

Transition Review Subsidy Questionnaire for interested parties/contributors Case TS0044: Biodiesel exported from Argentina for no or minimal imports

Period of Investigation (POI):	1 October 2022 – 30 September 2023
Injury period:	1 October 2019 – 30 September 2023
Deadline for response:	22/12/2023
Contact details:	TS0044@traderemedies.gov.uk
Completed on behalf of:	Cámara Argentina de Biocombustibles ("CARBIO")

When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

- Confidential
 Non-confidential – will be made publicly available

Please note that you will have to provide a **Confidential** and a **Non-Confidential** version of both the questionnaire and annex, as well as any additional documents you append. All documents should be uploaded to the Trade Remedies Service (www.trade-remedies.service.gov.uk) by 22/12/2023.

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Introduction

About us, this case and this questionnaire

The Trade Remedies Authority (TRA) investigates whether trade remedies are needed to prevent injury to UK industry.

The TRA will carry out a transition review of each trade remedy measure active under the EU system that the UK has decided to maintain after EU exit.

This transition review will consider whether the subsidised importation of biodiesel originating in Argentina and injury to the UK industry would be likely to continue or recur if the countervailing amount currently applicable were no longer applied to those goods.

Why should I take part?

We are asking contributors and interested parties to complete this questionnaire to inform our review of whether the current countervailing measure should be maintained or revoked.

Please refer to our online guidance to understand more about [how we carry out transition reviews into EU measures](#) and the [differences between interested parties and contributors](#).

How do I respond?

Detailed guidance on how to complete the questionnaire is provided in the [instructions](#) section below.

Please provide all the information requested by 22/12/2023. We may send a notice asking for clarification or supplementary information where necessary. Make sure you provide the sources for any information or data you don't own and clearly state any restrictions on sharing it.

Where can I find more information?

Our [trade remedies guidance](#) provides more information about our investigations and processes we follow.

If you have any specific questions relating to the case, now or while you're completing the questionnaire, please contact the Case Team at ts0044@traderemedies.gov.uk. For general information about trade remedies processes, please see our [online guidance](#).

You can also find out more about the regulatory basis of our investigations. The TRA investigates cases under the provisions of *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 as Amended by the Trade Remedies (Amendment) (EU Exit) Regulations 2019* and under the *Taxation (Cross-border Trade) Act 2018*.

Instructions on completing this questionnaire

Preparing your response

This section sets out guidance on how to complete this questionnaire

If you think you won't be able to complete the questionnaire within the required time, please contact the Case Team ahead of the deadline using the contact details on the cover of this questionnaire. You should outline the length of extension you need and the reasons why. We will notify you of our decision.

If we can accommodate an extension, we will publish a note on our [public file](#) to record both the request and the extension granted.

Preparing confidential and non-confidential copies

You will need to submit one confidential version and one non-confidential version of your questionnaire by the due date. We will publish the non-confidential version on the public file. **Please ensure that each page of information you provide is clearly marked either “Confidential” or “Non-Confidential” in the header.**

Please see our guidance on [how to submit information](#) for further details on what can be considered confidential and how to prepare a non-confidential version of this questionnaire.

In preparing your response, please note the following:

- It is your responsibility to ensure that the non-confidential version does not contain any confidential information.
- Remember to include a statement explaining why information obtained in your response should be treated as confidential e.g. the data is commercially sensitive.
- Provide the source for all information or data you don't own and clearly state any restrictions on sharing it.
- If you do not provide a non-confidential summary (or a statement of reasons why you cannot provide this) each time you provide confidential information, the TRA may disregard the information you give us.

All information provided to the TRA in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 46 of the *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019*) and will be stored in protected systems. The non-confidential version of your

submission will be placed on the public file, which is available on www.trade-remedies.service.gov.uk/public/cases.

How to complete this questionnaire

All statements should be substantiated with relevant data, information and the sources of these. Please attach supporting documents in appendices to supplement your responses. To help us verify your information, please retain all your supporting documents, including any calculations made when developing your responses.

