

São Paulo, 31<sup>st</sup> of July, 2025

Dear Sir or Madam,

Coffee holds significant social, environmental, economic, and cultural importance for Brazil. The country is the world's largest producer and exporter of coffee and the second-largest consumer. Coffee generates wealth, foreign exchange revenue, and employment, while also serving as a symbol of Brazil's national identity.

In 2024, Brazil exported 50.5 million bags of coffee to more than 120 countries, generating USD 12.5 billion in foreign exchange revenue—the equivalent of BRL 67.5 billion.

Brazilian coffee is produced in approximately 39 well-established agricultural regions. Environmental preservation indicators exceed the requirements of the Brazilian Forest Code: in coffee-growing areas, 51,500 km<sup>2</sup> of Legal Reserves, native forests, and permanent preservation areas are protected—an area 1.25 times the size of Switzerland.

The coffee supply chain creates millions of jobs across multiple stages—from cultivation to commercialization—contributing to income generation and access to essential services such as healthcare and education for workers and their families.

According to the Brazilian Agricultural Census, Brazil has 264,900 coffee growers, 72% of whom operate farms smaller than 20 hectares. Additionally, 78% qualify for credit lines under the National Program for Strengthening Family Agriculture (Pronaf).

Coffee growing plays a vital role in promoting sustainability and human development in producing regions. It positively influences the Human Development Index (HDI), while generating income and employment and driving both local and national economies. According to UNDP data, municipalities with higher coffee production tend to post higher HDI scores, indicating better quality of life and human development.

Brazil's coffee agribusiness is also highly organized and efficient, driving economic prosperity in producing regions. Brazil leads the world in the share of the Free on Board (FOB) export price—that is, the amount paid by foreign buyers at the port of shipment—that returns to growers. Over the past four years, the average return rate was 91.2% for Arabica and 93.9% for Conilon.

Given the relevance of Brazilian coffee to both Brazil and the global market, Cecafé is issuing this statement regarding the 50% tariff imposed by the United States on Brazilian coffee.

Following the signing of the Executive Order by U.S. President Donald Trump on July 30—confirming a 50% tariff on imports from Brazil, including coffee—the Brazilian Coffee Exporters Council (Cecafé) reiterates its commitment to continued engagement with its U.S. counterparts, such as the National Coffee Association (NCA), to advocate for coffee to be included in the list of exemptions to be issued by the U.S. government.

In the trade relationship between the two countries, Brazil and the United States are indispensable to one another. Brazilian coffee accounts for more than 30% of the U.S. coffee market, making Brazil its leading supplier. In turn, the U.S. is the top destination for Brazilian coffee, accounting for 16% of total exports.

Brazilian coffee is a key component in the blends offered to American consumers. Its natural attributes—aroma, flavor, body, acidity, and sweetness—are distinctive and irreplaceable.

Coffee drinkers have come to expect these qualities. As such, long-standing brands—icons of the American economy—could be negatively affected or even disappear if forced to alter their blends.

Beyond its recognized importance to Brazil, coffee is also of major relevance to the United States. According to a 2022 economic impact study conducted by Technomic for the NCA, 76% of Americans consume coffee; annual spending on coffee and related products reaches USD 110 billion (USD 301 million per day); and coffee accounts for more than 8% of the total value of the U.S. foodservice industry.

The U.S. coffee industry also supports over 2.2 million jobs and generates more than USD 101 billion in wages, benefiting all states and local communities. For every USD 1 spent on imported coffee, an additional USD 43 is injected into the U.S. economy. In total, the sector moves USD 343 billion annually, equivalent to 1.2% of the country's GDP.

In light of coffee's importance to both American consumers and the U.S. economy, we believe the decision to impose a tariff on Brazilian coffee must be reconsidered. Such a

measure would result in significant price increases and inflation, as the added costs will inevitably be passed on to consumers.

Therefore, Cecafé will continue working alongside its U.S. partners to ensure that coffee is included among the products exempted from the 50% tariff.

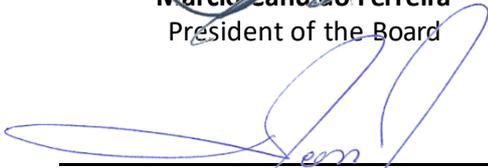
Sincerely,



**Marcio Candido Ferreira**  
President of the Board



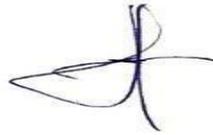
**Marcos Antonio Matos**  
CEO



**Eduardo Heron Santos**  
Technical Director



**Silvia Pizzol**  
Sustainability Director



**Evair Vieira de Melo**  
Federal Deputy

Deputy vice leader of the Jair Bolsonaro Government in the Chamber of Deputies (2019/2022); Deputy vice leader of the Opposition in the Chamber of Deputies (2023/2025); President of the Agriculture Commission (2024); and Director of the Agricultural Parliamentary Front and the Coffee Parliamentary Front.