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By Darren Ennis

BRUSSELS, Feb 19 (Reuters) - The European Commission plans to propose anti-dumping and anti-subsidy duties on imports of biodiesel from the United States, sources familiar with the proposal said on Thursday.

In a separate move that is also likely to agitate sensitive trans-Atlantic trade relations, a probe by the EU executive into a U.S. clampdown on European online gambling firms is expected to recommend action at the World Trade Organisation, sources familiar with the probe's findings said.

But the sources said Brussels, which oversees trade policy for the 27-nation bloc, would try to reach agreement with the new U.S. government before taking any case to the global trade watchdog to try to avert a possible trade war with Washington.

The anti-dumping duties on U.S. biodiesel would range from 2 euros (\$2.50) to 19 euros per 100 kg and the anti-subsidy duties from 23 to 26 euros per 100 kg, sources told Reuters.

The Commission is due to propose the measures at a meeting on March 3 of EU national trade officials, known as the anti-dumping committee, the sources said.

If it is agreed to impose the so-called "provisional measures," the extra duties will take effect one month later and remain in place for up to six months when the Commission must then decide whether to propose "definitive" duties, which normally last for five years.

Definitive duties must be approved by EU governments before coming into force. Diplomats in Brussels said proposing both types of duties was highly unusual.

The provisional duties would make it difficult for U.S. producers to sell biodiesel into the European market, said Manning Feraci of the U.S. National Biodiesel Board.

"It's a protectionist measure to shield the European industry from our competition," Feraci said.

But Feraci said it would be hard to demonstrate that U.S. imports have harmed EU producers -- a finding needed for the Commission to establish definitive duties.

"Many of their companies are doing extremely well," he said. SPLASH AND DASH

Traders said prices for rapeseed oil, the main component for European biodiesel output, rose by five euros a tonne in the Rotterdam/Hamburg market to 605 euros a tonne for May-June delivery after the Reuters story.

"The report caused considerable turbulence in the market today. No one was willing to make sales offers for biodiesel," a trader at a German biodiesel producer said.

Imports from the United States into Europe are larger than from any other country and increased from about 7,000 tonnes in 2005 to over 1.5 million tonnes last year.

In April last year, EU producers of biodiesel -- by far the main biofuel produced in Europe -- complained that they were being hammered by U.S. subsidies that they said distorted the growing international trade in plant-based fuels.

They said U.S. subsidies for so-called B99 -- biodiesel with small amounts of mineral diesel -- distorted trade rules.

EU producers say exporters in the United States are involved in what they describe as "splash and dash" whereby they import cheaper biodiesel from countries such as Brazil and add less than five percent of U.S. mineral diesel so they can pick up the U.S. subsidy before exporting to Europe.

(Additional reporting by Mike Hogan in Hamburg, Sybille de La Hamaide, and Roberta Rampton in Washington; editing by Dale Hudson and Peter Blackburn)

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