

## **EU- Duties on B99 bio-diesel imposed (Kingsman)**

According to an announcement today in the Official Journal of the EU, the 27- member bloc will impose two types of duties on bio-diesel imported from the US, starting Friday, Dow Jones reports. "Anti-dumping and anti-subsidy measures aren't about protectionism, they are about fighting unfair trade," an EU trade spokesman said in a statement. "This decision was taken on the basis of clear evidence that unfair subsidization and dumping of US bio-diesel has taken place."

The anti-dumping duties range from EUR23.6 to EUR208 a metric ton, and the anti-subsidy duties range from EUR211 to EUR237/ton, depending on the company that produces the biodiesel. Companies importing biodiesel from the US will have to pay both of these duties.

"I'm being outcompeted not by US plants but by the deep pockets of the US government," said the chief executive Biofuels Corp, a large UK bio-diesel producer that has been running far below full capacity. "If these duties give us that level playing field, then I expect to be back up to capacity."

But US biodiesel producers said their product isn't the cause of the European biodiesel industry's financial problems. "It is factors unrelated to US competition - bad business models; high feedstock costs; and detrimental EU member state policy - that are to blame," said an official of the National Biodiesel Board.

Archer Daniels Midland Co (ADM), the giant U.S. agriculture company, will have to pay combined duties of EUR261/ton. Cargill will have to pay EUR275/ton. Imperium Renewables will have to pay EUR293/ton, Green Earth Fuels EUR284/ton, and World Energy Alternatives EUR294/ton, according to the proposal. Fifty-three companies that cooperated with the EU's investigation will have to pay EUR342/ton, including Louis Dreyfus Agricultural Industries, Vitol Inc, while US Biofuels Inc, Peter Cremer North America LP and all other companies will have to pay EUR419/ton.

In a resolution adopted on Wednesday, the EU Parliament said it welcomed the contribution that could be made by the increased use of biofuels in the transport sector, particularly in increasing security of supply and notes that higher oil prices will promote alternative fuels such as second generation biofuels, hydrogen, and the use of electric cars.

While recognising the importance of small and medium-sized enterprises in the production of biofuels, it says that technical and regulatory barriers still exist in the production and commercialisation of those products and calls on the Commission to work towards facilitating market access for these fuels. Parliament also says that the conditions of investment must be improved.

However, it also expresses 'doubts regarding the medium- and long-term suitability of first-generation biofuels as a substitute for oil', and calls for 'increased efforts in researching synthetic fuels'. The resolution will be sent to the Council, Commission and to member states and can be accessed in full on : <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+20090311+TOC+DOC+XML+V0//EN&language=EN>

Biodiesel producer Argent Energy has urged the Scottish government to do more to help local authorities collect used cooking oil and turn it into renewable fuel for transport, New Energy Focus reports. The company's Motherwell plant received a visit on Tuesday by Scotland's transport and climate change minister, who saw for himself how tallow, waste fats and oils are turned into biodiesel. At present, much of the used cooking oil processed at the Motherwell site comes from English homes and businesses, but Argent now wants to see more collection schemes set up in Scotland to reduce travel distances for its feedstock.

A leading biofuel expert and professor at the University of Copenhagen speaking at the Climate Congress conference in Copenhagen, called on the industry to focus on improving agricultural yields as best means of limiting impact on food prices and the most cost effective means of increasing production and delivering deeper carbon cuts, Business Green reports. He said that with demand for first generation biofuels likely to continue to grow over the coming decades, the onus was on the industry to identify ways of increasing production of crops such as cane and corn, without expanding

the amount of agricultural land it requires for feedstock.

Arguing that the problem was agriculture, he pointed out that while record yields of corn top 19 mt per ha, global average yields stood at just 4.6 mt. But as using more fertiliser and pesticides were unsustainable, he advocated simple breeding, without even using genetic modification, as that would go a long way. "We have tripled seed yields since 1960, but now we need to focus on productivity, on plant photosynthesis" to capture more energy. His research has found that first generation biofuels can still deliver CO<sub>2</sub> savings of between 30% and 80% on fossil fuel alternatives if they are managed properly, while second generation bioethanol and biodiesel can deliver savings of between 60%-80%.  
(12 March 2009)