



PRESS RELEASE

22 SEPTEMBER 2016

CETA threatens to trigger US ethanol exports to EU through the back door - ePURE

Brussels, Today - The EU-Canada Comprehensive Economic Trade Agreement (CETA), which is to be discussed by the EU's Trade Ministers during the informal Council meeting in Bratislava on 23 September, is a major threat to the EU ethanol industry. It could result in 1.2 billion litres of additional duty free imports from Canada to the EU, the equivalent of 20% of the EU's renewable fuel ethanol production, and would eliminate demand for well over 3 million tonnes of European cereals and sugar beet, undermining the income of thousands of European farmers.

If no safeguard clause is attached to the agreement, CETA will result in a massive change of North American and Transatlantic ethanol trade flows. The US exports duty-free ethanol to Canada under the North American Free Trade Agreement (NAFTA), already making Canada the number one destination of US ethanol exports. The production subsidies that have allowed the Canadian industry to survive the intense price pressure caused by cheap US ethanol imports are set to expire or be scaled back in 2017. Canadian producers will be looking towards export markets where they can still achieve sufficiently high margins for survival, while the domestic demand will be supplied with US ethanol. CETA would allow the US to actively push Canadian ethanol out of the market and over to the EU. About 1.2 billion litres of installed Canadian ethanol production capacity is geographically well located to start exporting to the EU.

"Because of its own free trade agreement with Canada, the US is by far the biggest winner from CETA. It is not just fantasy but a real, danger that the US will be able to piggyback on CETA and export ethanol to the EU via Canada, thus bypassing current EU tariffs and anti-dumping duties on US ethanol. We urge the Council and the European Parliament to postpone the implementation of CETA until measures are put in place to adequately protect EU ethanol producers from US exports through the back door of CETA", said Robert Wright, Secretary-General of ePURE.

- ENDS -

Contact Details:

Mr. Barry Magee
Communications Manager
ePURE
T: +32 2 657 66 79
E: magee@epure.org

www.epure.org

About ePURE

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 42 member companies, with production plants in 16 member states, accounting for about 85% of the installed renewable ethanol capacity in Europe. The organisation, established in 2010, promotes the beneficial uses of ethanol throughout