business support service SEBRAE and the Organization of American States (OAS) signed an agreement, funded by the U.S. government, to implement the U.S. Small Business Development Center (SBDC) methodology in Brazil.
- The U.S.-Brazil Research, Development, Test and Evaluation Agreement, recently ratified by Brazil's congress, will enable collaborative efforts in basic, exploratory, and advanced technologies to a level enjoyed only by NATO allies and the closest strategic security partners of the United States.
- In October 2020, the United States and Brazil signed a new protocol updating the 2011 Agreement on Trade and Economic Cooperation (ATEC), including three annexes focusing on trade facilitation and customs administration, good regulatory practices, and anti-corruption. The protocol was ratified by the Brazilian Congress and entered into force as a matter of international law in February.
- In June 2021, Brazil became the first Latin American country to join the US-sponsored Artemis Accords, committing to the peaceful use of space and advancing bilateral and multilateral space cooperation.

COVID-19

- Through January 2022, the United States provided over \$58 million in health and humanitarian assistance to mitigate the impacts of COVID-19 in Brazil. This assistance includes over 5 million vaccine doses, the provision of ventilators, two mobile disaster response hospitals, power generators, technical cooperation on vaccine readiness, prevention, and control of infections in health facilities, risk communication and community engagement for COVID-19 prevention and mitigation, and many other types of partnership.

Minerals

- The Department of State's Energy Mineral and Governance Program (EMGP) offers technical capacity building to Brazil to increase mining sector governance and capacity on mineral economics and competitiveness, mine closure planning, tailings reuse, and mineral inventory structures.
- The U.S.-Brazil bilateral Critical Minerals Working Group (CMWG), which convened most recently in January 2022, supports bilateral cooperation and supply chain diversification in critical minerals essential to the energy transition.

Environment

- At COP26 both the United States and Brazil made significant public commitments relative to climate change and environmental protection.
- In January 2020, the U.S. Environmental Protection Agency (EPA) and Brazilian Environment Ministry signed a memorandum of understanding to strengthen and coordinate efforts to effectively protect our nations' environments.
- The Partnership Platform for the Amazon, a strategic initiative by USAID, is a collective action platform. It is led by the private sector that identifies and develops innovative solutions for sustainable development and conservation of the Brazilian Amazon's biodiversity, forests and natural resources.
- Since 2015, U.S. Forest Service (USFS) technical experts and USAID have worked closely with Brazilian federal and local partners to build fire prevention and management capacity, including training more than 500 indigenous leaders and community members. In 2022 the USFS signed a Declaration of Intent with the Ministry of Environment to reinforce and amplify these efforts.
- The Sustainable Value Chain and Territorial and Environmental Management in Protected Areas of the Brazilian Amazon benefits 400 traditional communities in the Legal Amazon by supporting sustainable development of value chains (including Brazil-nut, pirarucu fish, açai fruit, and community-based managed timber) on Indigenous lands and other protected areas.