

RECOGNIZING THE WARM FRIENDSHIP AND EXPANDING STRATEGIC RELATIONSHIP BETWEEN THE UNITED STATES AND BRAZIL, COMMENDING BRAZIL ON SUCCESSFULLY REDUCING ITS DEPENDENCE ON OIL BY FINDING ALTERNATIVE WAYS TO SATISFY ITS ENERGY NEEDS, AND RECOGNIZING THE IMPORTANCE OF THE MARCH 9, 2007, UNITED STATES-BRAZIL MEMORANDUM OF UNDERSTANDING (MOU) ON BIOFUELS COOPERATION

MARKUP

BEFORE THE
SUBCOMMITTEE ON
THE WESTERN HEMISPHERE
OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

ON

H. Res. 651

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CONTENTS

	Page
MARKUP OF	
H. Res. 651, Recognizing the warm friendship and expanding strategic relationship between the United States and Brazil, commending Brazil on successfully reducing its dependence on oil by finding alternative ways to satisfy its energy needs, and recognizing the importance of the March 9, 2007, United States–Brazil Memorandum of Understanding (MOU) on biofuels cooperation	2
Amendment to H. Res. 651 offered by the Honorable Eliot L. Engel, a Representative in Congress from the State of New York, and Chairman, Subcommittee on the Western Hemisphere	8

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UNITED STATES-BRAZIL MEMORANDUM OF UNDERSTANDING (MOU) ON BIOFUELS COOPERATION**

WEDNESDAY, SEPTEMBER 19, 2007

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 3:10 p.m. in room 2172, Rayburn House Office Building, Hon. Eliot L. Engel (chairman of the subcommittee) presiding.

Mr. ENGEL. We will begin. I want to welcome everybody who is here. I want to welcome our guests. Before we hear their testimony, I want to have a brief markup.

Pursuant to notice, I call up the resolution H. Res. 651, which is a resolution recognizing the warm friendship and expanding strategic relationship between the United States and Brazil, commending Brazil on successfully reducing its independence on oil by finding alternative ways to satisfy its energy needs, and recognizing the importance of the March 9, 2007, United States-Brazil Memorandum of Understanding (MOU) on biofuels cooperation signed by President Bush and President Lula.

For purposes of markup, I call it up and move its recommendation to the full committee.

Without objection, the resolution will be considered as read and open for amendment at any point. So moved.

[H. Res. 651 follows:]

.....
(Original Signature of Member)

110TH CONGRESS
1ST SESSION

H. RES. _____

Recognizing the warm friendship and expanding strategic relationship between the United States and Brazil, commending Brazil on successfully reducing its dependence on oil by finding alternative ways to satisfy its energy needs, and recognizing the importance of the March 9, 2007, United States–Brazil Memorandum of Understanding (MOU) on biofuels cooperation.

IN THE HOUSE OF REPRESENTATIVES

Mr. ENGEL (for himself and Mr. BURTON of Indiana) submitted the following resolution; which was referred to the Committee on

RESOLUTION

Recognizing the warm friendship and expanding strategic relationship between the United States and Brazil, commending Brazil on successfully reducing its dependence on oil by finding alternative ways to satisfy its energy needs, and recognizing the importance of the March 9, 2007, United States–Brazil Memorandum of Understanding (MOU) on biofuels cooperation.

Whereas following the oil shock of the early 1970s, Brazil chose to reduce its energy vulnerability by choosing

sugar-based ethanol to diversify its energy sector and power its automobiles;

Whereas with large private and public investments and support from the World Bank, Brazil greatly expanded the amount of sugarcane it produced and began large-scale construction of alcohol distilleries to process sugar into ethanol;

Whereas decades of state investment have helped Brazil become the world's largest consumer and producer of ethanol from sugar cane;

Whereas ethanol supplies 40 percent of the motor fuel used in Brazil and is extremely competitive with gasoline;

Whereas the transition towards biofuels will have a positive impact on the environment and will help reduce greenhouse gases;

Whereas by the end of 2006, 80 percent of new car sales in Brazil were flex-fuel, meaning that they can run on ethanol, gasoline, or any mixture of both;

Whereas Brazil stands out as the leading example of a country that has diversified its energy supply and become a net exporter of energy, in large part by increasing its use and production of alternative energy sources, including ethanol;

Whereas putting the United States on a path toward ending its addiction to oil, as Brazil has done, by investing in clean alternative energy sources is essential in protecting United States national security, the environment, and the stability of the United States economy;

