

U.S.-Brazil Trade Deal Takes Center Stage at U.S. Chamber's U.S.-Brazil Connect Summit



This week, I joined the Chamber's Brazil-U.S. Business Council (BUSBC) for its 2020 U.S.-Brazil Connect Summit, sitting down for (virtual) conversations with U.S. Secretary of State Michael Pompeo, U.S. Trade Representative Robert Lighthizer, and Director of the U.S. National Economic Council Larry Kudlow. The high-powered event also featured President Jair Bolsonaro alongside Brazilian Minister of Foreign Relations Ernesto Araújo and Minister of Economy Paulo Guedes.

The headline: U.S. and Brazil deal on trade rules and transparency: The sessions were animated by the [announcement of a trade package](#) covering customs and trade facilitation reforms; measures to promote regulatory transparency and stakeholder consultation; and anti-corruption provisions. This agreement comes after a March meeting between President Trump and President Bolsonaro in Florida, where the two heads of state pledged to deepen trade and economic cooperation.

Our take: With U.S.-Brazil trade exceeding \$100 billion last year and aspirations of [doubling that number](#) by 2025, Americans benefit from stronger commercial ties between the U.S. and Brazil. We applauded both governments for their work on a trade pact that will strengthen

economic growth and job creation, but continue to push for action on key industry priorities. The omission of digital trade and express shipment provisions from the deal is a major missed opportunity. The economic potential of the relationship goes beyond any one party or government in power. Now is the time for ambitious and achievable goals.

No FTA for now: Ambassador Lighthizer highlighted the agreement as a signal of the U.S. commitment to strengthening economic engagement with Brazil and a building block for future negotiations, but suggested that a free trade agreement was “not in the cards” in the immediate future, given the time needed to negotiate a pact and the immediacy of U.S. elections.

China is the elephant in the room: Multiple U.S. officials highlighted China’s growing geopolitical influence as a driving force behind efforts to bolster U.S. trade ties. Noting that China trade brings both benefits and risks, Secretary Pompeo suggested that increasing U.S.-Brazil trade would make both nations “more secure and more prosperous.”

What’s next? The Brazil-U.S. Business Council is urging both governments to continue the momentum and commit to broader commercial advances towards a comprehensive trade agreement. Key areas for future attention include express delivery, digital trade, investment, and technical barriers to trade. Read more from BUSBC on [Building a Strategic Alliance for the 21st Century](#).

Watch the summit: [Day 1](#) | [Day 2](#)

— Myron Brilliant, Executive Vice President and Head of International Affairs, U.S. Chamber of Commerce