



Verification Report – UK Producer
Case TS0065: Biodiesel originating from Indonesia

Period of Investigation (POI):	1 October 2023 – 30 September 2024
Injury Period:	1 October 2020 – 30 September 2024
Date of report:	20 June 2025
Case team contact details:	TS0065@traderemedies.gov.uk
Interested party verified:	Argent Energy Ltd and Argent Energy (UK) Ltd (Argent)

For further details, please see the [Notice of initiation](#) on the public file.



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Executive Summary

The Trade Remedies Authority (TRA) is conducting a transition review to determine whether the UK should vary or revoke countervailing measures on biodiesel from Indonesia, pursuant to Part 12 of The Trade Remedies (Dumping & Subsidies) (EU Exit) Regulations 2019 ('the Regulations') - Statutory Instrument 450/2019.

More information about the case can be found on the public files [Biodiesel originating in Indonesia - Trade Remedies Service - GOV.UK](#).

Argent, a domestic producer of the like goods, returned a completed, domestic producer questionnaire ('questionnaire response'). Argent is a UK producer of waste-based biodiesel with its UK production plants located in Motherwell and Stanlow.

The TRA sought to verify the completeness, relevance and accuracy of the information submitted, comparing the questionnaire responses and other accompanying evidence with open sources such as Companies House, Argent's website, etc. for consistency. We also reconciled the financial data to audited financial statements and recalculated a sample of the data provided to evaluate its accuracy.

With permission from Argent, we used the company and association information submitted and verified for a previous investigation (AD0058) when considering the completeness, relevance and accuracy of the information submitted in this review for Section A. We also used the accounting system walkthrough on our record from that earlier case to inform the planning of appropriate verification procedures, as detailed in Section B of this report.

We made some adjustment to the calculation for return on investment, productivity, production capacity and capacity utilisation. Based on the verification activity undertaken and the adjustments made, the TRA has a reasonable level of assurance on the completeness, relevance and accuracy of the information provided by Argent and we can use it for the purpose of this review.

Purpose of verification

The purpose of the TRA's verification activity is to determine whether the information provided by interested parties is complete, relevant, and accurate and can be used in our review. This verification report sets out the conclusions reached for each component part that covers the scope of our work. It also provides an overall conclusion stating the level of assurance reached.

The information verified may then be considered in our assessments and analysis to determine:



- whether the importation of the subsidised goods subject to review would be likely to continue or recur if the countervailing amount were no longer applied to those goods; and
- whether injury to the UK industry in the relevant goods would be likely to continue or recur if the countervailing amount were no longer applied to those goods.

This will form the basis for maintaining, varying, or revoking the measure where necessary, and to assess whether these are in the UK's economic interest.

We carried out verification activities remotely. The TRA did not seek to verify all information provided, but undertook the work considered appropriate and possible within the time constraints of the review to obtain assurance upon which to base our case decision.

This verification report documents the work completed, providing an overview of the range and scope of verification procedures performed, for each component part that covers the scope of our work, on the information submitted by Argent. It details the conclusions reached regarding completeness, relevance, accuracy and provides an overall conclusion stating the level of assurance reached.

Confidential information

Argent must provide a non-confidential version of the verification report marked as 'non-confidential' in the header.

If any information contained in the verification report is considered confidential, Argent should delete or redact those sections and provide a non-confidential summary of the information which has been removed. It must provide reasons as to why the particular information is considered confidential (see also [public guidance](#)).

The non-confidential version of the verification report will be placed on the public file.



Verification

Please find below a summary of work completed by the TRA to determine whether the information provided by Argent in its questionnaire response is complete, relevant, and accurate.

A. Company structure and associations

What information was considered
<ul style="list-style-type: none"> • Company details including founding date, company addresses etc. • General company structure, ownership, and management. • Associations with other companies. • Accounting practices and policies
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
How the information was checked
<p>Argent confirmed that the TRA is able to use information relating to company setup and accounting system from previous biodiesel cases. The TRA reviewed Argent’s company structure and associations that we recorded in March 2025. We compared the questionnaire responses with the verified information in our record to ascertain if there had been any changes that should be verified. We also checked Companies House and open-source data for any updates or changes that had not been previously reported.</p> <p>The information Argent provided regarding its structure, associations and policies remained consistent, giving us a reasonable level of assurance that it can be relied on for the purpose of this transition review.</p>
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Exceptions/Findings/Adjustments
None.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>



Conclusions

The information relating to company structure and associations provided by Argent is verifiable. Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA in publications and for any other purpose within this review.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



