

METHANOL MATTERS

Weekly News for Global Methanol Leaders



July 12, 2019

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MI Requests Methanol Exclusion from U.S. Tariff Action

MI this week submitted documentation to the United States Trade Representative (USTR) requesting an exclusion for methanol from tariff action taken by the U.S. against China in September 2018.

The action imposed a initial 10 percent tariff on methanol imported to the U.S. from China. After trade talks between the countries faltered, the tariff jumped to 25% on May 10th, 2019 and has led to an in-kind retaliatory tariff on U.S. methanol imported into China,



USTR recently made available a process by which requests for exclusions from the tariff can be requested. MI has filed requests for exclusion for each of the 10 digit Harmonized Tariff Schedule Numbers under which methanol is classified.

MI's filing notes that "The United States is becoming a methanol exporting country, and imports from China are non-existent, ongoing tariffs on methanol imports from China have no impact other than triggering Chinese retaliation imposing additional tariffs on methanol imported from the U.S., hurting the growing U.S. methanol production business generated as a result of the shale gas revolution."

MI also points out that "China is the world's largest methanol consumer, not only for its use of methanol as a chemical building block, but also with its continually expanding use of methanol in the energy and fuel sectors. For instance, China's central government issued a national policy on methanol vehicles in March, 2019. The policy encourages the broad commercial expansion of methanol-fueled (M100) vehicles in China. China's extensive and growing use of methanol provides a strong export opportunity for U.S. produced methanol and thus a potential partial remedy to the U.S. – China trade imbalance. The inclusion of methanol on the Section 301 list directly threatens that positive trade."

MI's arguments are bolstered by a report commissioned from ADI Analytics which finds that each new methanol plant built in the U.S. drives capital spending of \$1.1 billion and an economic ripple effect worth \$1.5 billion.

In addition to filing these exclusion requests, MI has previously submitted detailed comments to and testified before USTR on the need to exclude methanol from tariff actions. Additionally, MI remains an active member of the coalition [Americans for Free Trade](#), which seeks to end the disruptive trade dispute between the U.S. and China.

MI's exclusion request, including a downloadable copy of ADI's economic impact report, can be found [HERE](#).



Chinese National Television Reports on Methanol Vehicles

On Tuesday, China Central Television Channel 2's "Trade Time" program reported on the impressive progress of methanol vehicles in China, based on a methanol vehicle seminar held in Guiyang by China's Ministry of Industry and Information Technology (MIIT).



The program noted that with policy support from the central government, Guiyang has set a good example by putting 9,000 M100 taxis on the road, demonstrating that methanol is a clean and cost effective fuel for transportation.

MI members **Olah Motors** and **Palcan** are also featured for their R&D work on methanol as an energy storage media for battery electric vehicles and methanol as hydrogen carrier for fuel cell vehicles respectively. MI members **IGP Methanol** and **Blue World Technologies** are

interviewed as well. The video is in segments which are available (in Chinese) [HERE](#), [HERE](#), [HERE](#) and [HERE](#).

India Methanol Roundup

APL Methanol Cook Stove Project

India's pilot project on methanol cook stoves is ongoing. Inaugurated in October, 2018, the Assam Petro-Chemicals Ltd. (APL) project, working under the Aegis of NITI Aayog (The National Institution for Transforming India), has distributed 356 methanol cook stoves among APL employees.



The cook stoves were sourced from CLEANCOOK Sweden, and the average consumption of methanol over the course of the pilot has been nearly 3700 liters per month. As part of the project, cook stove recipients were surveyed on the effectiveness of the stoves. Survey results include that 85% of participants indicated that they use the methanol stove frequently, and 90% of participant households stated a strong belief that the methanol stove is safer than their current LPG stove. Full results of the survey are available [HERE](#), and results of a controlled cooking test conducted by APL featuring both methanol and LPG stoves are available [HERE](#).

APL – TRA Project

Tocklai Tea Research Institute (TTRI), located in Assam, has implemented a pilot project using methanol as an alternative fuel in all aspects of the tea manufacturing process. Over the course of the six month project methanol will be used to dry the tea leaves at TTRI's model tea factory and the results; fuel consumption, quality, cost analysis, will be compared to other fuels. Should the project prove successful, current coal and natural gas burners will be replaced with methanol, leading to both cost and environmental benefits. Eventual uptake could include up to 900 tea gardens and consume up to 400,000 metric tons of methanol per year.



VERYCONNECT MEMBER PLATFORM CONTENT

VeryConnect is MI's member engagement platform. Check out VC to view MI's daily Twitter feed, blogs, trip reports, conference presentations, committee activities and more. If you are a member company representative and have not yet accessed your VC account, contact Belinda Pun at bpun@methanol.org (Reminder: VC content is only available to MI members).

VeryConnect Login: <https://members.methanol.org/login>

- Minutes – 13 June MI Board of Directors Meeting
- FEV Presentation on Germany's C3 Mobility Program
- Presentation from German Energy Agency (DENA) on Global Alliance Powerfuels

Reports are available on VC Homepage

THIS WEEK'S HEADLINES

[Demand for Methanol as Marine Fuel to Grow Ahead of IMO 2020...](#)

[US EPA Proposes Stalling 2021 Biodiesel RVO at 2020 Level...](#)

UPCOMING INDUSTRY EVENTS

September 9–11, 2019

Argus Methanol Forum (Houston, Texas)

[\(details\)](#)

October 4–5, 2019

37th Annual World Methanol Conference (Berlin, Germany)

[\(details\)](#)

October 27–29, 2019

2019 Global Syngas Technologies Conference (Austin, Texas)

[\(details\)](#)

October 29–November 1, 2019

Singapore International Energy Week 2019 (Singapore)

[\(details\)](#)

November 7, 2019

MI Board of Directors Meeting (Singapore)

[\(details\)](#)

November 5–7, 2019

IMPCA Asian Methanol Conference (Singapore)

[\(details\)](#)

December 3–4, 2019

**6th MMSA Methanol Technology and Policy Conference
(Frankfurt, Germany)**

[\(details\)](#)



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