

EBB Press Release

Possibility of tackling distortions resulting from Argentina and Indonesia Differential Export Tax on Biodiesel not put into question by the Court's ruling



The EU General Court delivered yesterday its rulings on multiple similar actions that had been brought by Argentinean and the Indonesian producers of biodiesel against the anti-dumping duties that are in place on biodiesel imports into the EU since 2013.

Argentina and Indonesia apply a tax on exports of the raw materials (soybean and palm oil), which largely exceeds the tax on exports of final processed biodiesel, discouraging raw materials exports in favor of exports of biodiesel. This allows the domestic biodiesel industry to benefit from getting raw materials at significantly and artificially reduced prices, reducing its costs of production and conferring its domestic industries of biodiesel with a substantial - and unfair - advantage in relation to their competitors abroad.

The European Commission had recognized, when imposing anti-dumping duties against Argentina and Indonesia back in 2013, that this scenario results in a particular market situation which calls for measures to take account of such distortions by means of adjustments to their artificial costs of production in the relevant calculations.

EBB notes that the EU General Court rulings recognizes the possibility of tackling and neutralizing - through anti-dumping measures - the distortive effects of the differential export tax systems in place in Argentina and Indonesia as regards the biodiesel market.

The Court has considered that, in the present case, there was no sufficient demonstration of the effects produced specifically by the differential export tax system.

EBB is confident that in the context of an appeal before the Court of Justice, it will be possible to demonstrate that such export taxes have indeed caused an appreciable distortion that was evidenced throughout the investigation.

The EU biodiesel industry is also convinced it can - if necessary - bring additional technical and economic elements that could further evidence the effects of the practices.

Most importantly, the antidumping measures against Argentina and Indonesia continue fully in force today and also during the time of an Appeal.

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The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, EBB gathers nearly 80 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.

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