B. Accounting Systems and Procedures

What information was considered
<ul style="list-style-type: none"> • Information Technology Systems and Applications • Accounting policies, significant risks, and chart of accounts • Sales / customer order process and procedures • Purchase order / invoice approval process and procedures
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
How the information was checked
<p>The TRA reviewed the records of the on-site system walkthrough of Argent’s financial system (Oracle), which we documented during our visit on 28 February 2024, to understand how Argent records its costs and sales transactions. The records were also reviewed during the TRA’s on-site visit to Argent in November 2024 and found to still be consistent. Argent showed that its Oracle system is integrated with its business systems with minimal need for external interventions.</p> <p>On 23 April 2025, during the remote verification for this case we queried the accounting system to identify any changes that may impact our records and understanding of the systems. We determined that there were no material changes to Argent’s accounting system since our previous systems walkthrough and review.</p>
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Exceptions/Findings/Adjustments
None.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Conclusions
Based on the work performed, we have obtained a basic understanding of the relevant accounting and associated business systems of Argent. This enabled us to plan appropriate verification procedures.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>



C. Goods

What information was considered

- Goods description and comparability to the goods subject to review
- PCN allocations
- Internal coding system (ICS)

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

PCN allocations and internal coding system

Argent has an internal coding system which assigns an internal code number that differentiates between the finished product and the raw materials. Argent's internal coding system also differentiates between 100% biodiesel and biodiesel blended with ultra-low sulphur diesel (ULSD). For instance, ICS with PR00007 is a 7% blend, and PR00010 is a 10% blend. For 100% biodiesel, the ICS does not reflect differences in the product itself. We cross-checked the ICS and found that Argent assigned the PCNs correctly.

The like goods

Argent produces only one specification of 100% biodiesel and does not purchase biodiesel. PCNs are allocated either to 100% (R100) biodiesel or to BXX where XX represents the relevant blend rate percentage. Argent lists the process to produce biodiesel on its website. The raw materials Argent reported are in line with our understanding of the industry.

Argent generates three by-products as part of its production process, which are accounted for as a reduction to the cost of producing the like goods, and are mentioned as by-products that the company sells on its website.

Visit to the production facility and observed operations

We visited the production facilities during a pre-initiation facilitation visit in September 2023 and were able to view the storage and preparation of raw materials, the production process, the quality control procedures, the storage of finished goods, and the site facilities available to transport products to its customers. The operations we observed then are consistent with the information submitted within the TS0065 questionnaire response.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

The information relating to the company's goods provided by Argent is verifiable. Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for publications and for any other purpose within the review.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



D. Costs

<p>What information was considered</p> <ul style="list-style-type: none"> • Cost reconciliation • Cost allocations • Extraordinary costs <p><i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i></p>
<p>How the information was checked</p> <p>Cost reconciliation and completeness check</p> <p>To check the completeness of the cost data provided by Argent, we reconciled the cost data provided in the questionnaire annex upwards to the most recently audited financial statements for both legal entities: Argent Energy and Argent Energy UK. The financial year for Argent is from 1st January to 31st December, which does not align with the POI for this investigation. Therefore, we aligned the financial statements to the POI using the trial balance and management accounts which had monthly transaction details to reach the cost data for the whole company and agreed this figure to the submitted annexes. We consolidated the cost of the two entities by adding their costs and excluding the intercompany transactions for the POI.</p> <p>We used management accounts supported by trial balances to establish that the like goods figure in the annexes agrees back to the aligned financial statements.</p> <p><i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i></p>
<p>Exceptions/Findings/Adjustments</p> <p>None.</p> <p><i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i></p>
<p>Conclusions</p> <p>The information relating to costs provided by Argent is verifiable. Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for assessments and for any other purpose within this review.</p>



If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

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E. Sales

What information was considered
<ul style="list-style-type: none"> • Sales reconciliation • Sample of relevant sales transaction
<p><i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i></p>
How the information was checked
<p>Sales reconciliation and completeness check</p> <p>We reconciled the sales data provided in the questionnaire annex upwards to the financial statements for both legal entities: Argent Energy and Argent Energy UK. We used this procedure to assess if Argent provided complete sales data for the POI.</p> <p>The financial year for Argent is from 1st January to 31st December, which does not align with the POI for this investigation. We aligned the financial statements to the POI and consolidated the data from the two entities then excluded the intercompany transactions using the trial balances and monthly management accounts to determine the total sales for the whole company.</p> <p>To check the completeness of the like goods, we reconciled the figures for sales of like goods to the UK and sales of like goods for export back to blend sales spreadsheet pulled from the accounting system.</p> <p>Sample testing</p> <p>To assess the relevance and accuracy of data we tested a representative sample of Argent’s sales transactions to check the accuracy of the sales listing. We tested the underlying documentation for selected transactions and found no material inconsistencies. The evidence we tested include:</p> <ul style="list-style-type: none"> • Invoice; • Bank receipt; • Delivery note. <p>Price reductions</p> <p>Argent confirmed that there are no price reductions or rebates for domestic sales. We scrutinised the trial balance and management accounts and did not find any evidence of price reductions. This confirmed Argent’s response that there are no price reductions.</p>