Please also note the following points:

- Do not leave any questions blank. If the question is not relevant to your organisation, please explain why. If the answer to a question is “zero”, “no” or “none”, please write this.
- If there is insufficient space in any part of the questionnaire to provide the details requested, or we ask for copies of additional information, please submit this information as appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- Any documents not in English should be accompanied by an English translation.
- Please provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).
- Identify all units of measurement and currencies used in tables, calculations and lists.
- For all numerical figures, where appropriate please express every third number with a comma (e.g. ‘1,300’ for one-thousand three hundred, ‘1,300,000’ for one million and three-hundred thousand).
- Please refer to the case number, **TS0044**, in any correspondence with the TRA.

What happens next

Once you have completed your questionnaire responses, you must upload confidential and non-confidential versions along with any additional documents you’re providing through our [Trade Remedies Service](#). Following this:

- you will receive an email confirming the documents have been uploaded successfully;
- the Case Team will contact you if further information is required; and
- the non-confidential responses will be placed on the public file.

For further information please refer to our guidance on [how we carry out transition reviews into EU measures](#)

The scope of this review

Goods subject to review

This review covers **biodiesel** exported from **Argentina**, described as:

Fatty-acid mono-alkyl esters or paraffinic gasoils obtained from synthesis or hydro-treatment, of non-fossil origin, in pure form or as included in a blend.

This biodiesel is currently classifiable within the following CN code(s) .

Codes beginning with 15

- 1516209821
- 1516209822
- 1516209823
- 1516209829
- 1516209831
- 1516209832
- 1516209839
- 1518009121
- 1518009122
- 1518009123
- 1518009129
- 1518009131
- 1518009132
- 1518009139
- 1518009510
- 1518009511
- 1518009519
- 1518009921
- 1518009922
- 1518009923
- 1518009929
- 1518009931
- 1518009932
- 1518009939

Codes beginning with 27

- 2710194321
- 2710194322
- 2710194323
- 2710194329
- 2710194331
- 2710194332
- 2710194339
- 2710194621
- 2710194622
- 2710194623
- 2710194629
- 2710194631
- 2710194632
- 2710194639
- 2710194721
- 2710194722
- 2710194723
- 2710194729
- 2710194731
- 2710194732
- 2710194739
- 2710201121
- 2710201122
- 2710201123
- 2710201129
- 2710201131
- 2710201132
- 2710201139
- 2710201621
- 2710201622
- 2710201623

Codes beginning with 38

- 3824999210
- 3824999211
- 3824999213
- 3824999214
- 3824999215
- 3824999216
- 3824999219
- 3826001020
- 3826001021
- 3826001022
- 3826001029
- 3826001050
- 3826001051
- 3826001052
- 3826001059
- 3826001089
- 3826001090
- 3826001091
- 3826001099
- 3826009011
- 3826009012
- 3826009013
- 3826009019
- 3826009031
- 3826009032
- 3826009039

- 2710201629
- 2710201631
- 2710201632
- 2710201639
- 2710201691
- 2710201692
- 2710201699

This CN code is only given for information.

In this questionnaire, these goods will be referred to as **‘the goods subject to review’**. Any reference to ‘goods subject to review’ in this questionnaire refers to the goods description above, regardless of the commodity code under which they are exported.

Like goods

Any reference to **‘like goods’** in this questionnaire refers to goods which are like the goods subject to review in all respects, or with characteristics closely resembling them and which are sold on the domestic market of Argentina, the UK market or to third countries.

Please follow the instructions for each question to provide the appropriate information regarding the like goods and goods subject to review.

Product Control Numbers

The TRA uses Product Control Numbers (PCNs) to define and distinguish the different types of products that fall under the goods description above.

PCNs, which come in the form of an alphanumeric code, help to create a categorisation system so that comparisons can be made between goods produced in the domestic UK market and those produced in foreign markets.

In this questionnaire and the corresponding annexes, you will be asked to construct PCNs representing the different types of products you produce. When giving your PCNs, please do not use any spaces, dashes or other means of separation, and ensure you follow the order of characteristics outlined in the table above.

The PCN table is set out in the box below.

Characteristic	Symbol	Description
	P	Positive value + temperature rounded to nearest degree

Cold Filter Plugging Point (CFPP)	N	Negative value + temperature rounded to nearest degree
Type	1	Regular RED (renewable energy directive) certified biodiesel
	2	Eligible for double-counting
	0	Other/special purpose sold without any certificate
Form	P100	Pure form (100)
	B(XX)	Included in a blend (blend rate)

Under this PCN structure, biodiesel assigned PCN P1B30 would be a product that corresponds with the following:

- A positive Cold Filter Plugging Point (CFPP)
- Regular RED certified biodiesel
- A 30 percent blend rate

1. Do you agree with the scope of this review?

Yes

No

If you have answered no to the above question, please explain why.

