

## Complaint against US biodiesel competition

THE European Biodiesel Board (EBB) has lodged a formal complaint against what it claims is unfair competition from the US.

The EBB said it had formally lodged a complaint to the European Commission and called for duties on so-called B99 biodiesel exports.

The news came just three weeks after Teesside-based D1 Oils announced a £46.1m loss and said it planned to close its refining business in Middlesbrough, with the loss of 40 jobs, because of cheap US imports of biodiesel.

In effect, "B99" subsidies are given to US producers for fuel that is 99 per cent biofuel and up to one per cent mineral diesel.

They then receive European subsidies when it is exported.

That means US producers can sell their fuel in the UK for 11p a litre, about half the price it costs UK companies to produce it.

It is understood that former Hartlepool MP Peter Mandelson, now the EU trade commissioner, has held talks with Susan Schwab, the US federal trade representative, but the pair have failed to reach a deal.

A spokesman for Mr Mandelson said: "We've had extensive contacts with the EBB over several months. We're glad that they have finally submitted their request and will examine it thoroughly, pursuing the issue vigorously with the US. We will not tolerate unfair trade."

The commission has 45 days to examine the EBB complaint.

8:59am Saturday 26th April 2008

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