



Verification Report – UK Producer
Case AD0058: Biodiesel from the People’s Republic of China (PRC)

Period of Investigation (POI):	1 April 2023 to 31 March 2024
Injury Period:	1 April 2020 to 31 March 2024
Date of report:	14 February 2025
Case team contact details:	AD0058@traderemedies.gov.uk
Interested party verified:	Olleco

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



Contents

Executive Summary	2
Purpose of verification	3
Confidential information	4
Verification.....	5
A. Company structure and associations	5
B. Accounting Systems and Procedures.....	6
C. Goods	8
D. Costs	9
E. Sales	11
F. Injury	13
G. Economic Interest Test.....	15
Conclusions.....	16
Annexes	17
Annex 1: Meetings.....	17



Executive Summary

The TRA received an application of a new anti-dumping investigation for biodiesel from the PRC on 27 March 2024 and initiated this investigation on 5 June 2024.

The Trade Remedies Authority (TRA) is conducting this anti-dumping investigation to determine whether injury is being caused to the UK Biodiesel industry due to dumping of biodiesel imported into the United Kingdom (UK) from the PRC.

More information about the case can be found on the [public file](#).

Olleco, a domestic producer of like goods, returned a completed, domestic producer questionnaire ('questionnaire response').

Olleco is a UK producer of waste-based biodiesel that the TRA visited to conduct onsite verification in January 2025.

The TRA sought to verify the completeness, relevance and accuracy of the information submitted:

- A walkthrough of the accounting systems to assess how much reliance we can place on information produced by the systems was conducted previously on 27 February 2024. As such, for this review, we conducted a walkthrough of the accounting systems to determine that there had been no material changes to Olleco's accounting system since the previous assessment in February.
- We compared questionnaire responses and other accompanying evidence and information to open sources such as Olleco's website, etc. checking for consistency.
- We checked information and data (information) provided for consistency with financial statements and responses from other interested parties.
- The TRA verified the annex submitted by Olleco that outlined its cost to make and sell at market price.

Based on the verification activity undertaken the TRA have a reasonable level of assurance on the completeness, relevance and accuracy of the information provided by Olleco and that we can use it for the purpose of this investigation.

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 investigation. 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 dumping has occurred and if this is causing injury to the UK industry. This will form the basis for establishing appropriate measures where necessary, and to assess whether these are in the UK's economic interest.

We carried out verification activities onsite. The TRA did not seek to verify all information provided, but undertook the work considered appropriate and possible within the time constraints of the investigation 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 Olleco. It details the conclusions reached regarding completeness, relevance, accuracy and provides an overall conclusion stating the level of assurance reached.

Confidential information

Olleco 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, Olleco 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 Olleco in its questionnaire response is complete, relevant, and accurate.

A. Company structure and associations

What information was considered
<p>We considered the following from the questionnaire:</p> <ul style="list-style-type: none"> • Company details e.g., founding date, company addresses etc. • General company structure, ownership, and management. • Associations with other companies. • Accounting practices and policies •
<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>Company details The TRA cross-checked the company details submitted by Olleco using publicly available information. Olleco is registered as a private unlimited company (see link -Companies House) and as such, none of its audited financial statements are published on Companies House. These were provided separately to the TRA. We found that the information Olleco submitted in their questionnaire is consistent with information published on Companies House and Olleco's website.</p> <p>General company structure, ownership and management We cross-checked details submitted by Olleco on its structure, ownership, and management using publicly available information. Olleco is owned by Anglo Beef Processors Holdings and ultimately owned by the ABP Food Group. The ownership by Anglo Beef Processors Holdings can be confirmed by Companies House. Information redacted for VERSION OPEN FOR CONSULTATION. ABP Food Group is not a UK registered company and so is not on Companies House. We found that the information Olleco submitted is consistent with publicly available information.</p>



Associations with other companies

We cross-checked details on associated parties that Olleco submitted using publicly available information. Olleco is a cooking oil wholesaler and offers a used cooking oil collection and food waste recycling service. This used cooking oil is its main raw material in its production of biodiesel. We found that the publicly available information is consistent with Olleco’s submission.

Accounting practices and policies

The financial statements for Olleco are prepared in accordance with the United Kingdom Generally Accepted Accounting Practices, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and the Republic of Ireland”. The independent auditor’s opinion of Olleco’s 2024 audited financial statements is that it gives a true and fair view of the company’s affairs as of 31 March 2024. Olleco’s accounting policies are shown in the notes to the financial statements. The policies are understood and deemed reasonable if applied as expected.

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

Olleco would prefer not to name ultimate owner in public file.

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 company structure and associations provided by Olleco 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 the investigation.

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

- 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

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

Systems Walkthrough

The TRA conducted an on-site system walkthrough of Olleco’s accounting systems to review how its costs and sales are tracked and recorded.

