U.S. Chamber of Commerce

Brazil-U.S.
Business Council

Agriculture and Food Policy Working Group

Policy Paper





Introduction

The agriculture and food sector is a cornerstone of the U.S.-Brazil economic relationship, supporting global food security and contributing to economic growth in both countries.

As two of the world's leading agricultural producers, the United States and Brazil play a critical role in integrated supply chains, serving as global breadbaskets with complementary production systems that help meet rising demand across products, seasons, and markets.

The United States and Brazil face similar challenges in global markets and share a common interest in promoting a global trading system grounded in free markets, sound science, and transparency. Both governments have recognized these shared interests through the establishment of the Consultative Committee on Agriculture (CCA), a platform for dialogue, consultation, and collaboration between the U.S. Department of Agriculture (USDA) and Brazil's Ministry of Agriculture, Livestock, and Food Supply (MAPA). In recent years, this partnership has resulted in coordinated support within the World Trade Organization (WTO) to establish trade measures based on scientific evidence and internationally accepted principles.

The U.S. Chamber of Commerce's Brazil-U.S. Business Council (BUSBC) represents the private sector's leading voice in advancing policies that expand bilateral trade and investment. This paper outlines targeted, actionable recommendations across four pillars: agriculture resilience, innovation, supply chains, and food policy. Together, these priorities aim to strengthen market access, improve competitiveness, and support resilient agriculture and food systems.

Sustained progress in these areas will require consistent bilateral engagement and robust public-private dialogue. Mechanisms such as the CCA have played an important role in facilitating cooperation and advancing these policy priorities. The private sector urges both governments to promptly resume and improve the CCA as an effective framework to convene stakeholders and drive progress on bilateral trade and policy issues. The BUSBC encourages both governments to use the recommendations outlined in this paper as a practical roadmap to expand bilateral agriculture and food policy cooperation. Implementing these recommendations would deliver tangible benefits to producers and consumers in both countries while reinforcing the strategic importance of the U.S.-Brazil partnership.

Agriculture Resilience

Long-term agricultural competitiveness in both the United States and Brazil is increasingly shaped by more resilient agriculture systems. As global demand grows for agricultural products, farmers face rising pressure to enhance performance to maintain productivity and profitability.

Despite strong potential, the adoption of practices that improve productivity and resource use remains uneven. Many producers, particularly small and medium-sized farmers, continue to face persistent barriers in adopting innovative practices and remaining competitive—including high upfront costs, limited access to affordable financing, exposure to production and market risks, and gaps in technical knowledge. These constraints can make it difficult to integrate new resource efficient and precision practices into existing operations, even when long-term benefits are clear. At the same time, these challenges present significant opportunities. Improving productivity on existing land, including through the intensification of livestock production, can increase output while allowing expansion of crops and reducing pressure on forests. In addition, evolving market and supply chain expectations are creating new incentives for traceability, low-emissions production, and responsible land use—positioning these practices as drivers of competitiveness rather than constraints.

Unlocking this potential will depend on approaches that align resilience and productivity gains with economic incentives. Policies and programs that reduce costs, lower risk, and create tangible value for farmers will be essential to enabling adoption at scale.

Recommendations

Expand Financing and De-Risk Adoption

Governments should prioritize voluntary, incentive-based approaches that make resilient farming, including precision and regenerative agriculture practices, the most economically attractive option for producers. Expanding preferential financing through existing rural credit and low-carbon agriculture programs can significantly accelerate adoption. Offering lower interest rates, longer repayment terms, and streamlined access for farmers adopting these practices will help reduce upfront costs and improve financial viability.

At the same time, reducing risk is critical to encouraging uptake. Expanding access to tools such as subsidized agricultural insurance, credit guarantees, and other risk-management mechanisms can help stabilize income and protect farmers during the transition to new practices. Lowering downside risk will be particularly important for producers operating with tighter margins or facing greater climate variability.

Improve Tax and Infrastructure Policies

Brazil should improve tax, logistics, and regulatory conditions to encourage investment and strengthen agricultural competitiveness. This includes facilitating investments in logistics and port infrastructure in regions with growing food and agricultural demand and ensuring that the implementation of Brazil's new tax reform avoids increasing the tax burden on agricultural processing activities. Policymakers should consider mechanisms that preserve incentives for value-added production, including the effective use of tax credits to support value-added production and better serve domestic regional markets.

Develop Market-Based Incentives and Revenue Streams

Policymakers should support the development of market-based mechanisms that create new revenue streams for farmers. Carbon markets, payments for ecosystem services, and other nature-based solutions can enable producers to monetize productivity gains and diversify income. Strengthening voluntary certification systems and improving traceability can further help farmers access premium markets and meet growing global demand for responsibly produced goods.

