

May 6, 2026

The Honorable Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
Washington, DC 20508

Re: Brazil's Discriminatory Digital Markets Legislation, PL n° 4675/2025

Dear Ambassador Greer,

Ahead of President Trump's May 7 meeting with President Lula, the undersigned organizations urge the Administration to engage Brazil to abandon its efforts to pass competition legislation through an expedited process and instead pursue an approach that is evidence-based and developed in meaningful consultation with industry and other stakeholders. The bill, PL n° 4675/2025, would impose discriminatory, burdensome obligations on a narrow set of U.S. technology companies. Concerningly, the expedited process now underway allows the legislation to be brought to a vote at any time. The Brazilian Parliament's rapporteur has stated his goal is to finalize the text by June, and a vote is expected shortly thereafter, making USTR's engagement time-sensitive and critical.

We appreciate your efforts to address discrimination against U.S. technology companies globally, including by naming this bill in the 2026 National Trade Estimate Report on Foreign Trade Barriers. We respectfully request that the Administration raise this as a priority concern in bilateral trade and investment discussions with Brazil, including in negotiations resulting from the ongoing Section 301 investigations, and make clear to the Brazilian government that this legislation could damage broader U.S.-Brazil trade relations. We encourage USTR to calibrate any Section 301 response to maximize outcomes in Brazil's legislative process, recognizing that certain trade remedies may be less effective than sustained diplomatic engagement in preventing the enactment of permanent regulatory barriers.

The U.S.-Brazil economic relationship is both significant and at risk. Bilateral trade between Brazil and the United States totaled \$134.1 billion in 2025. U.S. foreign direct investment accounted for \$88 billion in 2024, making the U.S. the largest investor in Brazil. More than 3,900 U.S. companies are active in Brazil, and American companies directly employ more than half a million Brazilians. If enacted, this discriminatory legislation would directly undermine the jobs and investment this relationship supports.

The bill targets U.S. firms based on size, not conduct. The business community supports sound competition policy and understands Brazil's intention to foster investment, innovation, and economic growth. However, PL n° 4675/2025 designates firms based on size and perceived "systemic relevance" rather than actual anticompetitive conduct. It draws from the same playbook as the EU's Digital Markets Act (DMA) and other emerging ex-ante regulations that de facto target U.S. technology companies. A framework that imposes broad obligations on a few companies risks undermining legal certainty and investor confidence — conflicting with Brazil's own goals of attracting foreign investment to advance digital transformation and bolster competitiveness.

The expedited legislative timeline denies meaningful stakeholder engagement. The approval of an urgency regime in the Brazilian House of Representatives has placed PL n° 4675/2025 on an accelerated legislative track, denying American companies and other affected stakeholders a meaningful opportunity to engage. A proposal affecting competition, innovation, consumer protection, and cybersecurity would benefit from transparent debate, including public hearings and structured technical dialogue with government, the private sector, and civil society.

The bill would harm Brazilian consumers and small businesses and set a damaging global precedent. Brazilians benefit from a wide range of digital tools to communicate, shop, advertise, and access entertainment. At the same time, PL n° 4675/2025 restricts how companies design, integrate, and improve services, discouraging new features and business models. In Europe, implementation of the DMA has already coincided with businesses losing access to cutting-edge artificial intelligence (AI) tools and losing millions in sales due to limitations on personalized advertising. These effects would fall hardest on Brazilian small and medium-sized enterprises that rely on digital tools to reach customers and compete. Left unchallenged, this legislation also sets a precedent for other countries across the Americas to adopt similar discriminatory frameworks targeting American technology companies.

The bill raises serious cybersecurity and privacy concerns. Requirements compelling changes to interoperability, data access, and platform functionality can expand attack surfaces, increase fraud risks, and complicate effective risk management. Weakening the security architecture of U.S. technology platforms through poorly designed foreign regulation raises potential national security concerns, not merely commercial ones. The Administration should treat foreign digital regulations that compromise the integrity of American technology infrastructure as a matter of strategic importance.

Sound competition policy should be non-discriminatory and evidence-based. Brazil's existing competition framework already provides strong tools to address anticompetitive conduct. To the extent that additional measures are deemed necessary, they should apply equally to all market participants and be developed through meaningful stakeholder engagement, with full consideration of unintended consequences for consumers, innovation, and security. By contrast, legislative measures designed to selectively target specific foreign companies will only breed further such proposals, as evidenced by other bills recently introduced in Brazil's legislature.¹

The business community stands ready to provide additional information, technical analysis, or support for U.S. government engagement on this issue, and would welcome the opportunity to discuss these concerns further.

Sincerely,

Association for Competitive Technology (ACT)
Coalition of Services Industries (CSI)
Computer & Communications Industry Association (CCIA)
Consumer Technology Association (CTA)
National Foreign Trade Council (NFTC)
NetChoice
Software & Information Industry Association (SIIA)
TechNet
U.S. Chamber of Commerce
United States Council for International Business (USCIB)

cc:

Sam Mulopulos, Chief of Staff to the United States Trade Representative

Daniel Watson, Assistant USTR for the Western Hemisphere

Courtney Smothers, Deputy Assistant USTR for Latin America

¹ PL n° 882/2026, introduced in March 2026, is expressly designed expressly single out particular U.S. companies.