

PRESS RELEASE

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European ethanol industry welcomes EU's initiation of expiry review of anti-dumping duties on U.S. fuel ethanol

BRUSSELS, 20 February 2018 – The European Commission's initiation of an expiry review of the anti-dumping duties on imports of fuel ethanol originating in the United States is an important step toward the renewal of existing anti-dumping measures and ensuring EU industry can compete on a level playing field.

The anti-dumping duty in place since 23 February 2013 on U.S. fuel ethanol exports to the EU has proven effective in preventing continued dumping by the U.S. industry but was set to expire after an initial 5-year period. Removal of the measures would result in the resumption of massive and unfair imports of ethanol from the U.S., leading once again to severe material injury to the EU industry.

In November 2017, European ethanol producers submitted a request to extend the measures – which are needed now more than ever. Since the imposition of the measures by the EU in 2013, the U.S. ethanol industry has continued to expand, adding over 6 billion litres of production capacity. Yet the U.S. fuel ethanol market has not expanded at the same rate, resulting in staggering overcapacity of more than the EU's entire annual fuel ethanol consumption.

The risk that the U.S. industry would resume dumping once the measures are lifted is becoming increasingly acute. Other major U.S. export markets are retaliating against unfair trading practices by the U.S. industry. In 2017, as a direct response to massive U.S. exports, China increased its import tariff for ethanol from 5% to 40%; Brazil increased its import tariff from 0% to 20% for imports exceeding 150 million litres per quarter; and Peru initiated its own anti-dumping investigation against the U.S.

“With other export markets closing their doors to dumped U.S. ethanol, coupled with a saturated U.S. fuel ethanol market at home, U.S. exporters will be looking for alternative export opportunities for close to 1.5 billion litres of product,” said Emmanuel Desplechin, Secretary General of ePURE. “If only a fraction of this volume were to be diverted to the EU market, it would severely damage the EU industry, putting at risk the 50,000 direct and indirect jobs linked to renewable ethanol production in Europe.”

The anti-dumping measures will remain in place during the European Commission investigation, which will be concluded within 15 months.

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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 34 member companies, with 43 production plants in 16 EU 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 Europe.