

EBB Press Release

WTO Panel's report on biodiesel from Argentina inconclusive EBB awaits definitive decision by the Appellate Body



The WTO Panel published this Wednesday 29/3/2016 its report in the case brought by Argentina regarding the EU anti-dumping measures on Argentinian biodiesel imports. The EBB regards the Panel decision as a first episode in the legal battle engaged by Argentina and Indonesia in the WTO and before the European Court. EBB expects the Commission to appeal the questionable parts of the Panel report for review by the Appellate Body.

While EBB notes with satisfaction that the WTO Panel does not put into question the possibility of adjustments of costs and prices, as provided in the EU legislation, it fails to understand how the Panel could, under these circumstances, come to the conclusion that the method used by EU Commission, in order to correct the massive distortions caused by the Argentinean differential export tax (DET) system, was in violation of WTO law.

The government of Argentina initiated the proceeding at WTO level in December 2013, asking for the annulment of the EU anti-dumping measures. This action is part of a larger landscape of legal disputes over the EU anti-dumping duties on imports of biodiesel from Argentina and Indonesia, as the government of Indonesia has lodged a similar request for consultations six months following Argentina's complaint. In parallel, a number of proceedings in the case have been lodged by Argentinean and Indonesian producers at the European Court of Justice.

The EBB is which is active in defending the European industry on all these fronts remain optimistic that it will be successful in convincing the WTO and the European Court to recognize the massive damages suffered by the EU biodiesel producers as a result of unfair imports.

"The European biodiesel industry will stand strong to defend its market from the harmful effects of the differential export tax mechanism, which has enabled the Argentinean biodiesel industry to export biodiesel to the EU at unfairly low prices and at times lower than the cost of biodiesel raw materials – a clear proof of dumping and unfair practice. The WTO Panel's report is not an outright victory for the Argentinean industry, as many of its claims – together with the request to withdraw the EU anti-dumping duties - have been rejected by the WTO Panel. The EBB considers yesterday's WTO decision only as a first episode in a long, strenuous legal battle over the legitimacy of the EU defense measures. This issue has implications that go well beyond the case of biodiesel as shown by the number of countries that have supported as third parties in this proceeding. It is thus essential that the Commission appeal the questionable parts of the report before the Appellate Body." – stated EBB's Secretary General, Raffaello Garofalo.

* * *

The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, EBB gathers 53 members across 21 Member-States, which represents 75% of the European output. Biodiesel is the main European solution to reduce emissions from transport and dependence on imported oil. EBB aims to promote the use of biodiesel in the European Union and is committed to fulfil International standards for sustainability in GHG emissions and sustainable feedstock. EBB is constantly working towards the development of improved and greener technologies.