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EBB files anti-dumping complaint with EC over US B99 Imports

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An official complaint against the importation of subsidised US biodiesel was filed with the European Commission by the European Biodiesel Board today (25th April). The EBB has been campaigning against the trade in 'splash & dash' B99 blends since last year, accusing the US of dumping its biodiesel on the European markets.


Since the middle of last year there has been a dramatic surge in US biodiesel exports to the EU which, says the EBB, has had a hugely deleterious effect on the EU biodiesel industry. The unfair competition from US B99, it argues, 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.

The current situation was caused by US Federal measures adopted in 2004, whereby biodiesel can be subsidised up to \$264 per m3 (equivalent to 300 USD/tonne, approximately €200/tonne) only by adding a "drop" of mineral diesel to biodiesel. This effectively means that US producers can claim the maximum subsidy for a B99.9 blend and then export it to Europe where it is also eligible to European subsidy schemes.

Despite complaints from Europe the US Congress has, so far, been unable to alter the legislation, and the worry in the European camp is that there is evidence that the support scheme could even be extended beyond 2008.

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The Aquatic Plant That Could Solve America's Fuel Crisis. New Report.
www.GreenChipStocks.com/Biofuel_Rpt

Biodiversity
StatoilHydro's environmental policy. Sustainability Report 2007
www.StatoilHydro.com/Sustainability



In this context, the European Biodiesel Board is presenting 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, says the EBB, 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 restrictions on 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", says the EBB. "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."

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