Promote Clear and Interoperable Standards

Standards should remain transparent, science-based, and interoperable across markets. As evolving requirements continue to shape trade flows, greater alignment can reduce fragmentation, lower compliance costs, and provide clearer signals for investment. Coordinated approaches to traceability, certification, and reporting will help farmers access markets more easily while avoiding unnecessary trade frictions.

Leverage Public-Private Partnerships to Scale Investment

Public-private partnerships (PPPs) should be leveraged to mobilize capital, scale innovation, and expand implementation. Blended finance models, resilient supply chain initiatives, and carbon farming partnerships can lower costs for farmers while unlocking private investment at scale. These collaborations allow governments to provide stability and risk-sharing, while the private sector contributes technology, expertise, and market access.

Expand Technical Assistance and Capacity Building

Strengthening access to technical assistance and training is essential to achieving widespread adoption. Many barriers are knowledge-based rather than willingness-based, and programs that combine financial incentives with practical guidance consistently deliver stronger outcomes. Ensuring that small and medium-sized producers are included in these efforts will be key to scaling impact.

Build on Existing Programs and Frameworks

Governments should build on and strengthen existing frameworks rather than introducing new layers of regulation. Expanding participation in established agricultural credit and resilience programs will be more effective than creating new mandates. A coordinated approach that aligns financial incentives, market opportunities, risk management tools, and technical support can drive adoption at scale while supporting long-term productivity, profitability, and efficient resource use.



Innovation

Innovation underpins U.S.–Brazil agricultural cooperation, supporting productivity, food security, animal and plant health, and competitiveness. A predictable regulatory environment, effective intellectual property protection, modern traceability systems, and timely access to innovative technologies are essential to sustain investment and deliver benefits to producers and consumers in both countries.

Technology also plays a critical role in enabling farmers to increase productivity while strengthening resilience, helping build a more reliable and accessible food system. Digitalization and artificial intelligence are increasingly central to precision agriculture, enhancing farm efficiency, and optimizing resource use. These tools enable better decision-making and faster adaptation to changing conditions and more effectively managing risk.

To advance innovation, policymakers should work closely with the private sector, including farmers, to design enabling frameworks, incentives, and public-private partnerships that expand access to technology and accelerate adoption.

Recommendations

Improve Regulatory Efficiency and Access to Innovation

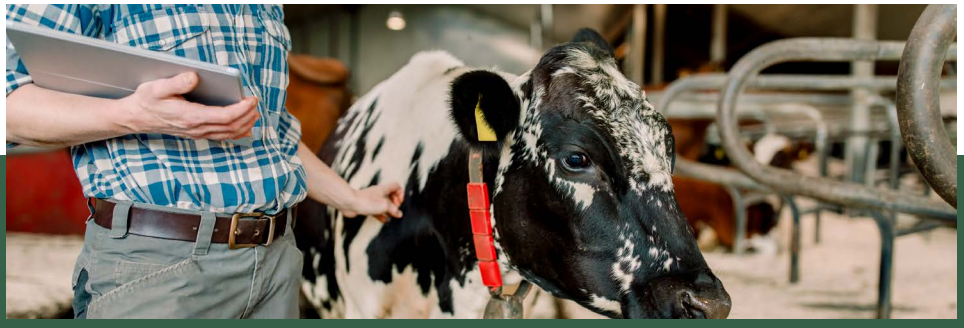
The United States and Brazil should engage closely with Brazil's Ministry of Agriculture and Livestock (MAPA) to address backlogs and delays in regulatory approvals, improve predictability, and shorten timelines for innovative technologies and products, such as veterinary vaccines and medicines. Regulatory frameworks should be modernized through fast-track approval pathways, simplified procedures, and more adaptive approaches that reflect rapidly evolving data and technologies, ensuring timely and reliable access to innovation.

Strengthen IP Protection and Legal Certainty

Both governments should reinforce intellectual property protection and legal certainty as core foundations for agricultural research and development, technology transfer, and local innovation. Continued alignment with international best practices on patent examination and regulatory data protection will be essential to maintain investor confidence and support the development and deployment of new technologies.

Advance Traceability and Animal Health Systems

The United States and Brazil should support the timely and effective implementation of Brazil's National Individual Identification Plan for Cattle (PNIB), including the launch of mandatory identification requirements beginning January 1, 2027, for brucellosis and other sanitary programs. Strengthening traceability systems will improve animal health outcomes, support compliance, and enhance market access and competitiveness.



Promote Digital Agriculture and Technology Adoption

The United States and Brazil should advance tech-driven frameworks and digital solutions that enhance productivity, traceability, and precision agriculture. Expanding farmer access to advanced technologies—including data analytics, digital twins, satellite imagery, and identification and monitoring tools to track animal and crop health, detect pests and diseases, and foster more effective water and agricultural input use; predictive climate modeling to anticipate weather risks and improve planning; and integrated soil, climate, and crop data systems that provide real-time recommendations on irrigation, fertilization, and farm management—will enable more informed decision-making, improve resource efficiency, and support continuous gains in productivity, competitiveness, and environmental stewardship.

