



Pre-Sampling Questionnaire (Producer) Anti-dumping Investigation

Case AD0058: Biodiesel exported from the People's Republic of China

Period of Investigation:	<input type="text" value="1 April 2023 to 31 March 2024"/>
Injury Period:	<input type="text" value="1 April 2020 to 31 March 2024"/>
Deadline for response:	<input type="text" value="24 June 2024"/>
Case Team Contact:	<input type="text" value="AD0058@traderemedies.gov.uk"/>
Completed on behalf of:	<input type="text" value="Argent Energy"/>

When you have completed this form, indicate the **confidentiality** status of this document by placing an X in the relevant box below and in the header. We strongly recommend this questionnaire to be completed on the computer, so this step is easy to complete:

- Confidential
 Non-confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** – a **confidential** and a **non-confidential version**. Both copies must be returned to the TRA using the Trade Remedies Service (www.trade-remedies.service.gov.uk) by **24 June 2024**.



Table of Contents

The scope of this investigation	3
Instructions	4
Who should complete this form.....	4
Why you are being asked to complete this pre-sampling questionnaire.....	4
Deadline for response.....	4
Note about confidentiality.....	4
Section A – Activities of your company and any associated parties	6
A1 – Your company’s activities	6
A2 – Associated parties and operational links.....	7
Section B – Production, sales and imports	8
B1 – Production.....	8
B2 – Sales volume and value.....	8
B3 – Imports and Sales.....	9
B4 – Countries of Import	9
B5 – Conversion.....	10
B6 – Commodity codes	10
B7 – Hydrotreated Vegetable Oil (HVO) Production	11
Section C – Additional information.....	13
C1 – Other interested parties	13
C2 – Particular Market Situation.....	13
C3 – Appropriate Third Country	13
C4 – Scope	14
C5 – Product Control Numbers	15
C6 – Economic Interest Test.....	16
C7 – Anything else	17



The scope of this investigation

Goods concerned

This investigation covers goods exported from the People's Republic of China, described as:

“Fatty-acid mono-alkylesters or paraffinic gasoils obtained from synthesis or hydrotreatment of non-fossil origin, in pure form or as included in a blend”

These goods are currently classifiable within the following commodity codes:

1516 20 98 21,	1516 20 98 29,	1516 20 98 30,	1518 00 91 21,
1518 00 91 29,	1518 00 91 30,	1518 00 95 10,	1518 00 99 21,
1518 00 99 29,	1518 00 99 30,	2710 19 43 21,	2710 19 43 29,
2710 19 43 30,	2710 19 46 21,	2710 19 46 29,	2710 19 46 30,
2710 19 47 21,	2710 19 47 29,	2710 19 47 30,	2710 20 11 21,
2710 20 11 29,	2710 20 11 30,	2710 20 16 21,	2710 20 16 29,
2710 20 16 30,	2710 20 16 90,	3824 99 92 10,	3824 99 92 12,
3824 99 92 20,	3826 00 10 20,	3826 00 10 29,	3826 00 10 50,
3826 00 10 59,	3826 00 10 89,	3826 00 10 99,	3826 00 90 11,
3826 00 90 19,	3826 00 90 30		

These commodity codes are only given for information.

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

Like goods

This pre-sampling questionnaire asks for information about your company's imports and sales of goods which are like the goods concerned. Any reference to ‘like goods’ in this pre-sampling questionnaire refers to goods produced in the UK or imported to the UK from a country other than the People's Republic of China which are like the goods concerned in all respects, or with characteristics closely resembling them.

Please follow the instructions for each question to provide the appropriate information regarding the goods concerned or like goods.



For more information about this case, you may refer to the Notice of Initiation published at: www.trade-remedies.service.gov.uk/public/cases/AD0058/.

Instructions

Who should complete this form

You should complete this form if you are a UK producer of the like goods in the investigation.

Why you are being asked to complete this pre-sampling questionnaire

You have identified yourself as a UK producer of the like goods. We are therefore seeking your cooperation in the investigation.

This pre-sampling questionnaire allows us to collect basic information and data about your company. If a large number of UK producers complete this pre-sampling questionnaire, we will use the information each one provides to help us decide which companies we want to sample for further investigation. If you are sampled, we will send you a more detailed questionnaire to complete.

Deadline for response

A completed pre-sampling questionnaire must be submitted to the TRA by no later than **24 June 2024**. If you are unable to provide a completed submission by the given due date and you wish to request an extension, please contact **AD0058@traderemedies.gov.uk** and see the TRA's guidance on extension requests for further information.

Note about confidentiality

You will need to submit one confidential version and one non-confidential version of your pre-sampling questionnaire by the due date.

Please ensure that each page of information you provide is clearly marked either "Confidential" or "Non-confidential" in the header.

It is your responsibility to ensure that the non-confidential version does not contain any confidential information, which includes personal contact information, names and signatures.

Please see the TRA's [public guidance](#) for further information on what can be considered confidential and how to prepare a non-confidential version of this questionnaire.



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/AD0058/.



