



Mr. Damien Levie  
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European Commission,  
Rue de la Loi 200  
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Dear Mr. Levie,

In the framework of the public consultation on regulatory issues between the EU and the US, ePURE has identified two issues as regards bioethanol that might be raised in this context:

- Classification
- Certification

#### 1) Classification

The EU and the US use similar categories for ethanol products (Chapters 22, 29 and 38). However, they have different classification practices especially for blends (e.g. as to volume of gasoline that determines the relevant Chapter). There is, in particular, no specific subheading for fuel ethanol in the EU while there are various subheadings for fuel ethanol under different chapters of the US Customs Code. For example, there are specific sub-headings for ethanol and/or ETBE for fuel use.

Also, the US has a common duty system in addition to the tariff applicable to the heading (Harmonized Tariff) when there is no such common duty in the EU.

As a result, EU operators may well import ethanol/gasoline blends under a different code, or even a different chapter than the one applicable in the US, with fairly important consequences in terms of duty paid in the EU.

If such practices are consistent with EU law as long as the classification is justified in view of the Combined Nomenclature, it creates nevertheless loopholes and favorable conditions for circumvention that benefit to the main ethanol world exporters.

The purpose of the new Regulation 211/2012 on ethanol blended with gasoline adopted by the EU last March is precisely to close those loopholes that benefited mostly to US exporters. In order to address the case of other mixtures, this Regulation needs now to be completed.

#### 2) Certification

Aiming at the same quality and environmental objectives in terms of sustainability, the EU and the US have however different certification schemes.

The EU certification process to verify that biofuels produced in the EU or imported comply with the sustainability criteria set in the RED and FQD (see Communication 2010/C 160/02) includes three different certification schemes in place in the EU:

- Voluntary schemes at EU level
- National scheme at Member state level
- Bilateral agreements



There is no such bilateral agreement in force yet but it is common knowledge that the US is very much in favor of this solution.

ePURE thinks that this issue can be tackled though a dedicated bilateral agreement without the need to put in place a comprehensive trade agreement that would cause many difficulties in terms of market access.

Sincerely yours,



Robert Vierhout

Secretary-General ePURE