N/A

Appendix reference:

2. Please provide details of any technical or physical characteristic not included in the PCN structure that may affect the price comparison between products.

CARBIO is not aware of any technical or physical characteristics not included in the PCN structure that may affect the comparison between products.

Appendix reference:

3. Please comment on the suitability of the PCN structure in regard to your product range. This may include areas such as:
- categorisation of features;
 - number of products included under the end range thickness categories, which may prevent a fair comparison; and
 - specialised products which may unduly influence the comparison.

CARBIO agrees that the PCN structure is suitable regarding the range of the product.

Appendix reference:

4. Please provide details of any manufacturing process differences which you feel may influence the PCN structure and the price comparison between the goods subject to review and the like goods.

CARBIO is not aware of any such differences.

Appendix reference:

SECTION A: About the case

A1 General information

1. Please complete the table below. Make sure the point of contact you name has the authority to provide this information.

Name (point of contact):	[CONFIDENTIAL – sensitive information related to personal data]
Address:	[CONFIDENTIAL – sensitive information related to personal data]
Telephone No:	[CONFIDENTIAL – sensitive information related to personal data]
Email:	[CONFIDENTIAL – sensitive information related to personal data]
Website:	http://carbio.com.ar/

If you are representing a company, please also fill in the information below:

CARBIO represents the following Argentinean exporting companies:

Company registration number:	Public Registry of Commerce, Archive of Contracts And Dissolutions, nbr. 68, FOLIO 239/332, Book 33, Cordoba
Place of registration:	Av. Leandro N. Alem 815 Piso 7, C1001AAD CABA, Argentina
Legal name of organisation:	Aceitera General Deheza S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1962
Other operating names:	AGD

Company registration number:	14435 of book no. 3
Place of registration:	Av. Francisco N.Laprida 3175, 1st floor, Villa Martelli, Buenos Aires, Argentina
Legal name of organisation:	Bunge Argentina S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1998

Other operating names:	Bunge
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Company registration number:	173754
Place of registration:	Carlos M. Della Paolera 261 piso: 12, 1001-Ciudad Autonoma Buenos Aires, Argentina
Legal name of organisation:	Cargill S.A.C.I.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1948
Other operating names:	Cargill

Company registration number:	800147
Place of registration:	Francisco Narciso de Laprida 3175, Villa Martelli, Argentina
Legal name of organisation:	COFCO International Argentina S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1930
Other operating names:	COFCO

Company registration number:	801253
Place of registration:	Olga Cossettini 240, 1107, Buenos Aires, Argentina
Legal name of organisation:	LDC Argentina S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1925
Other operating names:	LDC

Company registration number:	No. 987, Libro 77, Tomo – de Sociedades por Acciones, Inspección General de Justicia
Place of registration:	Uruguay 4075, Victoria, Buenos Aires, Argentina
Legal name of organisation:	Molinos Agro S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	2016
Other operating names:	Molinos Agro

Company registration number:	9149
Place of registration:	Colectora Panamericana 1804, Villa Adelina, Buenos Aires, Argentina
Legal name of organisation:	Viterra Argentina S.A.
Legal structure (e.g. limited company, sole trader, partnership etc):	Limited company (<i>sociedad anónima</i>)
Position in the organisation:	Member of CARBIO
Year of establishment:	1962
Other operating names:	Viterra

2. Please explain your interest in this review.

CARBIO is a non-profit trade association for the biofuel industry in Argentina. CARBIO's mission is to promote the biofuels sector as well as to contribute to the economic and sustainable growth of biofuels in Argentina.

As any other trade association, CARBIO represents the common interests of its members and petitions public authorities in defense of all matters that directly or indirectly concern their activity.

In relation to the present transition review, the above-listed companies (CARBIO members) are exporting producers of biodiesel. In 2019, CARBIO and the referred companies entered into a price undertaking with the European Commission¹ and have been exporting biodiesel to the EU since, including a small number of sales to the UK while it remained bound by EU law.

