

Before the
Office of the United States Trade Representative
Washington, D.C.

In re

Notice of Determination and Request for Comments Concerning Action Pursuant to Section 301: 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

Docket No. USTR-2026-033

**COMMENTS OF
THE COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION (CCIA)**

In response to the request for comments published in the Federal Register at 91 Fed Reg. 33854 (July 4, 2026),¹ the Computer & Communications Industry Association (“CCIA”) submits the following comments. CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms. For over 50 years, CCIA has promoted open markets, open systems, and open networks.² CCIA members are significant participants in Brazil’s digital economy and are directly affected by policies governing digital trade, investment, and technology deployment.

I. Tariff Coverage

USTR requests comment on the scope of the proposed tariff action, including whether particular tariff subheadings should be included or excluded based on their importance to the U.S. economy, potential supply chain disruptions, and whether additional duties would

¹ U.S. Trade Representative. (2026, June 4). Notice of Determination and Request for Comments Concerning Action Pursuant to Section 301: 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. *Federal Register*. <https://www.federalregister.gov/documents/2026/06/04/2026-11158/notice-of-determination-and-request-for-comments-concerning-action-pursuant-to-section-301-brazils>.

² For more, visit ccianet.org.

effectively address Brazil's acts, policies, and practices. CCIA offers the following observations regarding the scope of any tariff action adopted pursuant to this investigation.

First, CCIA understands that HTSUS 8504.21.00, 8504.22.00, and 8504.23.00 (tariff lines covering liquid dielectric transformers) are currently excluded because they are already subject to Section 232 measures. Should future changes to the Section 232 regime alter that status, USTR should not automatically extend this Section 301 action to those products, but instead conduct a separate notice-and-comment process to evaluate whether doing so would adversely affect U.S. businesses, supply chains, and critical sectors. Given the essential role these products play in supporting data center, cloud, and AI infrastructure deployment, such a review would help avoid unintended impacts on U.S. digital competitiveness.

Second, if USTR proceeds with the proposed tariff action, the scope of that action should remain narrowly tailored to address the underlying acts, policies, and practices at issue. Accordingly, USTR should exempt used goods, as they are not materially connected to the conduct under review and their inclusion would not meaningfully advance the objectives of this investigation.

II. Additional Considerations Relevant to the Determination

Although the principal focus of this notice is the proposed action and tariff coverage, USTR's determination also identifies specific acts, policies, and practices that burden or restrict U.S. commerce. The following observations are intended to provide additional context regarding those findings and to highlight other digital trade barriers that continue to affect U.S. suppliers in the Brazilian market and that merit engagement with the Brazilian government.

A. Brazil's Treatment of Electronic Payment Services and the Governance of Pix

Although the principal focus of this notice is the proposed action and tariff coverage, CCIA wishes to briefly comment on USTR's determination concerning Brazil's treatment of electronic payment services and the governance of the Central Bank's Pix platform. Because USTR identified these issues among the acts, policies, and practices that burden or restrict U.S. commerce, accurately characterizing the source of the competitive concern will be important to any effort to address the barrier identified in the determination. The following observations are offered in that spirit.

USTR's determination concludes that Brazil has unfairly disadvantaged competing electronic payment providers through policies that favor Pix, including mandates related to participation, prominence, and pricing, and identifies the Brazilian Central Bank's dual role as both regulator and owner-operator of Pix as creating a conflict of interest. USTR further found that these arrangements burden U.S. commerce by imposing costs on competing providers and requiring them to promote a state-backed competitor. CCIA agrees that aspects of Brazil's governance framework for electronic payments raise legitimate trade and competition concerns.³ In particular, the Central Bank's dual role as both regulator and operator of Pix creates the risk that regulatory authorities may shape market conditions in ways that favor a state-run service over competing providers. This concern extends beyond the measures identified in the determination and includes the broader lack of regulatory and operational separation between Pix and the Central Bank, as well as legislative proposals such as Bill 2141/2025, which would require device manufacturers and operating system providers to provide NFC access for Pix-related transactions on terms established by the Central Bank.⁴ Together, these measures raise concerns regarding competitive neutrality, cybersecurity, IP protections, and market access for U.S. payment, fintech, and technology providers.

At the same time, it is important to distinguish these governance concerns from the success of Pix itself. By accelerating the adoption of digital payments and expanding participation in the formal digital economy, Pix has increased opportunities for U.S. companies to reach Brazilian consumers, deliver digital services, and participate in Brazil's growing e-commerce market.⁵ The relevant concern is therefore not the existence or success of Pix, but whether the governance framework surrounding its operation remains competitively neutral and avoids conferring unfair advantages on a state-operated payment system.

