The demand picture for U.S. ethanol was brightened by a strong rebound in exports. Shipments hit 1.4 billion gallons, making 2022 one of the top years for exports, as international fuel supplies were tight and prices were elevated following the Russian invasion of Ukraine. The U.S. share of global output remained at 55 percent, more than double that of Brazil.

Growth in Brazilian ethanol production was subdued by a slow start to the season and a lack of competitiveness of hydrous ethanol during parts of the year. In March, Brazil suspended its 18 percent tariff on imported ethanol through the end of the year, a move that was intended to combat rising fuel prices. The United States exported sizable volumes of ethanol to Brazil during the first half of the year, including a surge to 30 million gallons in April, but shipments then dwindled as Brazil’s domestic production ramped up.

Canada was by far the largest destination for U.S. ethanol exports, accounting for roughly one-third of the 2022 total. Meanwhile, sales to South Korea continued to rise. It remained the second-largest market for U.S. exports. Elsewhere, the European Union ranked third in ethanol production, but output was constrained by a lack of cost-competitiveness as process energy prices moved sharply higher. As a result, the EU imported larger volumes of ethanol, including some from the United States. Separately, American shipments to the U.K. surged after E10 became the standard grade of gasoline there in late 2021.

As India moved toward a national E10 standard, domestic production experienced strong growth. While India imported significant volumes from the United States in the first half of the year, shipments tapered off in the second half.

On the import side, ethanol shipments into the United States held steady at very modest levels of 80 million gallons. As in recent years, almost all imports came from Brazil.

In 2022, more than 99% of the ethanol consumed in the U.S. was produced domestically. Imports accounted for less than 0.5% of U.S. ethanol consumption.

**VALUE OF U.S. ETHANOL EXPORTS**

Sources: U.S. Dept. of Commerce, U.S. Census Bureau, Foreign Trade Statistics

*Forecast based on Jan.-Sep. 2022 data*
Global fuel ethanol production rebounded further to 28 billion gallons in 2022. The United States remained the largest producer, accounting for over half of global output.

Source: RFA analysis of public and private data sources