Following the UK's withdrawal from the EU, the EU countervailing measures on biodiesel from Argentina were transitioned into UK law, but the undertaking with the European Commission ceased to apply with respect to sales destined to the UK. Exports of biodiesel from Argentina to the UK therefore completely stopped since the current countervailing measures and the absence of a price undertaking do not allow the Argentinean producers to access the UK market.

Therefore, CARBIO and its members hope that the outcome of this transition review will re-open Argentinian exports to the UK under fair trade conditions for both UK and Argentinean market operators.

Appendix reference:

¹ Commission Implementing Decision (EU) 2019/245 of 11 February 2019 accepting undertaking offers following the imposition of definitive countervailing duties on imports of biodiesel originating in Argentina. OJ L 40, 12.2.2019, p. 71–77.

A2 Information about this review

1. Please provide any information about the goods subject to review / like goods that you consider relevant.

CARBIO has no additional comments at this stage about the goods subject to review or like goods.

Appendix reference:

2. Do you think there would be injury to the UK industry if the existing countervailing measure for the goods subject to review no longer applied? Provide any information supporting your conclusions including what the cause of this injury would be. You can refer to our [guidance on how we assess injury](#) for a definition of injury.

Pursuant to Regulation 99A of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (“**EU Exit Regulations 2019**”), the relevant test to apply in the present review is whether injury would be likely to continue or recur if the countervailing measures were no longer applied to imports of biodiesel from Argentina.

Therefore, what must be determined is whether (a) the UK industry would suffer injury following the revocation of the transitioned countervailing measure, and (b) any such injury could be caused by Argentinean imports.

CARBIO is adamant that the answer to this question is unequivocal: the UK industry is unlikely to suffer any injury following revocation of the countervailing measures and even if any injury could be established (*quod non*), it would not be caused by Argentinean imports. These points are duly addressed below.

A. There would be no injury to the UK industry in the event the existing measures are revoked

Argentinean imports of biodiesel have never caused injury to the UK industry on a standalone basis. As evidenced by the statistics, Argentinean exports of biodiesel have primarily been directed towards the EU market, and only incidentally to the UK while it was part of that market. Approximately 1,000,000 MT of biodiesel have been imported to the EU per year under the undertaking, but only 22 MT were directed to the UK during the two-year period until the undertaking ceased to apply to UK imports (12 February 2019-31 January 2021).

Apart from an even smaller number in 2018, the UK registered no imports of biodiesel from Argentina from 2010 to 2021. An extraction of relevant statistical data from Eurostat showing data on biodiesel from Argentina into the UK, together with the Netherlands and Spain is provided as [Appendix A2.1](#).

The present countervailing duty is a transitioned measure that was originally imposed by the European Commission when the UK was an EU Member State. Accordingly, the determination of injury made by that authority was done in relation to the EU industry as a whole. Although at that time the EU industry included the UK industry, no UK companies were included in the sample examined by the Commission.²

There is no evidence suggesting that UK producers of biodiesel in particular were suffering injury when the measures were imposed. So far, there is also no evidence that the UK industry is concerned with possible injurious effects if the countervailing duties were to be revoked with respect to Argentina, since transition reviews are initiated directly by the TRA and not following a complaint by the UK industry.

There is therefore no basis to conclude that injury to the UK market existed at the time of the imposition of the EU countervailing measures, let alone that the UK industry would be concerned with any likelihood of recurrence of injury if the measures are revoked.

Injury would in any event be unlikely to recur because exports of biodiesel from Argentina are mainly destined to the EU market. Argentinean producers have found in the EU undertaking a stable source of exports at fair market prices, which is likely to continue in the foreseeable future. Importantly, there have been no changes in the market that would suggest a sudden interest to export to the UK in meaningful quantities or at prices that would not be in line with market conditions prevailing in the EU.

In fact, as indicated above, the volume of imports of biodiesel from Argentina to the UK was already very limited when the European Commission made its injury determination. Even when the undertaking was agreed (and UK sales still fell under its scope), only a very limited number of sales were made to the UK. It would therefore be hard to conclude that a large number of exports of Argentinean biodiesel would suddenly be redirected from the EU to the UK if the countervailing measures are revoked. In fact, as further explained in **Section A.2.3 below**, pursuant to the terms of the price undertaking currently applicable to imports from Argentina in the European Commission it is extremely unlikely that large volumes of imports of biodiesel from Argentina would make their way to the UK at injurious prices.

