EU probes EU biodiesel imports

August 12, 2010

ARGUS

London, 12 August (Argus) — The European Commission has opened an investigation into US biodiesel imports into Europe.

The investigation will focus on a possible circumvention of anti-dumping duties imposed on imports of biodiesel originating in the US.

The EU last year effectively banned the import of subsidised "B99" imports — biodiesel blended with small amounts of mineral diesel to qualify for a \$1/USG rebate — from the US by imposing harsh anti-dumping and countervailing duties.

There is evidence that anti-dumping measures are being circumvented by shipping US-origin biodiesel through Canada and Singapore or through direct exports of mineral diesel in a blend containing less than 20pc biodiesel by weight, according to the commission.

The investigation follows a request lodged in June by the European Biodiesel Board (EBB) industry association on behalf of EU biodiesel producers. The commission has now made biodiesel imports from Canada and Singapore as well as US imports subject to registration. The commission has nine months to proceed with this investigation.

It will send questionnaires to national authorities and interested parties, including the exporters and importers and associations of exporters and producers in Canada, Singapore and the US.

Italian custom authorities <u>seized a large quantity</u> of biodiesel in the port of Venice in March.

The product was declared Canadian by origin, but its price suggested it was from the US, according to the EBB. The product was offered at a \$150-180/t discount to EU biodiesel of comparable quality. The EBB alleges that transatlantic shipments are being used to evade EU anti-dumping and anti-subsidy measures on US biodiesel.

The EU investigation is backed up by a similar inquiry by the EU anti-fraud office Olaf.

http://www.argusmedia.com/pages/NewsBody.aspx?id=717943&menu=yes