



Press Release

ePURE raises red flag about surging ethanol imports from Peru

Tuesday, 4 February 2014

Brussels, Today – The European Renewable Ethanol Association (ePURE) has warned the European Commission of surging ethanol imports from Peru since the entering into force of the free trade agreement in August 2013.

It is apparent that an inadvertent change in the pattern of trade is occurring as a direct consequence of this trade agreement. Peru is taking advantage of the elimination of import duties on ethanol by ramping up its exports to the EU and substituting the missing supply with cheap ethanol imports from the US.

Official data reveals that exports from Peru between January and October 2013 have more than tripled to over 93 million litres compared to 27 million litres during the same period in 2012. This surge has occurred in just three months immediately following the removal of import duties. The figure can be expected to be substantially larger once trade data for the entire year becomes available.

In the meantime, Peru is substituting the missing volumes to meet domestic demand with cheap ethanol imports from the United States. Trade data shows that 84 million litres of ethanol were imported from the USA between January and October 2013. This is a clear sign that bilateral trade agreements can create loopholes for other countries to take advantage of.

The EU tries to protect its domestic industry from unfair trade practices from the US through the imposition of anti-dumping duties. Yet the failure to introduce sufficient safeguard mechanisms in bilateral trade agreements unintentionally gives US producers new opportunities on the world market, once again at the expense of EU producers.

“It is apparent that US ethanol producers are ultimately gaining from this operation at the expense of European ethanol producers, jeopardising investments made to achieve renewable energy targets, create new markets for farmers and generate employment in the EU. The European Commission must act to prevent the effects of poorly conceived bilateral trade agreements which undermine its own domestic policies”, said Rob Vierhout, ePURE’s Secretary-General.

- ENDS -

Contact Details:

Mr. Andreas Guth
Trade Manager
ePURE
T: +32 2 609 50 54
E: guth@epure.org

The European Renewable Ethanol Association (ePURE) represents the interests of European renewable ethanol producers to the European institutions, industry stakeholders, the media, academia and the general public. Based in Brussels, ePURE represents 53 member companies, with production plants in 16 member states, accounting for 90% of the installed renewable ethanol production capacity in Europe. The organization, established in 2010, promotes the beneficial uses of ethanol throughout Europe.