If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

None.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

The information relating to sales provided by Argent is verifiable. Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for injury likelihood assessment and for any other purpose within the review.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



F. Injury

What information was considered

- Turnover
- Profitability
- Interest Expense
- Output
- Return on investment
- Capacity and utilisation of capacity
- Inventory – Stock of finished goods
- Employment, median wage and productivity

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

How the information was checked

Argent provided us with the documentation and methodology to verify its data for the injury period as submitted in Annex 11 – Injury, for a number of injury factors. We have been able to verify the data provided, however, Argent did not provide net cash flow and market share data.

Turnover

Total turnover has been calculated using trial balance data from the accounting system. Argent provided us with an extract of the data which confirms the turnover for the injury period and the sales revenue data which identifies its sales by country code. For the years tested we found no issues and consider these figures to be reasonable.

Total turnover for like goods is the total domestic and export sales revenue. The total turnover related to other goods is the total turnover minus the turnover for like goods. We consider this methodology to be reasonable. We found no issues and consider the export and domestic sales volume and values to be reasonable.

Profitability

Total net operating profit after tax (NOPAT) has been calculated using trial balance data from the accounting system and apportioned to the like goods based on the sales volume as a proportion of total sales. We considered this to be a reasonable approach. Argent provided us with an extract of the source data covering the injury period which confirms the NOPAT for the years prior to the POI. We recalculated the numbers and found no issues.



Interest Expense

Interest expenses has been calculated using trial balance data from the accounting system. Argent provided us with an extract of the data covering the injury period which confirms the interest expense for the years prior to the POI. We reviewed the calculation for accuracy and found no issues. Argent used its turnover of like goods over total turnover in order to apportion interest expenses to the like goods. We consider this to be reasonable.

Output Volume and Value

Argent provided a spreadsheet from its production facility containing data of its production output volume for the injury period. We reviewed the data and found it to be reasonable.

To calculate its production value, Argent deducted its operating profit from its total revenue. However, this calculation includes ULSD in the blends as Argent could only provide the output value for the pure biodiesel for only the POI which we verified as part of the cost reconciliation.

Return on investment

Argent provided an extract of their capital expenditure. The totals for each year tested agrees with the figures in the injury annex. We found no issues and consider these figures to be reasonable.

Return on investment (ROI) has been calculated as the total NOPAT divided by total investment. ROI for like goods has been calculated using the total company NOPAT. The TRA propose using the NOPAT for the like goods to calculate the ROI for the like goods as set out in Annex 2 of this report.

Capacity and utilisation of capacity

Argent calculated production capacity as the biodiesel production volume with the ULSD volume. For the years tested we were able to reconcile the figures to the source data. For the purpose of this transition review, the verifiable capacity for pure biodiesel (excluding ULSD) is the addition of 95,000 mt for Stanlow and the 55,000 mt for Motherwell. That gives a total of 150,000 mt annually for both plants in the UK for the injury period. To keep the information consistent for capacity utilisation, the production capacity utilisation will be calculated as the actual biodiesel production output based on the evidence provided, as a percentage of the 150,000 mt capacity (this will not include the ULSD).

Inventory – Stock of finished goods

Argent provided evidence of the closing stock by volume and value. The total



volume and value for each year tested agrees with the figures provided in the injury annex. We found no issues and consider these figures to be reasonable.

Employment, median wage and productivity

Argent provided an extract from their HR system. The employment and median wage totals for the years tested agreed with the figures provided in the injury annex. We found no issues and consider these figures to be reasonable.

Productivity has been calculated using sales volume divided by number of employees for the like goods. The TRA propose using the production output to calculate productivity as set out in Annex 2. To keep the information consistent, the productivity will be calculated as the actual biodiesel production output based on the evidence provided (not including ULSD).

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Exceptions/Findings/Adjustments

There were no exceptions, or findings to report.

