

2019-06-24

Cecilia Malmström
Commissioner for Trade
Rue de la Loi 200
1049 Brussels
Belgium

24 June 2019

Dear Commissioner,

We are writing to you as European companies in the Innovation and Chemical sector to support the successful conclusion of the EU-Mercosur Free Trade Agreement (FTA).

An agreement, if reached, would represent an unprecedented market size and would be the largest FTA the EU has ever negotiated. Moreover, an FTA between two of the world's five largest economies would send a strong signal in terms of the commitment to open, rules-based trade. As advocates of trade liberalisation, we support this endeavour.

The EU chemical industry is dependent on imports of bioethanol at world market prices from third countries as a raw material for our chemical production. Without such imports, we could not access the raw material we need at a competitive price to maintain our operations.

Brazil is the second largest producer of bioethanol in the world and could become an important source of bioethanol for EU chemical companies. An agreement, as part of an EU-Mercosur FTA, of a tariff-free quota for bioethanol imports, for chemical conversion only, into the EU would ensure security of supply and provide certainty for a key EU industry.

We appreciate that bioethanol is considered as a sensitive sector.

[Art. 4.2 first indent]

Thank you in advance for considering our request and we wish you success in the negotiations to come.

Yours sincerely,

[Art. 4.1(b)]

Innovation and Chemical Industries in Sweden

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