

Executive summary

of the

Anti-subsidy complaint concerning imports of biodiesel originating in Indonesia under Article 10 of Regulation (EU) 2016/1037 of 8 June 2016 on protection against subsidised imports from countries not members of the European Community and its subsequent amendments following Regulation (EU) 2018/825 of 30 May 2018

Submitted by FIDAL on behalf of the European Biodiesel Board

1. BACKGROUND

Through Council Implementing Regulation (EU) No 1194/2013, the EU imposed on 26 November 2013 definitive anti-dumping duties on biodiesel imports from Indonesia. Following the rulings of the General Court of the EU, the EU Commission, through Regulation (EU) 2018/1570 of 18 October 2018, terminated the proceedings concerning imports of biodiesel originating in, *inter alia*, Indonesia and repealed Regulation (EU) No 1194/2013.

These events have led to a foreseeable and rapid recurrence of unfair biodiesel imports from Indonesia on the EU market at alarmingly increasing levels. Accordingly, the European Biodiesel Board (“EBB”; the “Complainant”) requests that the EU Commission initiates an anti-subsidy investigation on biodiesel imports originating in Indonesia pursuant to Article 10 of Regulation (EU) 2016/1037 of 8 June 2016 as amended (the “basic AS Regulation”) with a view to the imposition of countervailing measures for a five-year period.

2. INFORMATION ABOUT THE COMPLAINT

2.1 Product description

The product concerned by this complaint is *"fatty-acid mono-alkyl esters and/or paraffinic gasoils obtained from synthesis and/or hydro-treatment, of non-fossil origin, commonly known as 'biodiesel', in pure form or as included in a blend, originating in Indonesia"* (hereinafter referred to as "biodiesel").

The product concerned is classified under the following CN codes:

- Codes covering pure biodiesel and blend containing more than 30% of biodiesel; CN code 3826 00 10 and CN code ex 3826 00 90;
- Codes covering biodiesel blends with a maximum of 30% biodiesel; CN code 2710 20 11, CN code 2710 20 15, 2710 20 17;
- Codes covering biodiesel from animal or vegetable fats and oils : CN code ex 3824 99 92, CN code ex 1516 20 98, CN code ex 1518 00 91, CN code ex 1518 00 95, CN code ex 1518 00 99 ;
- Codes covering HVOs and BTL in pure form or in blend: CN code ex 2710 19 43, CN code ex 2710 19 46 and CN Code 2710 19 47.

Biodiesel from Indonesia is subject to a 0% EU customs duty upon importation while the duty rate payable when biodiesel is imported to the EU from third countries is normally between 3.5 to 6.5%.

Biodiesel is a renewable fuel produced from a wide range of raw materials, i.e. vegetable oils such as rape seed oil, palm oil, soybean oil, used frying oils (UFO), animal fats or biomass depending on the resources available in each country. In Indonesia, biodiesel is primarily made from palm oil (“PME”). In the EU, biodiesel is primarily made from rapeseed oil (“RME”) but other feedstocks are also used. Biodiesel produced in Indonesia and the EU is predominantly “Fatty Acid Methyl Ester” (FAME) which refers to the technique of transesterification, *i.e.* the mingling of vegetable and/or animal oils or fat with alcohol, such as methanol to obtain biodiesel. Biodiesel produced in the EU is considered as a like product with biodiesel produced in Indonesia. Biodiesel is intended for diesel engines and is generally blended with petroleum diesel.

2.2 Summary of the complaint

EBB has filed the present anti-subsidy complaint on behalf of 14 EU biodiesel producers which together represent considerably more than 25% of the total EU production. Additionally, the complaint is supported by other EBB members representing more than 60% of the total EU production.

The Complainant identified 10 countervailable subsidy schemes in Indonesia. They include, notably, the biodiesel subsidy fund, the provision of palm oil for less than adequate remuneration through palm oil export constraints, the income tax benefits for listed investments and the preferential export financing and guarantees provided by the Indonesia Eximbank. These subsidies received by the Indonesian biodiesel producers are significant.

The recent EU Court's rulings combined with the structural overcapacities of the Indonesian biodiesel industry and the trade diversion resulting from the recent imposition by the USA of stiff anti-dumping and countervailing duties against biodiesel imports from Indonesia have led to a rapid recurrence of subsidized biodiesel imports from Indonesia on the EU market at alarmingly increasing levels.

At the end of August 2018, more than 535 000 tonnes of unfair biodiesel from Indonesia entered the EU market. Thus, in a six-month period, Indonesian biodiesel producers were able to export already half of the total volume of unfair Indonesian biodiesel exported to the EU in 2011, i.e. just before the initiation of the anti-dumping investigation.

The increasing volume of subsidized biodiesel imports from Indonesia to the EU has created a significant threat of imminent material injury to the EU biodiesel industry which is clearly foreseeable.