Information redacted for VERSION OPEN FOR CONSULTATION as sensitive disclosure would provide unfair advantage to competitors.

We reviewed Olleco’s accounting systems during our onsite verification for this investigation and determined that there were no material changes to Olleco’s accounting system since our previous walkthrough in February 2024.

During this walkthrough, we were provided with screenshots and supporting evidence of Olleco’s sales and purchasing processes. We did a walkthrough of one sale and one purchase transaction of biodiesel selected to gain an understanding of end-to-end processes and system controls. We found that the financial systems Olleco use are reliable and have sufficient controls in place.

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

Olleco would rather not disclose all the systems we use for different parts of our business to competitors.

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

Based on the work performed, we have obtained a basic understanding of the relevant accounting and associated business systems of Olleco. This enabled us to plan appropriate verification procedures.



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

C. Goods

What information was considered

- Goods description and comparability to the goods concerned
- PCN allocations
- Internal coding system

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

Olleco produces one specification of biodiesel, and as such does not use an internal coding system for product identification.

The like goods

Olleco produces 100% biodiesel and does not purchase biodiesel. Olleco supplies biodiesel under the PCN Structure assigned F22P. Olleco lists the process to produce biodiesel on its website. The raw materials described are in line with our understanding of Olleco’s raw materials in its submission.

Visit to the production facility and observed operations

We visited the production facilities during verification in January 2025 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. The operations we observed were consistent with the information submitted within the questionnaire.

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
<p>The information relating to the company's goods provided by Olleco 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 calculations and for any other purpose within the investigation.</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>

D. Costs

What information was considered
<ul style="list-style-type: none"> • Cost reconciliations • Sample tests of relevant cost components such as <ul style="list-style-type: none"> ○ major inputs ○ direct labour ○ manufacturing overheads ○ Administration, Selling and General (AS&G) costs • Depreciation and amortisation policies and methods • Cost allocations for any by-products and costs • Associated party transaction and arm's length prices • 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>
How the information was checked
<p>Upwards verification</p> <p>To check the completeness of the cost data provided by Olleco, we reconciled the cost data provided in the questionnaire annex upwards to the audited financial statements. The financial year for Olleco is from 1st April to 31st March, which aligns with the POI for this investigation. Olleco submitted data only for the biodiesel portion of the business, and so Olleco submitted data that allowed the TRA to reconcile the cost of goods sold in the biodiesel business up to the cost of goods sold for the whole company as listed in the audited financial statements. We also checked the components of the CTMS figures for all goods against the figures in the management accounts. No issues were identified.</p>



Using this reconciliation, the TRA was able to check that the CTM for the like goods as reported in the questionnaire submission agree with the financial statements.

Sample testing

We tested a sample of raw materials purchases (feedstock, energy and chemicals), by-products, direct labour, manufacturing overheads and Administration, Selling and General (AS&G) costs. We tested underlying documentation for selected transactions and costs for each cost element and found no issues. We requested the following documentation:

- Purchase order;
- Invoice;
- Bank receipt;
- Delivery note.

We tested a sample of used cooking oil sales to independent customers, in order to gain assurance on Olleco's amended submission that used market rate values for cost to make and sell. We found no issues.

Direct labour

We confirmed that the figure listed for direct labour in the questionnaire response matched the figure listed in the management accounts. We selected two months of payroll to sample test. No issues were found.

Cost allocation to PCNs

There is only one PCN and the only distinguishing factor is the removal of by-products, which are subtracted out for the CTMS. As such, there is no PCN allocation. We have reconciled the business management accounts to the like goods to check for completeness. This matched the figures listed in the management accounts for those months, once adjusted for pensions, healthcare, and management charges.

Depreciation

We cross checked the depreciation figure submitted by Olleco against the depreciation listed in the management accounts and fixed asset register. We found no issues.

Market rates

Olleco's feedstock inputs are internally transferred into the business at an artificially low rate. Olleco provided us with the market rate prices that it sells used cooking oil to independent customers. We tested a sample of these used cooking oil sales and we found no issues. We verified these market rate transactions in the event that we decided to adjust Olleco's figures to calculate margins based on market rate/arm's length transactions.

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.
<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 costs provided by Olleco 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 calculations and for any other purpose within the investigation.
<i>If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see Confidential information):</i>

E. Sales

What information was considered
<ul style="list-style-type: none"> • Sales reconciliations • Sample of relevant sales transaction • Price reductions • Sales allocations for any by-products
<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>Upwards verification</p> <p>To check the completeness of the sales data provided by Olleco, we reconciled the sales data provided in the questionnaire annex upwards to the audited financial statements. The financial year for Olleco is from 1st April to 31st March, which aligns with the POI for this investigation. Olleco submitted data only for the biodiesel portion of the business, and so Olleco submitted data that allowed the TRA to reconcile the revenue in the biodiesel business up to the revenue for the whole company as listed in the audited financial statements. We also agreed these revenue figures against the management accounts.</p>



Using this reconciliation, the TRA was able to check that the sales for the like goods as reported in the questionnaire submission agree with the aligned financial statements.

Sample testing

We tested a sample of Olleco’s sales transactions to check the accuracy of the sales listing. We tested underlying documentation for selected transactions and found no material inconsistencies. The evidence we tested include:

- Sales order;
- Invoice;
- Bank receipt;
- Delivery note.

Price reductions

Olleco confirmed that there are no price reductions or rebates for domestic sales. We scrutinised the management accounts and did not find any evidence of price reductions. This confirmed Olleco’s response on price reductions.

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 Olleco 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 calculations and for any other purpose within the investigation.

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

- *Specific injury claims related to the economic factors;*



- Sales
- Profit
- Output
- Market share
- Return on Investment
- Capacity and Utilisation of Capacity
- Cashflow
- Inventory
- 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

Injury Factors

Olleco provided us with documentation and methodology to verify its data for the injury period as submitted in Annex 11 – Injury for a number of injury factors. We considered the reasonableness of the methodology and the accuracy of calculations provided for each injury factor and found no issues. As a result of this, we were able to verify sales, NOPAT, investments, market share, return on investment, capacity, cashflow, median wages calculation, employment, productivity output and inventories.

Sales

Sales for the POI have been verified (see E. Sales). We performed a reasonableness check on the sales figures for the injury period and found the submitted figures to be consistent and reasonable.

Profit

Net operating profit after tax has been calculated using the management accounts, which the TRA has checked. Olleco provided us with an extract of their management accounts covering the injury period which confirms the NOPAT for the years prior to the POI. We consider these figures to be reasonable.

Output

Olleco has provided us with their weekly production report data for the injury period. The total annual product output agrees with the data provided in the injury annex for each year of the injury period. We consider this to be reasonable.

Market share

We have tested Olleco’s suggested market share calculation by comparing their domestic sales volumes against UK consumption data provided by RTFO. We are satisfied that the market share figures provided by Olleco reflect their position over the injury period.



Investment and Return on Investment

Olleco provided us with their fixed asset report covering the injury period. The total acquisition cost for each year of the injury period agrees with the figures in the injury annex. We have gained assurance on the relevance and accuracy of these figures.

Capacity and utilisation of capacity

Olleco has provided us with its calculation for capacity, which we have checked and consider to be reasonable. Olleco has calculated capacity utilisation as production output divided by production capacity.

Cashflow

Olleco has provided us with an extract from their management accounts covering the injury period. This shows the workings for cashflow, which we consider to be reasonable.

Inventories

Olleco provided evidence of the closing stock by volume and value over the injury period. These figures agreed with the figures provided in the injury annex. We consider these figures to be reasonable.

Employment, productivity and median wage

Olleco has provided us with their calculation for number of employees and median wage over the injury period and we consider this to be reasonable. We have gained assurance on the relevance and accuracy of these figures.

Target profit

Olleco explained their method of calculating the target profit. We found this methodology reasonable for Olleco's business.

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 injury factors provided by Olleco 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 analysis and for any other purpose within the investigation.

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

- Other producers of the like good, upstream, and downstream industry
- Employment figures
- Market Share

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

Suppliers/customers

The TRA conducted sample testing of raw material and sales transactions as part of its downwards verification outlined in Costs and Sales (sections D and E). This sample testing allowed us to review basic supplier and customer information like names and location. The TRA obtained assurance that Olleco had transactions with the suppliers and customers listed in the annex during the POI.

Employment

We conducted a reasonableness test for the data over the injury period, and the number of employees for the like goods and we consider the number of employees directly working on the like goods to be reasonable.

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 economic interest provided by Olleco 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 investigation.

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

Conclusions

We gained an understanding of Olleco, its operations, and associations by checking submitted documents and publicly available information. We verified the company has correctly identified that it produces only one PCN, with no omissions or incorrect inclusions.

We conducted upwards and downwards cost verification, by reconciling the figures submitted to the audited financial statements, 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 gained assurance over the accuracy and relevance of the costs data set and assessed the reasonableness of the allocation of costs to the like goods by tracing a sample of transactions back to source documents.

We conducted upwards and downwards sales verification, by reconciling figures submitted to the audited financial statements, 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. We determined that the evidence provided by Olleco can be relied upon in relation to the Economic Interest Test.

Olleco provided sufficient and appropriate evidence, which enabled us to conduct verification work on a sample basis as detailed in the above sections. Based on the work performed, we have a reasonable level of assurance that the information provided in its questionnaire response 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
13 January to 16 January 2025	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	Redacted – sensitive personal data Redacted – sensitive personal data Redacted – sensitive personal data	Redacted – sensitive personal data Redacted – sensitive personal data Redacted – sensitive personal data Redacted – sensitive personal data