Accordingly, CCIA encourages USTR to emphasize that the competitive concerns identified in this investigation stem from the governance framework surrounding Pix rather than the payment system itself. Brazil has a clear path to addressing these concerns through measures that promote competitive neutrality, including greater separation between the Brazilian Central

³ CCIA. (2025, October 29). Comments of the Computer & Communications Industry Association Regarding Foreign Trade Barriers to U.S. Exports for 2026 Reporting. <https://ccianet.org/wp-content/uploads/2025/10/CCIA-Comments-for-the-2026-USTR-National-Trade-Estimate-Report-1.pdf#page=47>.

⁴ *Projeto de Lei 2141/2025* [Brazil]. (2025). <https://www.camara.leg.br/proposicoesWeb/fichadetramitacao?idProposicao=2504778>.

⁵ Grant, W. (2025, January 22). Brazil's Pix Set Records, Surpassing Credit Card Transactions Last Year. *PaymentsJournal*. <https://www.paymentsjournal.com/brazils-pix-set-records-surpassing-credit-card-transactions-last-year/>.

Bank's regulatory and operational functions and the avoidance of policies that favor Pix over competing payment solutions. Such an approach would directly address the concerns identified in the determination while preserving a digital payments ecosystem that has expanded commercial opportunities for U.S. companies operating in and exporting to the Brazilian market.

B. Additional Digital Trade Barriers Warranting Continued USTR Attention

While USTR's determination focuses on a limited set of digital trade concerns, CCIA notes that Brazil maintains or is considering a broader range of measures that continue to burden U.S. digital service suppliers and warrant continued attention. Several of these issues were highlighted in CCIA's prior submissions,⁶ while others have advanced significantly or emerged during the course of this investigation. These include:

- discriminatory or disproportionate platform regulation proposals;
- burdensome AI regulation;
- network usage fee proposals;
- discriminatory audiovisual service mandates;
- the extension of telecommunications-style obligations to non-telecommunications digital infrastructure providers;
- barriers affecting data center investment and ICT imports;
- discriminatory financial transaction taxes;
- satellite market access restrictions; and
- recent measures affecting intermediary liability protections.⁷

⁶ CCIA. (2025, August 18). Comments of the Computer & Communications Industry Association Regarding Initiation of Section 301 Investigation into 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; Hearing; and Request for Public Comments. <https://ccianet.org/wp-content/uploads/2025/08/CCIA-Comments-on-301-Investigation-into-Brazils-Digital-Trade-Barriers.pdf>; CCIA. (2025, October 29). Comments of the Computer & Communications Industry Association Regarding Foreign Trade Barriers to U.S. Exports for 2026 Reporting. <https://ccianet.org/wp-content/uploads/2025/10/CCIA-Comments-for-the-2026-USTR-National-Trade-Estimate-Report-1.pdf#page=34>.

⁷ CCIA. (2026, June 24). CCIA Explainer on Brazil Barriers to U.S. Digital Services Suppliers and Suggested Commitments. <https://ccianet.org/library/ccia-explainer-on-brazil-barriers-to-u-s-digital-services-suppliers-and-suggested-commitments/>; CCIA. (2026, June 24). CCIA Concerns with Brazil's Amendments to the Marco Civil da Internet Implementing Regulation. <https://ccianet.org/library/ccia-concerns-with-brazils-amendments-to-the-marco-civil-da-internet-implementing-regulation/>; CCIA. (2026, May 21). Tax-Related Barriers to Digital Infrastructure Investments in Brazil. <https://ccianet.org/library/tax-related-barriers-to-digital-infrastructure-investments-in-brazil/>; CCIA. (2025, December 23). Brazil's VOD Bill Poses Key Trade Barriers for U.S. Streaming Services. <https://ccianet.org/library/brazils-vod-bill-poses-key-trade-barriers-for-u-s-streaming-services/>; CCIA. (2026, March 23). CCIA Comments on ANATEL's Public Consultation No. 48. <https://ccianet.org/wp-content/uploads/2026/03/CCIA-Comments-on-ANATELs-Public-Consultation-No.-48.pdf>; CCIA. (2023, July 26). CCIA Submission to ANATEL on Added Value Services (English). <https://ccianet.org/library/ccia-submission-to-anatel-on-added-value-services-english/>.

Collectively, these measures risk limiting market access, increasing costs for U.S. suppliers, and constraining the growth of digital trade between the United States and Brazil. Although these issues were not addressed in the determination, CCIA encourages USTR to continue monitoring and engaging on them through appropriate bilateral and trade policy channels given their significant implications for U.S. digital exports and investment in the Brazilian market.

III. Conclusion

CCIA appreciates the opportunity to provide these comments and looks forward to continued engagement with USTR on issues affecting digital trade with Brazil. Addressing both the barriers identified in the determination and the broader set of outstanding digital trade concerns discussed above would help expand commercial opportunities for U.S. companies and strengthen the bilateral digital economy.

Respectfully submitted,

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