Whereas, on March 9, 2007, the United States and Brazil—the world's two largest ethanol producing countries—signed a Memorandum of Understanding (MOU) to pro-

mote greater cooperation on ethanol and biofuels in the Western Hemisphere;

Whereas the United States–Brazil MOU involves technology-sharing between the United States and Brazil, feasibility studies and technical assistance to build domestic biofuels industries in third countries, and multilateral efforts to advance the global development of biofuels;

Whereas the first countries targeted for United States–Brazilian technical assistance are the Dominican Republic, El Salvador, Haiti, and St. Kitts and Nevis;

Whereas United States President George W. Bush and Brazilian President Luiz Inacio “Lula” da Silva have met twice in 2007 as visible examples of the expanding warm relations and close ties between the United States and Brazil;

Whereas the United States and Brazil are the two largest and most diverse democracies in the Western Hemisphere;

Whereas Brazil—through its leadership of the United Nations Stabilization Mission (MINUSTAH) in Haiti and other achievements—has emerged as a regional leader in the Western Hemisphere; and

Whereas Secretary of State Condoleezza Rice has said that the United States looks to Brazil as a “regional leader and a global partner”: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

2 (1) recognizes that the United States and
3 Brazil have arrived at the point of a strategic con-
4 fluence of interests and urges President George W.

1 Bush to continue to deepen the bilateral relationship
2 between the two countries;

3 (2) recognizes Brazil's role as a leader in the
4 Western Hemisphere and commends its leadership of
5 the United Nations Stabilization Mission
6 (MINUSTAH) in Haiti;

7 (3) commends Brazil for successfully diversi-
8 fying its energy resources and reducing its depend-
9 ence on oil;

10 (4) recognizes that the United States has ar-
11 rived at the point of a strategic confluence of inter-
12 ests with Brazil and welcomes continued develop-
13 ment in the bilateral relationship between the two
14 countries;

15 (5) strongly supports the March 9, 2007,
16 United States–Brazil Memorandum of Under-
17 standing (MOU) on biofuels as a major step forward
18 in bilateral relations, hemispheric integration, and
19 energy diversification;

20 (6) commends joint efforts by the United States
21 and Brazil for their commitment to use expertise to
22 provide technical assistance for biofuels industries in
23 third countries, currently including the Dominican
24 Republic, El Salvador, Haiti, and St. Kitts and
25 Nevis; and

1 (7) encourages United States and Brazilian of-
2 ficials to quickly identify additional countries in the
3 Western Hemisphere to receive technical assistance
4 related to biofuels.

Mr. ENGEL. I am very pleased to be considering H. Res. 651 at the Western Hemisphere Subcommittee's first markup. I will save the bulk of my remarks for my opening statement, but I do want to emphasize that I believe we have in Brazil a true partner and friend.

As subcommittee chairman I believe that we must continue to expand our strategic partnership with Brazil, and H. Res. 651 recognizes this.

I am pleased to say that our ranking member, our former chairman, Mr. Burton, and I have worked on this together. We have similar views about the United States-Brazil relationship.

The March 9 United States-Brazil MOU on biofuels cooperation has really brought a positive agenda to the Americas and rightfully establishes our two countries as leaders in the energy field and in the hemisphere. Brazil, a country which has successfully reduced its dependence on oil through ethanol and other biofuels, is the right country to be our partner in the energy realm. This resolution is a public recognition of the United States Congress' commitment to our partisanship.

As I mentioned before, I want to thank Ranking Member Burton for introducing this resolution with me. I want to turn to him for any statement he may have on the resolution.

Mr. BURTON. Thank you, Mr. Chairman.

He said everything I was going to say, so I won't say anything else. That is supposed to be funny.

Mr. ENGEL. Thank you.

That is partnership, not partisanship.

I have a noncontroversial technical amendment at the desk, which corrects a duplication in the original text.

[The amendment referred to follows:]

AMENDMENT TO H. RES. 651
OFFERED BY MR. ENGEL OF NEW YORK

In the resolved clause, strike paragraph (4) and re-designate subsequent paragraphs accordingly.

Mr. ENGEL. Without objection, the amendment is considered read and the question occurs on the amendment, which we have. All in favor, say aye.

All opposed, nay.

The ayes have it.

Are there any other amendments?

The motion is approved, and the resolution is reported favorably.

Without objection, the resolution will be reported favorably to the full committee in the form of a single amendment in the nature of a substitute incorporating the amendment adopted here today.

Without objection, the staff is directed to make any technical and conforming amendments.

The markup is adjourned.

[Whereupon, at 3:13 p.m., the subcommittee was adjourned.]