Supply Chains

Reliable access to complementary agricultural inputs plays a critical role in stabilizing prices and mitigating food inflation. Many agricultural imports from Brazil serve as essential inputs for U.S. food and beverage companies, supporting domestic processing, jobs, value-added production, and ultimately American consumers. U.S. exports of crop nutrition inputs to Brazil are also essential to maintaining productive and resilient agricultural supply chains. These products complement domestic supply in both countries and help to ensure consistent, year-round availability.

Recommendations

Accelerate Customs Modernization

Both governments should prioritize customs modernization and digitalization to reduce delays and lower transaction costs. Streamlined procedures, improved digital tools, and stronger interagency coordination will increase transparency and predictability, helping ensure faster and more efficient trade flows.

Expand Third-Market Cooperation

The United States and Brazil should expand cooperation in third markets to build on their strengths as leading agricultural producers. Historically, the U.S. and Brazil worked together (along with Canada and Argentina) as leaders in innovation agriculture to navigate barriers in Europe and China that inhibit new innovation introduction in both the U.S. and Brazil.

Additionally, both countries should continue to collaborate to mitigate expansion of non-tariff-based measures in priority markets including regions with rising demand, particularly in Africa, Southeast Asia, and the Middle East. This could include coordinated efforts to expand agricultural production, deploy new technologies, and strengthen supply chains in key markets. Such efforts would support food security while creating new commercial opportunities for both countries.

Food Policy

Food security remains a central economic, social, and political priority for both Brazil and the United States, particularly amid global inflationary pressures and affordability challenges. Rising costs for food products, ingredients, and essential agricultural inputs directly affect consumers and disproportionately impact lower income households, underscoring the need for policies that strengthen supply chains, rely on science based regulation, and avoid unintentionally increasing costs or undermining long term supply reliability.

Improving food affordability will require close coordination across governments, as well as sustained engagement with the private sector, to reduce systemic risks across food systems. Aligning food security objectives with broader trade, economic, and resilience policies can help reinforce coherence across government actions and support more stable, efficient production models.

At the same time, regulatory approaches—particularly in areas such as food labeling and marketing—play a critical role in shaping consumer information and market outcomes. When not grounded in science and international best practices, these measures can increase costs by requiring changes in formulation, sourcing, and manufacturing processes, ultimately affecting food affordability and access. A balanced approach that promotes transparency while preserving flexibility and innovation is essential to supporting both consumer trust and food security.

Recommendations

Promote Food Affordability and Address Inflationary Pressures

Policymakers in Brazil and the United States should prioritize productivity, efficiency, and open markets as core tools to contain inflation and support food affordability. Aligning food security objectives with broader trade and economic policy goals requires strong interagency dialogue, with policy frameworks recognizing the role of resilient and regenerative agricultural practices as cost stabilizing mechanisms, particularly in reducing exposure to climate and input price volatility, alongside open and competitive markets. Beyond government-to-government dialogue, structured platforms for collaboration between the public and private sectors should be established, including technical exchanges and targeted engagement on food security. Leveraging private sector innovation and operational expertise can help shape policies that support affordability and long term supply reliability.

Support Science Based and Regionally Harmonized Food Labeling Policies

Brazil's front of pack labeling (FOPL) model demonstrates how governments and industry can work together to develop a balanced, science based framework that supports informed consumer choices and encourages portfolio transformation without imposing undue burdens on the food system. Brazilian authorities, including ANVISA, should be encouraged to renew and build on the existing FOPL model and support its adoption by Mercosur partners. Regulators in Brazil and the U.S. should ensure that labeling requirements enhance transparency without discouraging innovation, increasing food costs, or disrupting supply chains. Mandatory consumer information should be communicated using simple, clear language grounded in established science, avoiding unnecessary technical complexity.

Policymakers in both countries should also promote evidence based discussion around proposals to restrict food advertising, particularly where assumptions about health impacts are oversimplified or misleading. Highlighting positive product attributes—such as reformulation efforts, portion guidance, and responsible sourcing—can serve as constructive tools to inform consumers while supporting competition, innovation, and affordability.



Conclusion

The United States and Brazil are uniquely positioned to shape the future of agricultural trade and food systems. As leading producers with complementary strengths, both countries play a critical role in meeting rising global demand.

The priorities outlined in this paper provide a practical and actionable path forward. Advancing targeted reforms across agricultural resilience, innovation, supply chains, and food policy will not only lower costs and enhance competitiveness but also strengthen the reliability and efficiency of integrated value chains.

Realizing this potential will require sustained coordination, clear policy direction, and strong public-private collaboration. The Brazil–U.S. Business Council stands ready to work with both governments and stakeholders to advance practical, market-driven solutions that support producers, benefit consumers, and drive long-term growth.



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