

EBB**European Biodiesel Board**

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PRESS RELEASE

EBB lodges joint anti-dumping & anti-subsidy complaint against unfair US “B99” exports

As announced during its last General Assembly meeting, the EU biodiesel industry is today presenting a legal complaint to the European Commission against unfair subsidised biodiesel exports from the United States.

In the framework of the US Federal measures adopted in 2004, biodiesel can be subsidised up to \$264 per m³ (300 USD/tonne, approximately €200/tonne) only by adding a “drop” of mineral diesel to biodiesel. US producers can therefore claim the maximum subsidy for a “B99.9” blend. Such a blend can then be exported to Europe where it is also eligible to European subsidy schemes.

Since 2007, as a result of these measures, there has been a dramatic surge in US biodiesel exports to the EU, thus creating a severe injury to the EU biodiesel industry. The unfair competition from US B99 is price-setting and has progressively disrupted the margins of European biodiesel producers, putting most of them out of business. Consequently, the important EU biodiesel production capacity has remained largely unutilised in 2007 and production has increased at a much lower rate than in the previous years.

Against this background, the US Congress so far proved unable to provide a sustainable answer to the plight of B99 and there are evidences that the support scheme could even be extended beyond 2008.

In this context, the European Biodiesel Board is presenting today a joint anti-subsidy and anti-dumping complaint to the European Commission services. **In view of the critical circumstances prevailing on the EU biodiesel market, the EU biodiesel industry is urging the European Commission to initiate an anti-dumping and anti-subsidy investigation, with a view to impose as soon as possible countervailing measures against US “B99” exports to the EU.**

Subsidised “B99” exports are a trade practice that is not only breaching WTO rules but also threatening the very concept of international trade in biodiesel. This is undermining the potential of biodiesel production as a powerful tool in the fight against climate change. Given the environmental and economic advantages of biodiesel production, it is even more urgent to re-establish a level playing field in terms of biodiesel trade flows.

The European Biodiesel Board, also known as EBB, is a non-profit organisation established in January 1997. EBB represents the voice of the EU biodiesel industry. It gathers 56 companies and associations and aims to promote the use of biodiesel in the European Union. EBB member companies account for around 80% of EU biodiesel production.

For further information please contact the Secretary General of EBB, Mr. Raffaello Garofalo at secretariat@ebb-eu.org, tel +32 (0)2 763 24 77, or visit our website: www.ebb-eu.org