B. Any allegation of injury could not be caused by Argentinean imports

Even if Argentinean biodiesel imports were to resume and injury to the UK industry could be established (*quod non*), any allegation of injury would find its justification by other factors and mostly by third country imports.

The ongoing anti-circumvention investigation initiated by the European Commission, concerning the alleged circumvention of countervailing duties on imports of biodiesel

² See Commission Implementing Regulation (EU) 2019/244 of 11 February 2019 imposing a definitive countervailing duty on imports of biodiesel originating in Argentina, OJ L 40, 12.2.2019, p. 1–70, recitals (307)–(316).

from Indonesia by imports of biodiesel consigned in the UK and China³ is most enlightening in this regard. According to the evidence presented by the European Biodiesel Board ('**EBB**') in its application, a large share of biodiesel imports from the UK to the EU would seem to cover biodiesel from Indonesia which would allegedly be transhipped via China and the UK. EBB's application suggests that there are strong indications that a large number of imports of subsidised biodiesel are already arriving at the UK. The open version of the application is attached to the present questionnaire as **Appendix A2.2 [CONFIDENTIAL]**.

Moreover, as further discussed below, the current supply structure of the UK market signals that massive imports of biodiesel arriving from other third countries would be the likely cause of any injury to the UK market. The UK only produces about 1/3 of the biodiesel it consumes.⁴ While the majority of imports originate from the EU in fair market conditions, a large share of the UK's imports is met by Chinese producers, which are known to be exporting biodiesel at very low prices. In fact, the European Commission has also initiated an anti-dumping proceeding concerning imports of biodiesel originating in China.⁵ The remaining imports into the UK come from other third countries, such as Indonesia, (which is also known to be heavily subsidising biodiesel),⁶ as well as Malaysia.⁷

In conclusion, any hypothetical injury to the UK market that would take place following the revocation of the measures would not be caused by imports of Argentinean biodiesel.

Appendix reference: **A2.1 & A2.2**

3. Please provide any information about the possible economic effects on the UK if the existing countervailing measure on the goods subject to review were no longer applied.

The revocation of the existing countervailing measure would result in clearly positive economic effects for the UK.

³ Commission Implementing Regulation (EU) 2023/1637 of 16 August 2023 initiating an investigation concerning possible circumvention of the countervailing measures imposed by Implementing Regulation (EU) 2019/2092 on imports of biodiesel originating in Indonesia by imports of biodiesel consigned from the People's Republic of China and the United Kingdom, whether declared as originating in the People's Republic of China and the United Kingdom or not, and making such imports subject to registration. OJ L 204, 17.8.2023, p. 3–8

⁴ TRA Final Recommendation, Case TD0004: Transition review of anti-dumping measures applying to biodiesel originating in the United States of America and consigned from Canada, para 190, available at <https://www.trade-remedies.service.gov.uk/public/case/TD0004/submission/58471eb0-72c7-4e12-9190-b145b48f15e5/> (last access 8 December 2023).

⁵ Notice of initiation of an anti-dumping proceeding concerning imports of biodiesel originating in the People's Republic of China. OJ C, C/2023/1574, 20.12.2023.

⁶ See Commission Implementing Regulation (EU) 2019/1344 of 12 August 2019 imposing a provisional countervailing duty on imports of biodiesel originating in Indonesia. OJ L 212, 13.8.2019, p. 1–52.

⁷ For detailed import statistics of biodiesel into the UK, please refer to pp. 20-24 of the EBB Anti-Circumvention Application, attached as **Appendix A2.1**.

CARBIO submits that revocation of the countervailing measure would allow the UK market to diversify its sources of imports of biodiesel adding a stable source of supply from disciplined exporters. This outcome would prove to be beneficial in the current market situation. Moreover, the revocation of the measures would meet the economic interest test.

A. The UK biodiesel market would greatly benefit from diversifying its sources of supply

The UK is a net importer of biodiesel. The total UK biodiesel consumption in 2022 was 1,789 million litres,⁸ an increase of 29.3% in respect of 2021.⁹ Notably, the UK producers only produce around 36% of the total domestic consumption of biodiesel.¹⁰ The remaining biodiesel consumed in the UK market is sourced via imports.

As noted above, most imports of biodiesel originate from EU Member States.¹¹ However, significant biodiesel import volumes originate from China, and other third countries, such as e.g. Indonesia or Malaysia.

