

July 1, 2026

Jamieson Greer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Re: 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

Dear Secretary Greer,

The Energy Workforce & Technology Council (EWTC) is the national trade association for the global energy technology and services sector representing more than 625,000 U.S. jobs in the technology-driven energy value chain. The U.S. energy services sector is strongly committed to U.S. energy dominance and maximizing the U.S. manufacturing base and many of our member companies have made significant efforts to reshore significant elements of their supply chain to the United States.

EWTC and its member companies remain committed to supporting domestic energy production, strengthening supply chains, and reshoring key manufacturing. However, we are concerned about any potential remedies that could unintendedly penalize U.S. energy services manufacturers for supply gaps that cannot yet be filled domestically. Brazil is home to very specific energy manufacturing, especially in the offshore space which does not yet exist anywhere else.

Our members support domestic and international energy development through advanced manufacturing, engineering, digital technologies, logistics, and field services. Many EWTC members maintain commercial relationships with Brazilian customers, suppliers, and energy producers and therefore have a direct interest in policies affecting bilateral trade and investment.

Our companies are on the front lines of achieving the President's stated goal of adding three million barrels per day to U.S. production. These companies are also invested in the broader national objective of reshoring critical manufacturing and strengthening domestic supply chains. However, the uncertainty surrounding proposed tariffs — particularly new tariffs on key industrial inputs — threatens to undermine these goals, and we fear they could have severe unintended consequences.

Several HTS categories produced in Brazil could face additional duties—including steel pipe, butt-welding pipe fittings, alloy steel products, tubular products, electrical conductors and power transformers. Domestic alternatives for certain specialized grades and dimensions remain limited, and abrupt tariff increases would raise costs and extend lead times for U.S. energy projects without materially increasing near-term domestic production capacity.

Brazil has developed unique manufacturing capabilities that are integral to offshore oil and natural gas development. For example, large-diameter, heavy-wall drilling casing engineered to withstand the extreme pressures and corrosive conditions of deepwater operations is produced in Brazil by manufacturers with decades of specialized expertise and production capacity. Likewise, subsea production trees, manifolds, and other subsea production systems used to control wells on the ocean floor are manufactured in Brazil and remain essential components of offshore projects in the Gulf of America.

Subsea infrastructure operates in a harsh environment, with complex assemblies designed to withstand extreme pressures and environmental conditions while delivering reliable performance for decades. These products cannot simply be substituted with domestic alternatives. Developing comparable U.S. manufacturing capacity would require significant capital investment, workforce development, specialized certifications, and years of qualification testing before equipment could be deployed safely in offshore operations.

Given the importance of undersea trees to the U.S. Gulf of America, we would like to focus specifically on this product briefly. Currently undersea trees are not produced in the United States. This specialized construction will be difficult if not impossible to reshore in the time period necessary to avoid significant cost increases to Gulf of America offshore production. These products should be exempt for additional 301 duties due to their critical role in energy dominance.

Subsea trees (HTS 8481.80.9050) are critical safety and production control systems required for offshore oil and gas operations and are essential to US energy security. These systems are highly capital-intensive, involving complex engineering, long lead times, and significant upfront investments, and are sourced from a limited number of globally qualified suppliers, with no sufficient domestic manufacturing capacity.

Imposing additional section 301 tariffs would further increase these already substantial costs and risk undermining the economic viability of major U.S. offshore developments. As a result, such tariffs could delay or cancel projects, reduce domestic energy production, and ultimately contribute to higher fuel and natural gas prices across the US economy. Tariffs on energy infrastructure inputs are known to increase costs and delay investment, with broader impacts on energy affordability and industrial competitiveness.

Importantly, subsea trees and related equipment have no nexus to the practices identified in the section 301 investigation of Brazil—such as digital trade, intellectual property, and regulatory concerns—which are unrelated to energy infrastructure. As such, applying tariffs to these products would not advance the objectives of the action and would instead impose disproportionate economic harm on US energy development.

As USTR evaluates potential actions under Section 301, EWTC respectfully recommends that any remedies account for the need for certain critical energy components to maintain US energy dominance and ensure that any remedies as part of this investigation with Brazil account for this

need. We appreciate the opportunity to provide input and participate in this investigation. We share the investigation's goals of maximizing U.S. manufacturing.

Sincerely,



Tim Tarpley
President
Energy Workforce & Technology Council



Erik Milito
President
National Ocean Industries Association