

UPDATE 1-EU bio industry complains over U.S. duty evaders

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- * Biodiesel industry to complain in coming weeks
- * Says imports thwart EU duties via Canada, third countries
- * Says volumes are substantial

(Adds EBB spokeswoman, details, background)

BRUSSELS, Nov 26 (Reuters) - Europe's biofuels industry said on Thursday it would lodge a complaint with EU trade authorities against companies they say are evading duties slapped on U.S. biodiesel imports.

The European Commission, which oversees trade policy for the 27-nation bloc, imposed anti-dumping and anti-subsidy duties of up to five years on imports of biodiesel from the United States in May. [ID:nLS984143]

But the Brussels-based European Biodiesel Board (EBB) said it had strong indications subsidised and dumped U.S. biodiesel continues to enter the EU market, either via third countries based on fraudulent declarations of origin, or through blends.

"Against the background of persisting circumvention practices, the EBB General Assembly decided to proceed with the lodging of an anti-circumvention complaint to the EU trade authorities," the group said in a statement.

"If and when established, these practices will lead to heavy and retroactive financial penalties," it said.

The EBB said it would file the complaint in coming weeks, but did not identify companies it suspected were involved, nor gave figures, but a spokeswoman said the volumes involved were "substantial."

The EU's anti-subsidy duties applied to imports of pure biodiesel and fossil diesel/biofuel blends with more than 20 percent biodiesel content.

"We are seeing biodiesel blends not covered by the measures entering the European market," the spokeswoman said.

"We also suspect that pure U.S. biodiesel is being re-exported to Europe via third countries and re-labelled, especially in Canada."

"These two scenarios are in our opinion strongly undermining the effect of the EU duties."

Under the duties imposed by the Commission, U.S. agricultural processors and ethanol producers such as Archer Daniels Midland (ADM.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) faced an additional duty of 359 euros (\$541) per metric tonne of biodiesel exported to the EU.

More than 50 companies that cooperated with the Commission's investigation faced a tariff of 335 euros per tonne, while all others had to pay 409 euros per tonne.

For a factbox on EU duties on U.S. biodiesel click here [ID:nLR275681] (Reporting by Bate Felix in Brussels and Michael Hogan in Hamburg; editing by [Darren Ennis](#)) ((Reuters Messaging:

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