The imposition of countervailing duties on biodiesel imports originating in Indonesia would re-establish a level playing field in the EU and is not contrary to the overall Union interest.

Considering the surge in unfair biodiesel imports from Indonesia to the EU during the most recent period, it is necessary to register imports from the opening of the anti-subsidy investigation so as to avoid undermining the remedial effect of the potential duties to be applied, in line with the objectives the EU has set itself in the recent modernization of the EU trade defense instruments to defend European producers and workers when others distort the market or do not play by the rules.

3. INTERESTED PARTIES

Indonesian biodiesel producers
Alia Mada Perkasa
Anugarahinti Gema Nusa
Asosiasi Produsen Biofuel Indonesia (APROBI)
Asian Agri
Bioenergy Pratama Jaya
Cemerlang Energi perkasa
Ciliandra Perkasa
Damai sejahtera sentosa
Darmex Biofuels
Energi alternatif
Energi Baharu Lestari
Eterindo Nusa Graha
Eterindo Wahanatama
Eternal Buana Chem
Greenlight Biofuels Indonesia
Indo Biofuels Energy
Multikimia Inti
Musim Mas
Pasadena Biofuels
Pelita Agung Agrindustri
Petro Andalan Nusantara
Primanusa Palma Energi
Sinar Alam Permai
Sintong Abadi
Sumi Asih Oleo Chem
Wahana Abdi tirta tehnik
Wilmar Bioenergy Indonesia
Wilmar Nabati Indonesia
Indonesian Biofuel Association
Asosiasi Produsen Biofuel Indonesia (APROBI)
EU biodiesel producers
ADM
AGROINVEST
AMBROSIA OILS LTD
ARGENT ENERGY
ASTRA BIOPLANT
BIOAGRA-Oil
BIO-OILS ENERGY
BIOPETROL INDUSTRIES
BIORO
BUNGE
CARGILL
CENTRE OUEST CEREALES
DAKA ECOMOTION
DIELIX
ECOMOTION
ECO FOX S.r.l.
ELIN BIOFUELS S.A.
ENI
EXPUR Alimentia Group
GF ENERGY

GREEN BIOFUELS IRELAND LTD
ITAL BI OIL
MASOL Iberia Biofuels
MERCURIA BIOFUELS BRUNSBÜTTEL
NESTE CORPORATION
NEW GmbH
NOVAOL Italy
OIL B
OLLECO
OLEON
PERSTORP Bioproduct
PFP Biofuels
PREOL
PRIO Biocombustíveis
RAPID OIL INDUSTRY
REG
SAIPOL
SCA PÉTROLE ET DÉRIVÉS
TOTAL Refining & Chemicals
VERBIO
ABC s.r.o.
Abid Biotreibstoffe AG (EOP Biodiesel AG)
ACOR
ADW Bio
ADW Holding
AGRIFOP a.s. Stakčín
AgroChem
AGROILS
AGRO-MAAS
AGROPODNIK a.s.
Albabio SL
AMEX, spol. s r.o.
ATKO Grupp AS
BDK Biodiesel Kyritz
Becco Biofuels
BIO GORIVA d.o.o.
Bio Rafinéria SK
BIOARAG Biodiesel ARAGON SL
BIOBAS - Biocarburantes Bahia DE SANTANDER
BIOCARB sas
Biocarburantes CLM
BIOCARBURANTES DE CASTILLA, S.A.
Biocardel Luxembourg S.A.
Biocom Energia SL
Biocombustibles Vascos
BiodDiesel Vienna GmbH
BIODIESEL DE ANDALUCIA 2004 S.A
Biodiesel Kampen B.V.
Biodiesel Kärnten GmbH
Biodiesel Krems GmbH
Biodiesel Ltd
Biodiesel Production Ireland Ltd
Biodiesel S.A.
Biodiesel Vienna GmbH
Biodizel vukovar

BIODIZEL VUKOVAR d.o.o.
Biodreams
Bioenergética
Bioenergy Abengoa
Bioenergy Biofuels S.A. (NEOKEM)
Biofueling B.V.
Biofuels and Oils LTD
BioFuture Ltd
BiOil
BIO-OLWERK
Biopa
BIOPALIWA S.A.
Bioplus
Biovegeta
Biowerk Sohland GmbH
BKN BioKraftstoff Nord AG
BV ENERGI
Cerealdocks
Chemtech SRL
Cityboard Media Services Poland
Clean-Fuels GmbH Group
COANSA Grupo SOS
Cognis GmbH
Combustibles Ecológicos Biotel S.L.
Comlube
Convert2Green ltd
Cukrovary TTD a.s.
D.P. Lordos Ltd
DAIMYO (Biofuels and Milvenn AS)
DBD Deutsche Biodiesel GmbH
DBE Deutsche Bioenergie AG
Delitzscher Rapsöl GmbH & Co. KG
Desmet Ballestra
DosChem
DP Lubrificanti - EX EBB Member
DU PONT DE NEMOURS (DEUTSCHLAND) GMBH
Dutch BioDiesel B.V.
Ecanol
Ecoil srl
Ecomaster
Egal Biodiesel
EKOIL a.s.
EKORONA s.r.o.
Ekotips A.S.
Elstar Oils - ONT BIOPALIWA S.A.
ELVI Biodiesel
Energy Biodiesel
ENTABAN
EOP Biodiesel AG
EORC Group / Edible Oil Refining Co. Ltd
F. Leitner Mineralöle GmbH
Fabio Produkt
Fabrica Torrejana de Biocombustíveis SA
Ferrero Ingegneria s.p.a.
Flanders Biofuels BVBA