Furthermore, demand for biodiesel is only expected to rise in the coming years at an annual growth rate of 2.8% by 2026 and yet supply of biofuels is only expected to rise at an annual growth rate of 2.3%.¹²

It appears, however, that a great number of imports into the UK are actually being re-exported to the EU, in what may constitute circumvention of the applicable EU countervailing duties. Indeed, the anti-circumvention application filed by the EBB before the European Commission presents evidence that a large number of imports from Indonesia are being redirected to the UK via China, and later re-exported to the EU.¹³ Obviously, if the European Commission were to terminate the on-going anti-circumvention investigation by concluding that the majority of imports of biodiesel into the UK from these third countries remains in the UK and that what is exported to the EU is biodiesel that is genuinely produced in the UK, the case for a removal of the existing countervailing measures against Argentina would be even more compelling.

⁸ Trade Remedies Authority, 'TRA opens transition review into biodiesel from Argentina', available at <<https://www.gov.uk/government/news/tra-opens-transition-review-into-biodiesel-from-argentina>> (last access 8 November 2023).

⁹ UK Government National Statistics, 'Energy Trends: UK renewables, Liquid biofuels for transport consumption (ET 6.2 - quarterly)', available at: <<https://www.gov.uk/government/statistics/energy-trends-section-6-renewables>> (last access 8 November 2023).

¹⁰ See fn. 4 above.

¹¹ See fn. 7 above.

¹² ReportLinker, 'The United Kingdom Biofuel Industry Outlook 2022 – 2026', available at <<https://www.reportlinker.com/clp/country/132956/726373>> (last access 8 November 2023).

¹³ EBB Anticircumvention Application, para 90, **Appendix A2.1.**

The UK currently has measures in place against imports of biodiesel from the U.S. and Indonesia.¹⁴ It cannot be ruled out that the UK industry will follow the example of the EU and seek similar levels of protection in relation to imports from China, in particular given their large volume and share. In 2022, the UK imported 216 million tonnes of biodiesel from China, although evidence presented by EBB to the European Commission suggests that number could be much larger.¹⁵

The situation outlined above shows that the UK market would benefit from diversifying its sources of supply of imported biodiesel by allowing Argentinean imports to resume, in view of alleged circumvention practices of Indonesian biodiesel in the UK, given also that, in general, more imports are needed to meet rising UK domestic consumption.

CARBIO considers that its members have proven through the EU undertaking that they are disciplined exporters. For almost five years, they have exported biodiesel to the EU market under the conditions set out in the undertaking, in particular a minimum import price that reflects international market prices (*'MIP'*) and Argentinean exporters are therefore fully committed to exporting at non injurious prices.

The MIP, [**CONFIDENTIAL – sensitive information related to the functioning of the EU price undertaking**], has the effect of stabilising prices of Argentinean biodiesel and ensuring that they are in line with international prices. If exports to the UK were to resume following revocation of the measures, import prices would likely be aligned with such MIP for one crucially important reason. The Argentinean producers are very well aware that any sale to a UK destination at a price below the MIP would very seriously increase the risk that the European Commission could consider circumvention of the EU undertaking, which by all means they would seek to avoid. Imports of Argentinean biodiesel into the UK, which would take place in limited quantities will, in any event, be made at non-injurious levels if the measures are revoked.

B. The revocation of the measures would meet the economic interest test

Pursuant to Regulation 100(3) of the EU Exit Regulations 2019, the TRA must make a recommendation of revocation if it is not satisfied that the application of a countervailing measure meets the economic interest test (*'EIT'*).

In CARBIO's view, the TRA should make such a recommendation in the present case.

¹⁴ Trade remedies notice 2022/09: Countervailing duty on biodiesel products originating in the United States of America (including biodiesel consigned from Canada), available at <<https://www.gov.uk/government/publications/trade-remedies-notices-countervailing-duty-on-biodiesel-from-canada-and-usa/trade-remedies-notice-202209-countervailing-duty-on-biodiesel-products-originating-in-the-united-states-of-america-including-biodiesel-consigned-fr>> (last access 8 November 2023); Taxation notice 2020/36: countervailing duty on biodiesel originating in Indonesia, available at <<https://www.gov.uk/government/publications/trade-remedies-notices-countervailing-duty-on-biodiesel-from-indonesia/taxation-notice-202036-countervailing-duty-on-biodiesel-originating-in-indonesia>> (last access 8 November 2023).