The TRA propose making the following adjustments

1. To use NOPAT for the like goods to calculate ROI for the like goods.
2. To calculate capacity of the like goods excluding ULSD and based on information published on Argent’s website and accounts.
3. To calculate capacity utilisation as the actual biodiesel production output based on the evidence provided, as a percentage of the 150,000 mt capacity.
4. To calculate productivity using biodiesel production output excluding ULSD.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):

Conclusions

The information relating to injury factors provided by Argent is verifiable. Based on the work performed and the necessary adjustments we have made, we have a reasonable level of assurance that the information except for figures relating to net cash flow and market share which were not provided. The information can be used by the TRA for the injury analysis and for any other purpose within the review.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



G. Economic Interest Test

What information was considered
<ul style="list-style-type: none"> • Other producers of the like good, upstream, and downstream industry • Supply chain • Market Share
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
How the information was checked
<p>Suppliers/customers</p> <p>The TRA conducted sample testing of sales transactions as outlined above in Sales (section E). The TRA also conducted a sample test of raw materials suppliers for assurance on supplier transactions while conducting the EIT. This sample testing allowed us to review basic supplier and customer information like names and location. The TRA obtained assurance that Argent had transactions with the suppliers and customers listed in the annex during the POI.</p> <p>Employment</p> <p>As part of the injury annex verification, Argent provided an extract from their HR system. The employment totals agreed with the figures provided. We found no issues and consider the split of employees directly working on the like goods to be reasonable.</p> <p>Market Share</p> <p>We have considered Argent’s assessment of the impact that subsidised imports might have on its market share in the event that the present measure were varied. We consider this assessment reasonable.</p>
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>
Exceptions/Findings/Adjustments
None.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>



Conclusions

The information relating to economic interest provided by Argent is verifiable. Based on the work performed, we have a reasonable level of assurance that the information can be treated as complete, relevant, and accurate and can therefore be used by the TRA for the Economic Interest Test and for any other purpose within the review.

If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):



Conclusions

We conducted upwards and downwards cost verification, including aligning the audited financial statements to the POI, and gained a reasonable level of assurance over the completeness and relevance of the cost to make and sell information submitted within the questionnaire. We also assessed the reasonableness of the allocation of costs to the like goods.

We conducted upwards and downwards sales verification, including aligning the audited financial statements to the POI, and gained a reasonable level of assurance over the completeness of the sales data for the like goods and over the accuracy and relevance of the detailed sales transactions listing provided, by tracing sampled transactions back to source documents.

We reviewed the methodology and allocation of figures over the 4 years of the injury period and determined that we had a reasonable assurance regarding the accuracy and relevance of information provided by interested parties in relation to the injury assessment on all of the factors other than net cash flow and market share which were not provided. We determined that the evidence provided by Argent can be relied upon in relation to the Economic Interest Test.

Argent provided sufficient and appropriate evidence, which enabled us to conduct verification work on a sample basis as detailed in the above sections. We adjusted Argent's data for return on investment, productivity, production capacity and capacity utilisation. Based on the work performed, we have a reasonable level of assurance that the information provided in Argent's questionnaire response along with the adjustments we made, is complete, relevant, and accurate for the purpose of this investigation.



Annexes

Annex 1: Meetings

Date and duration	Type of authentication	Company representatives	TRA representatives
Wednesday 23 April 2025 to Friday 25 April 2025	<input checked="" type="checkbox"/> remote <input type="checkbox"/> on-site	NAMES REDACTED	NAMES REDACTED



Annex 2: Adjustments

Return on investments for like goods

Year	Investments (Like goods)	NOPAT (Like goods)	Return on Investment % (Like goods) Adjusted
1 October 2020 - 30 September 2021			
1 October 2021 - 30 September 2022	REDACTED. Confidential information that cannot be meaningfully summarised or broadened into ranges		
1 October 2022 - 30 September 2023			
1 October 2023 - 30 September 2024			

Production capacity and capacity utilisation

Year	Production capacity (mt) adjusted	Actual Production volumes (mt)	Production capacity utilisation (%) adjusted
1 October 2020 - 30 September 2021	150,000	120,000-150,000	80-100%
1 October 2021 - 30 September 2022	150,000	120,000-150,000	80-100%
1 October 2022 - 30 September 2023	150,000	120,000-150,000	80-100%
1 October 2023 - 30 September 2024	150,000	120,000-150,000	80-100%

Productivity

Year	Number of employees for like goods (FTE)	Output by volume (mt)	Average output in volume per employee for like goods (FTE) Adjusted
1 October 2020 - 30 September 2021	79	120,000- 150,000	1400-2000
1 October 2021 - 30 September 2022	84	120,000- 150,000	1400-2000
1 October 2022 - 30 September 2023	84	120,000- 150,000	1400-2000
1 October 2023 - 30 September 2024	52	120,000- 150,000	2000- 2500