GATE
GBF - German Biofuels gmbh
GDR Biocarburanti
General de Biocarburantes, S.A.
GHP Biodiesel GmbH & Co. KG
Green BioDiesel Ltd
Greencyber, SA
Greenmills
Greyhound Recycling & Recovery Ltd
Grupa LOTOS sa
Honeywell
IBEROL
IndustrialExport
Inkemia Advanced BF
Irish Food Processors Ltd
JSC
KL Biodiesel GmbH 1 CO KG
Klas Oil
KL-OIL
KOSECP/ Euro Chemie Products Ltd
Latraps Ltd.
Leitner Mineralöle GmbH
Loredan Gasparini
Lotos.
LPV Bergholz
Man Ferrostaal AG
MAN TAKRAF Büro Rumänien
Marina Biodiesel GmbH & CO. KG
MEROCO, a.s.
Mestilla
Mezrozite Biodiesel
Mil Oil Hellas SA
Milvenn AS
Moravske Rafinerie a.s.
MÜNZER Bioindustrie GmbH
Nafta Lendava/ Nafta-Biodizel d.o.o.
NEW ENERGY AE - Fytoenergia
Northern Greece Ginning plant S.A.
Papas Oilo
Pavex
Pavlos N. Pettas S.A
Petroestry Jarzabkowo
PetroSA
Phillips 66 Limited
PINUS TKI d.d.
PKN ORLEN/ Rafineria Trzebinia S.A.
Polmos
Popilka Slovensko spol. s.r.o.
POPILKA spol. s.r.o.
PPM Energie aus nachw. Rohstoffen GmbH
Primagra
Proviron Holding NV
Rafineria Trzebinia
Rapsoila
Recycoil Zona Centro S.L.(DIESOL)

REDOIL ITALIA SpA
REPSOL S.A. (EX EBB MEM)
RME Alternativ Treib- und Heizstoffherzeugung
Romp petrol
RosendaalEnergy
ROSSI Biofuel Zrt.
RPN s.r.o.
S.C. DAFORA S.A. MEDIAS SUCURSALA FORAJ
SARAS Energia
Scanoil
Scheier Biodiesel ProduktionsgmbH
SEEG
Sekab Bioenergy Hungary Ltd.
SERICHIM Srl
SETA DIESEL, a.s.
Setuza a.s.
SGC Energia SgpS sa (SGC Group)
SICA Atlantique
Sime Darby CleanerG B.V/
SKOTAN
Slunchevi Luchi
SOVENA Oilseeds Portugal s.a.- Initium (Sovena)
SOYA MILLS S.A.
Spirytusowej Wroslawia Polmos (Brasco Group)
STAFF COLOUR
Sunoil Biodiesel
SYNTHOS (ex- Solvent Dwory)
Technologie Environnement Nièvre
TitBiodiesel ltd Bulgaria
Tovarna olja GEA d.d.
TTP Asukas
ULEROM/RACOVA
UPM Biorefining
Valagro
Vance Bioenergy
Vert Oil
Vía Operador Petrolífero, S.L.
VLS-Group Ghent NV
Werol
Worldwide Bio Refineries PLC
Wroslawia Bio
Wroslawia-bio Sp Z.o.o
Xenoil
ZS Kratonohy
EU traders
Ambrian Energy
BP Oil Trading
Cremer
Ed&f Man
Glencore
Greenergy
Gunvor International B.v.
Harvest Energy
Nidera
Noble

Pertineos
SCB Limited
Shell Europe
STX Services B.v.
Vitol
Wilmar Europe Trading
EU end users
Biodiesel S.A.
BP Deutschland
BP Oil international Limited
Campa Iberia S.A.U
Carfuel (Carrefour)
CEPSA
Chevron
Conoco Philips
DP Lubrificanti SRL
ENI
ETB Biofuels SA
ExxonMobil
Galp Energia, SGPS, S.A.
Hellenic Petroleum
IM Biofuel Italy S.R.L.
Lotos Group
Louis Dreyfus Commodities España
Lukoil
Losur Overseas S.A.
Mabanaft
MOL Group
OMV AG
PKN ORLEN (Rafineria Trzebinia)
Preem
Repsol
Romp petrol
SHELL Trading Rotterdam BV
Slovnaft (MOL Group)
Total