¹⁵ EBB Anticircumvention Application, para 89, **Appendix A2.1.**

First, CARBIO considers that the current situation in the UK market and the particular situation of the Argentinian exporting producers are totally different from that which led to the TRA's Final Recommendation in transition review TS0005 (*Biodiesel from the U.S. and Canada*).¹⁶

In that review, the TRA concluded that variation of the measures met the EIT on account of, *inter alia*, the following reasons:

- Variation would remove likelihood of injury to the UK producers, enabling them to maintain their market shares and revenues, and benefit upstream feedstock suppliers;¹⁷
- Revocation would allow US imports to compete at lower prices, making it difficult for domestic producers to compete, while benefitting importers, downstream suppliers and consumers;¹⁸

CARBIO believes that those considerations do not apply in the present transition review because revocation would neither result in injury nor in imports at lower prices.

As stressed in Section A2.2, there would be no injury to the UK industry if the existing countervailing measure were revoked, and even if injury did materialise, it would very likely not be caused by Argentinean imports. In the absence of injury, the measures cannot be presumed to be in the economic interest of the UK, since they do not serve the purpose of removing that injury.

Second, the removal of such a remote risk of a hypothetical likelihood of recurrence injury cannot justify any decision to maintain the measures to be in the UK's economic interest. As indicated in point A, the resumption of Argentinean imports would most likely not result in injury since volumes would remain limited and prices would – at the very least - be in line with prices charged in the context of the EU undertaking to avoid any risk of being accused of circumvention. In this context, it is also important to recall that while the MIP is – by definition – always in line with international prices, there have been a number of occasions whether Argentinian producers [**CONFIDENTIAL – sensitive information related to business operations**]¹⁹. Hence, it also cannot be concluded that Argentinean imports would compete at lower prices to the disadvantage of domestic producers.

Any injury to the UK industry would likely be caused by imports from other third countries. Revoking the measures and allowing imports of Argentina to resume exports to the UK at fair market prices would only result in the re-establishment of a

¹⁶ TRA Final Recommendation, Case TS0005, Transition Review of countervailing duties applying to biodiesel originating in the United States of America and consigned from Canada, see <<https://www.trade-remedies.service.gov.uk/public/case/TS0005/submission/f76c7919-a587-46e0-b85b-97252d8ab494/>> (last access 8 December 2023).

¹⁷ Ibid., paras 464, 466 and 470.

¹⁸ Ibid., paras 466, 468 and 470.

¹⁹ The undertaking provides for a yearly quota that has not always been fulfilled by the Argentinian exporting producers.

source of imports which has never been found to have disturbed UK producers and is now foreclosed for reasons that are unrelated to the situation of the UK industry.

As it follows, the application of the transitioned countervailing measures does not meet the EIT. Rather, for the reasons explained above, the revocation thereof is actually in the broader interest of the UK.

Appendix reference:

4. If you have any other information which may help us with this review, please provide it below.

CARBIO refers to the information provided by the European Biodiesel Board in its application (open version) for an anti-circumvention investigation presented as [Appendix A2.2 \[CONFIDENTIAL\]](#) to this questionnaire in relation to the current situation of the UK industry.

SECTION B: Subsidies

B1 General

The subsidies being reviewed are listed in the table below. Please use this section of the questionnaire to provide any information you have on the programmes listed. You can also provide information on any other subsidy programmes that you believe relate to the production and/or sale of the goods subject to review.

Subsidy programmes

No.	Subsidy name	Subsidy type
1	Government's support to the biodiesel industry including through the provision of soybeans for less than adequate remuneration ('LTAR')	Government provision of goods and services for less than adequate remuneration ('LTAR')
2	Santa Fe Provincial Law Tax Exemption	Provincial tax exemption
3		
4		
5		
6		

+Add/remove additional rows as required.

B2 Subsidies

1. Please provide any information on the above subsidies that you feel is relevant to the review.

CARBIO believes that the effects of the above listed subsidies are limited to the domestic market and would have no impact on exports of biodiesel to the UK for the reasons explained in **Section A2** above.

Appendix reference:

2. Please provide any information you feel relevant related to additional subsidies not listed above.

CARBIO does not have any additional relevant information to report in this regard.

Appendix reference: