



Subsidy Questionnaire for interested parties and contributors

Case ER0083: Expiry Review of subsidised biodiesel products originating in the USA (including biodiesel products consigned from Canada)

Period of Investigation (POI):	1 January 2025 to 31 December 2025
Injury period:	1 January 2022 to 31 December 2025
Deadline for response:	1 April 2026
Contact details:	ER0083@traderemedies.gov.uk
Completed on behalf of:	<i>Valero Energy Ltd</i>

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 1 April 2026.



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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.

This expiry review is in reference to the [Trade remedies notice 2026/07](#) and TRA [Notice of Initiation](#), and will consider whether the subsidisation of biodiesel products originating in the USA (including biodiesel products consigned from Canada) causing injury to the UK industry is continuing or likely to recur if the goods were no longer subject to the current countervailing duty.

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, varied or discontinued.

The information your company provides will help us to reach a fair and proportionate decision.

Please refer to our online guidance to understand more about how we carry out [expiry reviews](#) 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 1 April 2026. 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 ER0083@traderemedies.gov.uk.



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. You may be asked to 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.
- Please provide all formulas and calculations used within your questionnaire response.
- 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. 23/05/2023).
- Unless otherwise stated, ‘year’ or ‘calendar year’ refers to the period 1 January – 31 December and ‘quarter’ refers to the associated three-month periods e.g. 1 January – 31 March, 1 April – 30 June, etc.
- Identify all units of measurement and currencies used in tables, calculations and lists, if not provided by the corresponding instructions, and use units of measurement consistently (e.g. do not use kg and metric tonnes interchangeably).
- 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 limit all sales/currency/income figures to two decimal places, apply a full point as a decimal separator and use the appropriate currency symbol or abbreviation (e.g. £1,300.00).
- Provide all costing figures as actual amounts. Where actual amounts cannot be provided and you have reported standard costing instead, please indicate this in the relevant answer, and explain the variance from actual costs, if any.
- All figures should be reported net of tax unless otherwise stated.
- Please refer to the case number, ER0083, 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.

The scope of this review

Goods subject to review

This review covers biodiesel products originating in the USA (including biodiesel products consigned from Canada), described as:

Category 1 Goods (biodiesel, pure or blend, greater than 20% biodiesel content)

Fatty-acid mono-alkyl esters (FAME) and/or paraffinic gasoil obtained from synthesis of non-fossil origin, commonly known as 'biodiesel'. In a pure form or in a blend containing by weight more than 20%, fatty-acid mono-alkyl esters and/or paraffinic gasoil obtained from synthesis of non-fossil origin, originating in the United States of America, including consignments from, whether or not declared as originating in, Canada.

AND

Category 2 Goods (biodiesel, blend, less than 20% biodiesel content)

Fatty-acid mono-alkyl esters and/or paraffinic gasoil obtained from synthesis of non-fossil origin, commonly known as 'biodiesel', in a blend containing by weight 20% or less of fatty-acid mono-alkyl esters and/or paraffinic gasoil obtained from synthesis of non-fossil origin, originating in the United States of America.

These biodiesel products are currently classifiable within the following CN codes:

1516209821	2710201121	3826001029
1516209829	2710201129	3826001050
1516209833	2710201133	3826001059
1518009121	2710201621	3826001089
1518009129	2710201629	3826001099
1518009133	2710201633	3826009011
1518009521	2710201693	3826009019



1518009921

2710201910

3826009033

1518009929

2710201990

3826001029

1518009933

3826001020

3826001050

These codes are only given for information and are subject to change.

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.



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: personal information]
Address:	
Telephone No:	
Email:	
Website:	

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

Company registration number:	8566216
Place of registration:	United Kingdom
Legal name of organisation:	Valero Energy Ltd.
Legal structure (e.g. limited company, sole trader, partnership etc):	Private Limited Company
Position in the organisation:	[Confidential: personal information]
Year of establishment:	June 12, 2013
Other operating names:	N/A
Countries you operate in:	[Confidential: commercially sensitive data]

2. Please explain your interest in this review.

Valero Energy Ltd (“**VEL**”) is a subsidiary of Valero Energy Corporation (NYSE: VLO). Valero Energy Corporation (“**Valero**”), through its subsidiaries, is an international manufacturer and marketer of transportation fuels and a leader in the commercialisation of emerging low-carbon-intensity biofuels. Valero is a Fortune 50 company based in San Antonio, Texas [Confidential: commercially sensitive data].

In the UK, VEL owns and operates the Pembroke Refinery in southwest Wales, one of Europe’s largest and most complex refineries [Confidential: commercially sensitive data]. VEL is an importer of [Confidential: commercially sensitive data] FAME into the UK.

Appendix reference:



A2 Information about this review

For each question, please give any information you feel is relevant to the case. If you have no information, please say so in your answer. This expiry review will consider whether the subsidisation of biodiesel products originating in the USA (including biodiesel products consigned from Canada) causing injury to the UK industry is continuing or likely to recur if the goods were no longer subject to the current countervailing duty.

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

N/A

Appendix reference:

2. Provide any information which you think could help us assess the likelihood of imports of subsidised biodiesel products occurring if the existing countervailing measure for the goods subject to review no longer applied.

VEL respectfully requests that the TRA terminates the expiry review ER0083, as the countervailable subsidies under the TS0005 measures are no longer available following the expiry of the Blenders Tax Credit (“**BTC**”) before 1 January 2025, i.e., prior to the start of the Period of Investigation (“**POI**”).¹

The TS0005 measures are mainly based on the BTC. All other schemes had no or minimal impact on the countervailing amounts, and, except for one exporter, there was no subsidisation as indicated in the original 2009 EU investigation:²

¹ The period of investigation for the review is 1 January 2025 to 31 December 2025. The injury period is 1 January 2022 to 31 December 2025.

² Council Regulation (EC) No 598/2009 of 7 July 2009 imposing a definitive countervailing duty and collecting definitively the provisional duty imposed on imports of biodiesel originating in the United States of America, available [here](#), para. 69.



SCHEME→ COMPANY ↓	Biodiesel Mixture Credit	Small Agri-biodiesel Producer Income tax credit	Missouri qualified biodiesel producer incentive fund	Texas fuel ethanol and biodiesel production incentive program	Washington State biofuels production tax exemption	Total
	%	%	%	%	%	%
Archer Daniels Midland Company	31,3		3,8			35,1
Cargill Inc.	34,1	0,4				34,5
Green Earth Fuels of Houston LLC	38,7			0,3		39,0
Imperium Renewables Inc.	28,4				0,7	29,1
Peter Cremer North America LP	41,0					41,0
Vinmar Overseas Limited	41,1					41,1
World Energy Alternatives LLC	37,6					37,6

In its Final Determination in TS0005, the TRA acknowledged that “*the subsidies relevant to this review mainly derive from the Biodiesel Mixture Credit and Biodiesel Credit scheme,*”³ both understood as the BTC. Likewise, in the parallel EU expiry review on U.S. biodiesel, the European Commission found that the BTC “*remained by far the most important scheme during the review investigation period.*”⁴

In its 12 March 2026 Notice of Intended Final Negative Determination in case AS0067 (HVO originating in the US), the TRA determined that the BTC has “*effectively ended by 15 October 2025 ... and no longer offers present subsidisation to the US exporters*”. Consequently, the TRA determined it could not recommend countervailing measures on U.S. HVO. As the BTC did not distinguish between HVO and FAME, the same conclusion should apply here, and the TRA should terminate ER0083.

Maintaining or extending countervailing measures based on the BTC would be inconsistent with the UK’s obligations under Articles 21.1 and 21.3 of the WTO Agreement on Subsidies and Countervailing Measures (“**SCM Agreement**”).

Article 21.1 of the SCM Agreement provides that a WTO Member may maintain a countervailing duty in force “*only as long as and to the extent necessary to counteract subsidization which is causing injury*”. As the Appellate Body clarified in *US – Carbon*

³ TS0005 – Final Recommendation, para. 238.

⁴ Commission Implementing Regulation (EU) 2021/1267 of 29 July 2021 imposing definitive countervailing duties on imports of biodiesel originating in the United States of America following an expiry review pursuant to Article 18 of Regulation (EU) 2016/1037 of the European Parliament and of the Council, available [here](#), para 62.



*Steel, “[a] general rule that, after the imposition of a countervailing duty, the continued application of that duty is subject to certain disciplines. These disciplines relate to the duration of the countervailing duty (‘only as long as ... necessary’), its magnitude (‘only ... to the extent necessary’), and its purpose (‘to counteract subsidization which is causing injury’). Thus, the general rule of Article 21.1 underlines the requirement for periodic review of countervailing duties and highlights the factors that must inform such reviews”.*⁵

Article 21.3 of the SCM Agreement stipulates that “any definitive countervailing duty shall be terminated” unless the authorities determine that “the expiry of the duty would be likely to lead to continuation or recurrence of subsidization and injury”.

This rule is also reflected in Regulation 70(6)(a) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (“**2019 Regulations**”), which requires that the TRA considers whether subsidisation of the goods subject to an expiry review is continuing or is likely to recur.

As explained in response to Question No. 5 below, Section 45Z PTC Production Tax Credit (“**45Z PTC**” also referred to as the Clean Fuel Production Credit, “**CFPC**”) cannot be considered a replacement programme for the BTC.

Accordingly, the discontinuation of the BTC must therefore result in the immediate termination of ER0083, as the continued application of the corresponding countervailing measures is no longer necessary. Countervailing measures cannot be extended once the underlying scheme has ceased to exist. Extending countervailing measures premised on the BTC would be inconsistent with the UK’s obligations under Articles 21.1 and 21.3 of the SCM Agreement. ER0083 should therefore be terminated.

In summary, U.S. exporters and producers of FAME did not receive any countervailable benefits under the BTC – the principal subsidy countervailed by TS0005 – during the POI or thereafter. Thus, there is no likelihood that the expiry of the measures would lead to the continuation or recurrence of subsidisation.

Appendix reference:

3. 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.

⁵ Appellate Body Report, *US – Carbon Steel*, para. 70.



As explained by the Appellate Body in *US – Country Tubular Goods Sunset Reviews*, a likelihood-of-injury determination must “rest on a ‘sufficient factual basis’ that allows the agency to draw ‘reasoned and adequate conclusions’”.⁶ In the present review, the evidence on the record indicates that the expiry of the countervailing measures would not lead to the continuation or recurrence of injury. This is based on the following arguments.

(i) The UK industry is neither injured nor vulnerable to injury

As clarified by the Appellate Body, the examination of injury factors analysed in the original investigation in the context of an expiry review “may prove to be probative, or possibly even required, in order for an investigating authority in a sunset review to arrive at a ‘reasoned conclusion’”. The Appellate Body also stressed that “factors such as volume, price effects, and the impact of domestic industry” by subject imports “taking into account the conditions of competition, may be relevant to varying degrees in a given likelihood-of-injury determination”.⁷

Moreover, in general terms, the fundamental requirement of Article 15.1 that an injury determination be based on “positive evidence” and an “objective examination” would be equally relevant to likelihood determinations under Article 21.3.⁸

During the period from January 2022 to June 2025 (the injury period provided in the Expiry Review Request or the “**EER injury period**”), the UK domestic industry does not appear to have been injured, nor even vulnerable to injury. On the contrary, the domestic industry remained commercially viable and competitive in the UK market.

As follows from the Complainants’ own data, UK sales to unrelated customers recovered strongly after 2023 and exceeded 2022 levels by a wide margin. In volume terms, sales to unrelated UK customers increased to an index of 118 in 2024 and to 120 during July 2024 - June 2025 (the POI provided in the Expiry Review Request or the “**ERR POI**”), i.e., approximately 20% above 2022 levels. When including related customers, UK sales followed the same trajectory, reaching an index of 121 in the ERR POI. This sustained recovery demonstrates both robust domestic demand and the UK industry’s continued ability to place products competitively with independent customers in the domestic market.

	2022	2023	2024	ERR POI
				July 2024 - June 2025

⁶ Appellate Body Report, *US – Country Tubular Goods Sunset Reviews*, para. 284.

⁷ See: Appellate Body Report, *US – Country Tubular Goods Sunset Reviews*, para. 284. Although these conclusions were reached in the context of anti-dumping reviews, VEL considers them equally applicable to anti-subsidy reviews.

⁸ See: Appellate Body Report, *US – Country Tubular Goods Sunset Reviews*, para. 284.



UK SALES TO UNRELATED COMPANIES (IN TONNES) (2022 = 100)	100	86	118	120
UK SALES TO UNRELATED AND RELATED COMPANIES (IN TONNES) (2022 = 100)	100	83	118	121

Source: Expiry Review Request, Appendix G.1 – Injury data

This positive domestic performance is reinforced by developments in productivity and inventories. Productivity improved markedly in 2024, rising to an index of 113, and remained at 109 in the ERR POI compared to the 2022 baseline. At the same time, closing stocks declined steadily throughout the EER injury period, falling from an index of 100 in 2022 to 55 in the ERR POI. Declining inventories alongside strong domestic sales volumes indicate effective stock management, the absence of unsold accumulation, and balanced supply-demand conditions in the UK market. These indicators are inconsistent with a situation of injury or vulnerability to injury.

	2022	2023	2024	ERR POI
				July 2024 - June 2025
PRODUCTIVITY (TONNES PRODUCED / EMPLOYEE) (2022 = 100)	100	94	113	109
CLOSING STOCKS (IN TONNES) (2022 = 100)	100	79	75	55

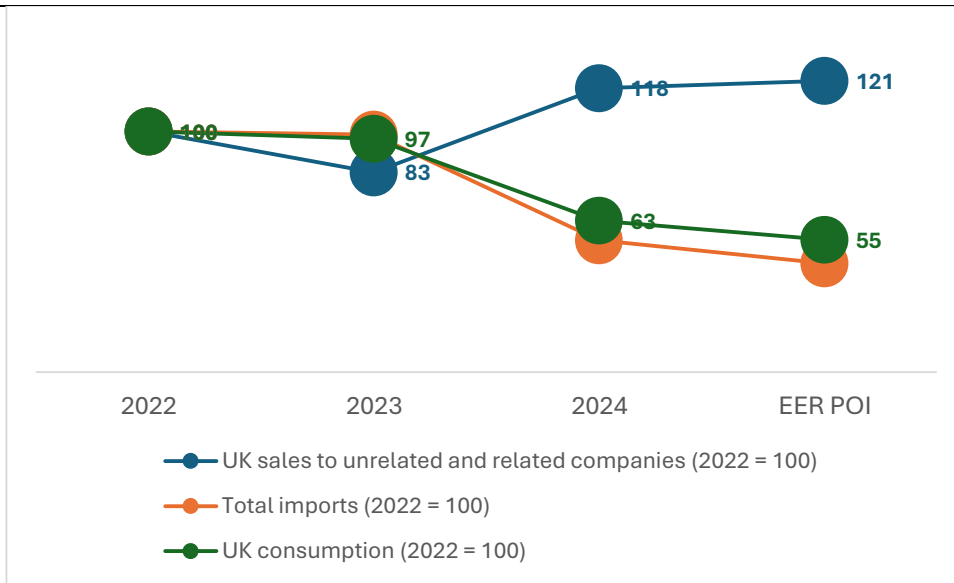
Source: Expiry Review Request, Appendix G.1 – Injury data

Importantly, the increase in UK industry sales occurred despite a contraction in demand. While UK consumption declined from an index of 100 in 2022 to 55 in the ERR POI and total imports fell even more sharply over the same period, the UK industry not only maintained but substantially expanded its sales volumes.

	2022	2023	2024	EER POI
				July 2024 - June 2025
UK SALES TO UNRELATED AND RELATED COMPANIES (IN TONNES) (2022 = 100)	100	83	118	121
TOTAL IMPORTS (IN TONNES)	1,295,835	1,278,951	709,284	585,345
TOTAL IMPORTS (IN TONNES) (2022 = 100)	100	99	55	45
UK CONSUMPTION (IN TONNES) (2022 = 100)	100	97	63	55

Source: Expiry Review Request, Appendix G.1 – Injury data; E.1 – HMRC import data

As a result, the UK industry’s market share increased materially. This demonstrates that the domestic industry was able to outperform the market, capturing a larger share of declining demand, and further underscores the lack of injury.



To the extent that certain indicators, such as total production volume or overall profitability, show a downward trend, the data clearly point to export performance, rather than domestic market weakness, as the primary explanatory factor. As shown in the table below, exports to unrelated customers collapsed by approximately 95% over the EER injury period, declining from an index of 100 in 2022 to just 5 in the ERR POI. Even when related-party exports are included, total export sales declined significantly, reaching an index of 71 in the ERR POI. This sharp contraction in export activity readily explains the reduction in overall production volumes and profitability and cannot be attributed to competitive pressure in the UK market, nor to imports that could allegedly cause injury should the measures expire.

	2022	2023	2024	ERR POI
				July 2024 - June 2025
PRODUCTION IN VOLUME (IN TONNES) (2022 = 100)	100	95	91	87
UK SALES TO UNRELATED COMPANIES (IN TONNES) (2022 = 100)	100	86	118	120
UK SALES TO UNRELATED AND RELATED COMPANIES (IN TONNES) (2022 = 100)	100	83	118	121
EXPORT SALES TO UNRELATED (2022 = 100)	100	74	23	5
EXPORT SALES TO RELATED (2022 = 100)	100	110	96	94
TOTAL EXPORT SALES (IN TONNES) – RELATED AND UNRELATED (2022 = 100)	100	101	78	71

Source: Expiry Review Request, Appendix G.1 – Injury data



Moreover, while certain financial indicators and UK sales prices to unrelated customers declined compared to 2022, these movements are directly linked to – and explained by – a parallel and more pronounced decline in production costs, rather than by adverse market conditions or injurious pricing pressure. As shown by the data on record, UK sales prices to unrelated customers fell to an index of 77 in the ERR POI, while at the same time, total manufacturing costs also declined to 77, and the cost of production per tonne fell to 83.

The decline in costs broadly matched the decline in prices, allowing the UK industry to preserve its cost-price relationship and maintain financial viability. This is further corroborated by the recovery in UK sales revenue to unrelated customers in 2024 and the ERR POI, despite lower unit prices. Accordingly, the observed decline in certain financial indicators does not signal injury but rather reflects structural cost improvements and normal commercial pricing behaviour in a competitive market.

	2022	2023	2024	ERR POI
				July 2024 - June 2025
UK SALES TO UNRELATED COMPANIES (in £) (2022 = 100)	100	70	89	92
TOTAL MANUFACTURING COSTS (2022 = 100)	100	109	88	77
UK SALES PRICE TO UNRELATED (in £/TONNE) (2022 = 100)	100	81	76	77
COST OF PRODUCTION (in £/TONNE) (2022 = 100)	100	92	83	83

Source: Expiry Review Request, Appendix G.1 – Injury data

Finally, other factors unrelated to the potential expiry of the countervailing measures on U.S. imports may be affecting the Complainants' performance. In particular, the Complainants themselves expressly acknowledge that the UK domestic industry “is currently suffering from injury caused by imports of biodiesel from China”.⁹ However, any injury attributable to imports from China cannot be considered in the assessment of the likelihood of continuation or recurrence of injury in the event of the expiry of the countervailing measures on U.S. imports.

Taken together, the data on production, sales, productivity, inventories, prices, and costs indicate that the position of the UK domestic industry in the domestic market remains stable, while any negative trends observed during the EER injury period are overwhelmingly attributable to developments in external export markets.

⁹ Expiry Review Request, p. 99, para. 5.



In summary, the UK domestic industry is not materially injured. Consequently, the expiry of the measures cannot result in the continuation of injury. Moreover, as further explained below, the evidence on the record demonstrates that the expiry of the subject measures would not lead to the recurrence of injury.

(ii) No likelihood of injury from U.S. imports given the expiry of the BTC and the negligible impact of the 45Z PTC

Even assuming *arguendo* that imports from the United States were to increase following the expiry of the measures, such imports would not be capable of causing injury to the UK industry. U.S. FAME would no longer benefit from the BTC – the principal subsidy countervailed under the original measures – which has expired. In the absence of this structural support, U.S. (unsubsidized) exports cannot exert injurious pressure on the UK industry.

Moreover, the 45Z PTC is not a continuation of the BTC and, as explained below, the benefits available for the goods concerned under the 45Z PTC are negligible compared to those under the BTC due to limits on feedstock eligibility and carbon-intensity penalties. Consequently, the post-expiry framework does not provide U.S. exporters with a basis for injuring the UK industry.

(iii) The U.S. biodiesel industry is not export-oriented and almost entirely focused on serving its domestic market

As acknowledged by the Complainants, the “*total US biodiesel exports during the POI represented only 10% of the total biodiesel production in the US during the POI*”.¹⁰ This figure demonstrates that the U.S. biodiesel industry is overwhelmingly domestically oriented, with the vast majority of production absorbed by the U.S. market.

Such a limited export share is inconsistent with an export-oriented industry seeking to expand aggressively into third-country markets, including the UK. Rather, it confirms that U.S. producers’ commercial focus is on serving domestic demand.

This conclusion is reinforced by U.S. policy and demand dynamics. Domestic demand for U.S. FAME will continue to increase due to the record-high U.S. Renewable Volume Obligations (“**RVO**”) released on 27 March 2026. The U.S. Environmental Protection Agency (“**EPA**”) estimates that U.S. FAME and HVO production will need to increase by over 60%, compared to the 2025 volumes, in order to meet the 2026 and 2027 RVOs. Starting in 2028, foreign fuels and feedstocks will receive half

¹⁰ Expiry Review Request, p. 60, para. 24.



the compliance value compared to U.S. products,¹¹ further solidifying the domestic – rather than export-oriented – focus of U.S. FAME producers.

This lack of export orientation is particularly relevant in the context of the UK market. The UK accounts for only a small fraction of global biodiesel demand and does not represent a natural or indispensable outlet for U.S. producers, especially in the absence of the BTC. The data, therefore, do not suggest that U.S. producers are either incentivised or commercially compelled to target the UK market in volumes sufficient to cause injury.

Accordingly, the very low share of exports in total U.S. production confirms that U.S. producers are neither structurally dependent on exports nor oriented towards the UK market, further undermining any claim that imports from the U. S. would increase to injurious levels following expiry of the measures.

(iv) The U.S. biodiesel industry is not oriented toward the UK market

The U.S. biodiesel industry is not focused on the UK market.

First, the data provided by the Complainants expressly confirms that the U.S. biodiesel industry is not oriented toward the UK market. As the Complainants' own evidence shows, U.S. biodiesel exports are overwhelmingly concentrated in only two destinations.

In particular, during July 2024 – June 2025, Canada alone accounted for more than 80% of total U.S. biodiesel exports, while Peru represented a further 18.58%, notwithstanding the existence of trade defence measures in that market. By contrast, exports to the EU accounted for only 0.80% of total U.S. biodiesel exports, while exports to all other destinations – including the UK – accounted for a negligible 0.36%. These figures demonstrate a pronounced geographic concentration of U.S. exports and confirm that the UK does not constitute a meaningful or strategic export destination for U.S. producers.¹²

¹¹ U.S. Environmental Protection Agency (EPA), 'EPA Finalizes Historic New Renewable Fuel Standards to Strengthen American Energy Security, Support Rural Economies' (27 March 2026), available [here](#).

¹² Expiry Review Request, p. 49.



US biodiesel exports (in tonnes)	July 2024 – June 2025	Share in total exports
Canada	366,916	80.26%
Peru	84,935	18.58%
EU (mainly Germany)	3,656	0.80%
Others	1,655	0.36%
Total	457,161	100%

Source: FAS – US Department of Agriculture – Code 3826000000 (biodiesel & blends >B30) – Appendix E.7

This conclusion is further corroborated by the persistently negligible level of U.S. biodiesel imports into the UK over the ERR injury period. As the data provided by the Complainants confirms, even where imports occurred, volumes remained minimal and inconsistent with any sustained market entry strategy.¹³

In tonnes	2022	2023	2024	POI
Imports of FAME biodiesel from the US	2.5	0.1	1,193	1,193

Source: HMRC – see Annex 2 and Appendix E.1

This export pattern is incompatible with any claim that the U.S. biodiesel industry would seek to redirect significant volumes to the UK following expiry of the measures. If U.S. exporters were genuinely interested in the UK market, this interest would be reflected in actual export flows, just as it is in the case of Peru. The fact that U.S. producers export substantial volumes to Peru despite the existence of trade defence measures in that market underscores that U.S. exporters are willing and able to serve markets they consider commercially attractive. The absence of comparable exports to the UK, therefore, cannot be explained by the current measures alone but rather reflects a lack of commercial interest in the UK market.

Second, U.S. producers' capacity to export FAME to the UK is further limited by the UK's regulatory framework, which favours double-counted waste-based feedstock. Because the majority of U.S. FAME is produced from soybean oil (a crop-based feedstock), such products are typically not competitive in the UK market and often are not economically viable under the UK's Renewable Transport Fuel Obligation ("RTFO") programme. In addition, the UK imposes a 'crop cap' which limits the eligibility of crop-derived biofuels under the RTFO, reducing the demand for vegetable oil-based FAME to only 3% of the total volume of fuel supplied under the RTFO in 2026.¹⁴

¹³ Expiry Review Request, p. 39.

¹⁴ Department for Transport, 'Renewable Transport Fuel Obligation: Compliance Guidance 2026: 1/01/26 to 31/12/26', available [here](#), p. 18-19.



In light of the foregoing, the evidence on the record does not support any likelihood of injury arising from U.S. (unsubsidized) imports following the expiry of the measures. U.S. biodiesel exports to the UK are *de minimis*. The fact that U.S. exporters ship substantial volumes to Peru despite the existence of trade defence measures confirms that U.S. producers actively serve markets they consider commercially attractive. The absence of comparable exports to the UK, therefore, reflects a lack of commercial interest rather than the existence of the current measures. Accordingly, there is no credible basis to conclude that U.S. imports would increase to injurious levels upon expiry of the measures.

(v) U.S. does not have any substantial unused capacity

VEL disagrees with the assertion of the Complainants regarding the “significant” spare capacities in the U.S.:¹⁵

- Capacity: In recent years, U.S. FAME production capacity has declined materially, primarily due to weak margins and unfavourable feedstock dynamics that have led to plant slowdown and closures. According to U.S. Energy Information Administration data, U.S. FAME production capacity has contracted steadily over the past several years. Since 2021, production capacity has fallen by approximately 423 million gallons, declining from 2.409 billion gallons per year¹⁶ to 1.986 billion gallons per year in 2025.¹⁷
- Production utilization: Data from the US Department of Agriculture (“**USDA**”) for 2024 indicate that U.S. FAME production was 1,67 billion gallons in 2024 (see USDA data in the Table below).¹⁸ Against an estimated production capacity of around 2.09 billion gallons in that year,¹⁹ this corresponds to a utilisation rate of approximately 80%. Such a level of utilisation is inconsistent with the existence of “significant” idle capacity that could be rapidly mobilised for additional exports.
- Stocks: USDA data further show that beginning stocks for 2025 were at their lowest level since 2015 (see USDA data in the Table below). This low stock position indicates that U.S. producers do not hold surplus inventories that could be redirected to new export markets. Rather, available volumes are required to service domestic consumption and established export destinations.

¹⁵ Expiry Review Request, pp. 56-59.

¹⁶ U.S. Energy Information Administration (EIA), 'U.S. biodiesel plant production capacity – 2021', available [here](#).

¹⁷ U.S. Energy Information Administration (EIA), 'U.S. biodiesel plant production capacity – 2025', available [here](#).

¹⁸ U.S. Department of Agriculture, 'U.S. Bioenergy Statistics' (21 January 2026), available [here](#). NB. Data for 2025 covers only the period until September 2025 and therefore is incomplete.

¹⁹ U.S. Energy Information Administration (EIA), 'U.S. biodiesel plant production capacity – 2024', available [here](#).



USDA Data on Biodiesel Supply and Disappearance

Table 4b. U.S. biodiesel supply and disappearance by calendar year (1,000 gallons)

Calendar year	Beginning stocks	Production	Imports	Total supply	Consumption	Exports	Total use	Ending stocks	Discrepancy 1/
2001	NA	8,576	3,399	11,975	10,268	1,707	11,975	NA	NA
2002	NA	10,484	8,288	18,773	16,361	2,412	18,772	NA	NA
2003	NA	14,209	4,066	18,275	13,510	4,766	18,275	NA	NA
2004	NA	27,982	4,223	32,205	26,841	5,364	32,205	NA	NA
2005	NA	90,787	8,975	99,762	90,828	8,934	99,762	NA	NA
2006	NA	250,439	46,423	296,862	260,926	35,936	296,863	NA	NA
2007	NA	489,825	145,108	634,933	353,708	281,225	634,933	NA	NA
2008	NA	678,106	325,711	1,003,817	303,556	700,262	1,003,817	NA	NA
2009	NA	515,805	80,047	595,852	321,832	274,936	596,768	29,862	-30,778
2010	29,862	343,445	23,686	396,993	260,075	108,695	368,769	28,224	0
2011	28,224	967,481	37,396	1,033,101	886,171	75,542	961,713	84,194	-12,806
2012	84,194	990,711	35,826	1,110,731	899,046	128,342	1,027,388	83,343	0
2013	83,343	1,359,456	342,384	1,785,183	1,428,840	196,336	1,625,175	160,008	0
2014	160,008	1,278,979	192,276	1,631,262	1,416,857	82,919	1,499,777	131,486	0
2015	131,486	1,263,347	352,758	1,747,591	1,494,161	87,812	1,581,972	165,619	0
2016	165,619	1,567,730	708,918	2,442,266	2,085,437	88,124	2,173,561	268,705	0
2017	268,705	1,595,709	393,708	2,258,122	1,985,282	93,586	2,078,868	179,254	0
2018	179,254	1,857,319	166,698	2,203,270	1,903,705	103,752	2,007,457	195,813	0
2019	195,813	1,724,507	171,276	2,091,596	1,812,843	114,675	1,927,518	164,078	0
2020	164,078	1,814,698	196,728	2,175,504	1,876,343	145,215	2,021,558	153,946	0
2021	153,946	1,708,826	210,210	2,072,982	1,710,104	187,003	1,897,107	175,875	0
2022	175,875	1,622,028	249,900	2,047,803	1,658,088	238,186	1,896,274	151,530	0
2023	151,530	1,696,828	501,018	2,349,376	1,930,096	259,114	2,189,210	160,166	0
2024	160,166	1,671,408	429,702	2,261,276	1,931,228	180,728	2,111,957	149,319	0
2025	149,319	878,179	17,430	1,044,928	838,103	75,462	913,565	NA	NA

The indicators provided above directly contradict the Complainants' assertion that U.S. producers have substantial spare capacity available for export. Accordingly, the record does not establish a credible basis to conclude that U.S. exports would increase to the UK at injurious levels if the measures were allowed to expire.

(vi) There is no incentive to increase production

The termination of the BTC fundamentally alters the economic conditions underpinning U.S. FAME production. With the discontinuation of the BTC, U.S. FAME producers no longer benefit from the principal financial incentive that previously supported production and exports. In these circumstances, any assumption that U.S. producers would increase production or exports in the future is speculative and unsupported by the current incentive structure.

(vii) Conclusion

The evidence clearly demonstrates that the expiry of the measures would neither lead to the continuation nor the recurrence of injury. The UK industry is not materially injured or vulnerable to injury and remains commercially viable and competitive in its domestic market, with any adverse trends attributable to external export developments rather than imports.

At the same time, U.S. biodiesel industry is domestically focused, lack any meaningful orientation toward the UK market, and no longer benefit from the BTC, while



the 45Z PTC provides only negligible support. Taken together, these factors preclude any credible scenario in which U.S. imports would increase to injurious levels following expiry of the measures, and therefore do not satisfy the legal requirements for a finding of likelihood of injury under Article 21.3 of the SCM Agreement and Regulation 70(6)(c) of the 2019 Regulations.

Appendix reference:

4. 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.

Terminating the measures on U.S. FAME would serve the UK's economic interests by increasing supply availability in a market where the UK is a net importer and supporting compliance with rising RTFO targets. Greater availability of FAME would also allow for free-market competition at a time when UK fuels are among the highest in Europe.

As explained above, with the expiry of the BTC, imports of FAME from the U.S. would not cause injury to the UK FAME industry. Removing the measures would therefore have positive economic effects without harming domestic producers. In particular, lifting the measures would reintroduce an established supplier of secure, trusted and high-quality FAME to the UK market. It would also reduce the risk of supply shortfalls that could otherwise further raise fuel prices in the UK, impede RTFO compliance, and undermine the UK's broader environmental objectives.

Appendix reference:

5. If you have any other information which may help us with this review, such as information regarding specific subsidies (including the United States' Clean Fuel Production Credit), please provide it below.

As clarified by the Appellate Body in *US – Carbon Steel*, “[t]ermination of a countervailing duty is the rule, while the continuation is the exception”. Moreover, “the continuation of a countervailing duty must ... be based on a properly conducted review ... and a fresh determination, based on credible evidence”.²⁰ Accordingly, the degree of diligence required by the investigating authorities in expiry review proceedings is particularly high.

In this respect, VEL would like to make three points:

²⁰ Appellate Body Report, *US – Carbon Steel*, para. 88.



1. **ER0083 should be terminated because the 45Z PTC is not a replacement for the BTC**

The Complainants' assertions that the 45Z PTC is a reinstatement or like-for-like replacement of the BTC ("*CFPC provides a benefit that is identical to the previous bio-diesel tax credits, namely USD 1.00 for each gallon of biodiesel produced and sold as transportation fuel*"²¹) are factually and legally incorrect. The two schemes differ fundamentally in design, scope, eligibility, beneficiaries, and level of benefit:

- The BTC was a blender's credit providing a fixed USD 1.00 per gallon for bio-fuels (including FAME and HVO) blended and sold as transport fuel, regardless of lifecycle emissions or feedstock type and origin.
- The 45Z PTC is a production credit available to fuel producers, not blenders, and is calculated by reference to a fuel's lifecycle carbon intensity (CI), with multiple qualifying conditions, including prevailing wage and apprenticeship requirements and wide-reaching constraints linked to input feedstock type and origin.

The Complainants' claim that 45Z PTC provides "*an identical*" USD 1.00/gal benefit mischaracterises the statute and ignores both the CI-based formula and the feedstock eligibility limitations. For example, FAME made of ISCC-certified foreign UCO, which is one of the most common types of FAME and attracted USD 1.00/gal under the BTC, is not eligible for the 45Z PTC. [Confidential: commercially sensitive data].

The 45Z PTC's significantly lower credit levels and reduced list of eligible feedstocks, which excludes key raw materials, preclude any determination that the 45Z PTC offers similar benefits or is a continuation of the BTC. The TRA confirmed this in the Notice of Intended Final Negative Determination in AS0067, concluding that 45Z PTC could not be used to recommend imposing or maintaining countervailing duties on imports previously covered by the BTC. As the BTC did not distinguish between HVO (investigated in AS0067) and FAME in benefit allocation, the same rationale must apply in this expiry review, which should consequently be terminated.

2. **Expiry review is limited to the subsidy schemes assessed in the initial investigation**

Without prejudice to VEL's position that the expiry of the BTC requires termination of ER0083, given that 45Z PTC is not a replacement of the BTC, VEL respectfully submits that a decision to vary the amount of the countervailing duties based on the 45Z

²¹ Request for an expiry review of the anti-dumping and anti-subsidy measures applicable to imports of biodiesel originating in the United States of America, dated 29 October 2025 ("**Expiry Review Request**"), p. 70, para. 13.



PTC would exceed the TRA's powers in an expiry review under Article 21.3 of the SCM Agreement and the 2019 Regulations.

- (i) Distinguishing Article 21.2 administrative reviews from Article 21.3 expiry reviews: new subsidies are not within the scope of expiry reviews

In their Expiry Review Request, the Complainants assert that the “*WTO jurisprudence allows for the examination of new subsidies in the context of an expiry review, if they have a sufficiently close link to the subsidies that resulted in the imposition of the original countervailing duty*”,²² relying on jurisprudence relating to Article 21.2 of the SCM Agreement.

First, the TRA’s findings in AS0067 confirm that the 45Z PTC is not a continuation of the BTC. Accordingly, the “*sufficiently close link*” is absent in the present case.

Second, the Complainants rely on jurisprudence under Article 21.2 of the SCM Agreement rather than Article 21.3, which governs the present expiry review.

Article 21.2 governs administrative reviews, mandating that authorities review the need for “*the continued imposition of the duty*” and, in particular, examine “*whether the continued imposition of the duty is necessary to offset subsidization, whether the injury would be likely to continue or recur if the duty were removed or varied, or both*”. Article 21.2 is implemented in the 2019 Regulations under Regulation 69 (“Interim Review”). In contrast, Article 21.3 of the SCM Agreement provides for a ‘sunset’ clause according to which “*any definitive countervailing duty shall be terminated*”, unless the authorities determine that “*the expiry of the duty would be likely to lead to continuation or recurrence of subsidization and injury*”. The UK has implemented Article 21.3 under Regulation 70 of the 2019 Regulations (“Expiry review”).

As explained by the Appellate Body in *US – Carbon Steel (India)*:

*“Article 21.2 ... gives investigating authorities the power to determine “whether the injury would be likely to continue or recur if the duty were removed or varied, or both”. Hence, Article 21.2 appears to call for a present and retrospective analysis as it relates to the necessity and impact of the duty prior to and during the administrative review, as well as a prospective analysis focusing on the likely future consequences of the maintenance, changing, or removal of the duty. This differs in scope from a review under Article 21.3, which is an exclusively prospective analysis that focuses on the future consequences of the removal of the duty.”*²³

Thus, while Article 21.2 focuses on “*the likely future consequences of the maintenance, changing, or removal of the duty*”, the expiry review under Article 21.3 focuses on “*the future consequences of the removal of the duty*”. Therefore, unlike an administrative or interim review, an expiry review is not the forum for examining and coun-

²² Expiry Review Request, p. 80, para. 4.

²³ Appellate Body Report, *US – Carbon Steel (India)*, para. 4.530.



tervailing new subsidy schemes, particularly where they do not constitute a continuation of the schemes analysed in the original investigation, as is the case in the present review.

(ii) Regulation 70 limitations: new subsidies are not within the scope of expiry reviews

Under Regulation 70(2) of the 2019 Regulations, the TRA may, in an expiry review, vary the countervailing amount where appropriate and subject to specified conditions. However, the 2019 Regulations preclude using an expiry review to introduce, assess, and countervail a new, different scheme following the expiration of the countervailed scheme:

- Regulation 70(7)(a) of the 2019 Regulations permits variation of the level of duty following an expiry review only where the TRA has “reassessed the amount of subsidy.” It is clear that by referring to the “*reassessment of the amount*”, the analysis is limited to the amount of the “subsidy” countervailed in the original investigation and precludes an investigation of additional subsidy programs. Moreover, the 2019 Regulations refer to “subsidy” rather than the broader concept of “subsidisation”, confirming that the TRA’s powers are confined to the specific schemes countervailed in the measures subject to review.
- The purpose of an expiry review is to determine whether injury to a UK industry would be likely to continue or recur if the measures were to expire.²⁴ The TRA’s powers must therefore be read as allowing amendments to duty levels to reflect changes in the countervailed subsidy schemes during the duration of the measures. They cannot be intended to investigate and assess new schemes.

Because the BTC has expired, any attempt to adduce the 45Z PTC into the scope of the reviewed measures would fall outside Regulation 70 – under which the present review has been initiated – and conflate an expiry review with an interim review or a new investigation, which have different purposes and legal bases.

3. 45Z PTC is not a countervailable subsidy for UK-bound FAME

Without prejudice to VEIL’s position that 45Z PTC cannot be assessed in ER0083, if the TRA nevertheless proceeds, the following should be taken into account:

(i) Potential benefits under 45Z PTC are markedly lower than under the BTC

As explained by the Appellate Body in *US – Countervailing Measures on Certain EC Products*, the obligations in the SCM Agreement, limiting countervailing measures to

²⁴ Regulation 70(1) of 2019 Regulations.



the amount and duration of the “*subsidy found to exist*”, apply not only to original investigations but to sunset reviews as well:

“[U]nder Article 1.1 of the SCM Agreement, a “subsidy” is “deemed to exist” only if a “financial contribution” confers a “benefit”. Also, under Article VI:3 of the GATT 1994, investigating authorities, before imposing countervailing duties, must ascertain the precise amount of a subsidy attributed to the imported products under investigation. In furtherance of this obligation, Article 10 of the SCM Agreement provides that Members must “ensure” that duties levied for the purpose of offsetting a subsidy are imposed only “in accordance with” the provisions of Article VI:3 of the GATT 1994 and the SCM Agreement. Moreover, Article 19.4 of the SCM Agreement, consistent with the language of Article VI:3 of the GATT 1994, requires that “[n]o countervailing duty shall be levied on any imported product in excess of the amount of the subsidy found to exist”. (emphasis added) Finally, Article 21.1 of the SCM Agreement provides that “[a] countervailing duty shall remain in force only as long as and to the extent necessary to counteract subsidization which is causing injury.” (emphasis added) In sum, these provisions set out the obligation of Members to limit countervailing duties to the amount and duration of the subsidy found to exist by the investigating authority. These obligations apply to original investigations as well as to ... sunset reviews covered under Article 21 of the SCM Agreement.”²⁵

Accordingly, an expiry review cannot be used to maintain or vary duties beyond the quantum or lifespan of “*the subsidy found to exist*”. If the TRA chose to examine the 45Z PTC – despite it not being a continuation of the BTC – it would first have to assess the extent and effects of that scheme. Should the TRA determine that the 45Z PTC is a countervailable subsidy, it would need to amend the countervailing duty rate, given the significantly lower benefits compared with the BTC.

Notably, an ISCC-certified foreign UCO, which, under the BTC would receive USD 1 in credit per gallon, is not eligible for any production tax credit under the 45Z PTC because the scheme requires the use of North American raw materials. [Confidential: commercially sensitive data]. The amount of countervailing duties would need to be adjusted to reflect the significantly lower benefits offered by the 45Z PTC and the fact that the majority of UK-bound U.S. FAME would not benefit from the scheme.

- (ii) No countervailing measures should be imposed on U.S. FAME exports to the UK on the basis of benefits under the 45Z PTC

[Confidential: commercially sensitive data]

As a result, most FAME that previously qualified for USD 1.00/gal under the BTC will either be ineligible for 45Z PTC or will receive a substantially lower amount. For FAME exports to the UK, the combination of 45Z PTC feedstock limitations and the UK’s

²⁵ Appellate Body Report, *US – Countervailing Measures on Certain EC Products*, para. 139.



RTFO double-counting rules means that the subset of U.S. FAME that could receive any benefit under 45Z PTC and remain eligible for RTFO double-counting is very small.

This is confirmed by market evidence. In 2025, only 0.4% of FAME supplied under the RTFO scheme was made from U.S.-origin feedstock that could potentially qualify under the 45Z PTC.²⁶ Notably, FAME imports during the POI would fall below the 1% *de minimis* threshold for a qualifying countervailable subsidy under Regulation 25(4) of the 2019 Regulations. Thus, UK imports of FAME during the POI attributable to any 45Z PTC benefit would be immaterial. As explained by the Appellate Body in *US – Carbon Steel*, “[w]here the level of subsidization at the time of the review is very low, there must be persuasive evidence that revocation of the duty would nevertheless lead to injury to the domestic industry”.²⁷ In the present case, such persuasive evidence is absent. Therefore, no countervailing measures should be imposed on U.S. FAME exports to the UK based on benefits under the 45Z PTC; the TRA should terminate ER0083 and allow the TS0005 measures to lapse.

Appendix reference:

²⁶ See Department for Transport, 'Renewable Transport Fuel Obligation (RTFO) statistics 2025: Third provisional release' (available [here](#)). Only 2.85 million litres of FAME made from U.S. origin UCO were supplied under the RTFO in 2025, out of 681 million litres of FAME supplied under the RTFO in 2025 (i.e., approx. 4%).

²⁷ Appellate Body Report, *US – Carbon Steel*, para. 88.



SECTION B: Next steps

Next steps

Please submit this questionnaire through the Trade Remedies Service (www.trade-remedies.service.gov.uk) by 1 April 2026.

A confidential and non-confidential version of the questionnaire must be submitted. You can find guidance on how to complete confidential and non-confidential versions in our guidance on [how to submit information](#).

Please list any appendices that you have referenced in your responses and are attaching with this questionnaire.

Appendix reference	Document title

+Add additional rows as required