Section A – Activities of your company and any associated parties

A1 – Your company’s activities

To determine your company’s role for the purpose of this investigation, please select the activity/activities of your company below. For a definition of goods concerned please refer to above section on ‘the scope of this investigation’.

- producer of the like goods in the UK
- other (please give details below)

If you have selected ‘other’, please describe the role of your company with regards to the goods concerned or like goods:

Click or tap here to enter text.

Please describe your interest in this investigation:

Argent Energy is a biodiesel producer in the UK. The damage done to our industry by the importation of dumped biodiesel from China has been growing in line with the level of imports over the last 2 years, and the damage done to Argent Energy includes the destruction of margins in the UK and the consequential necessity to stop producing in our Scottish biodiesel plant in May 2024.
Our interest is in re-establishing a fair competitive environment by neutralising the economic advantages Chinese biodiesel has when exported to the UK.



A2 – Associated parties and operational links

Please give details of all associated parties involved with the company in the production and sales (export and/or domestic) of the like goods during the POI. Both natural persons (individuals) and legal persons (e.g. companies) are considered to be associated where they meet the definition of ‘Related Persons’ in [regulation 128 of the Customs \(Import Duty\) \(EU Exit\) Regulations 2018](#).

Examples of activities with associated parties could include production, domestic sales, export sales, and/or further processing of the like goods.

	Company name	Company location (city, country)	Activities	Relationship
Associated party 1	None			
Associated party 2				

+ Add additional rows as required



Section B – Production, sales and imports

B1 – Production

Please fill in your company's total UK production volume and capacity for the like goods in the table below.

	Volume (Metric tonnes)
Overall production of the like goods during the POI	<u>20,000 – 80,000</u>
Total production capacity of the like goods during the POI	<u>145,000</u>

B2 – Sales volume and value

Please provide your UK sales data for the like goods produced in the UK by your company. UK sales are defined here as sales to a UK legal entity. For clarity, we do not consider revenue from Renewable Transport Fuel Certificates to be within scope.

	Volume (Metric tonnes)	Value in original currency (X)	Value in GBP (£)	Conversion rate
UK sales of the like goods produced in the UK during the POI	20,000 – 80,000	20m – 80m	15m – 75m	1.1 – 1.4



B3 – Imports and Sales

If your company has also imported the goods concerned from the People’s Republic of China or like goods from any other country and sold them in the UK during the POI, provide your sales data for these imported goods concerned/like goods.

	Volume (Metric tonnes)	Value in original currency (X)	Value in GBP (£)	Conversion rate
Imports of the goods concerned from the People’s Republic of China during the POI	0	0	0	0
Imports of the like goods from countries other than the People’s Republic of China during the POI	0	0	0	0
UK sales of the goods concerned, imported from the People’s Republic of China during the POI	0	0	0	0
UK sales of the like goods, imported from countries other than the People’s Republic of China during the POI	0	0	0	0

B4 – Countries of Import

Please fill in below the top 3 countries from which your company imported like goods during the POI?



Argent Energy has not imported goods or like goods during the POI

B5 – Conversion

Please fill in whether your company primarily uses metric tonnes to measure its production volume and if not, then please describe your conversion method.

Does your company primarily use metric tonnes to measure its production volume?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If not, then please describe your conversion method to metric tonnes.		

B6 – Commodity codes

Please provide details of the commodity code(s) under which you produce the like goods in the UK during the Injury Period in the box below:

For FAME the commodity code used by Argent is 38 26 00.



B7 – Hydrotreated Vegetable Oil (HVO) Production

Please provide details of any HVO production, including sale and production volumes if applicable:	Volume (Metric tonnes)	Value in original currency (X)	Value in GBP (£)	Conversion rate
Overall production of HVO during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total production capacity of HVO during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
UK sales of HVO produced in the UK during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Imports of HVO from The People's Republic of China during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Imports of HVO from countries other than The People's Republic of China during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
UK sales of HVO imported from The People's Republic of China during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
UK sales of HVO, imported from countries other than The People's Republic of China during the POI	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



Section C – Additional information

C1 – Other interested parties

If you believe there are other interested parties that should receive a questionnaire, please provide their organisation name and website details below.

Organisation name	Website
Olleco	

C2 – Particular Market Situation

If you have any concerns or information about the possible existence of a particular market situation in the People's Republic of China, please provide details in the box below. This can include examples such as:

- Prices are artificially low;
- There is significant barter trade (e.g. goods exchanged for other goods);
- Prices reflect non-commercial factors; or
- Anything else.



The prices of biodiesel in China are influenced by non-commercial factors within the meaning of Regulation 7(4)(c) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (“Regulations”). Market conditions, including costs and prices of biodiesel, are currently not governed by the market forces of supply and demand, but rather are distorted by systemic government intervention from the Government of China (“GoC”).

These systemic distortions have been documented in detail by the European Commission in its report, that we believe is objective and useful to the case, released on April 10, 2024, titled "Commission staff working document on significant distortions in the economy of the People’s Republic of China for the purposes of trade defence investigations" (SWD (2024) 91).

There are a number of other distortions affecting the Chinese biodiesel industry, including:

- Connections between the Government of China (GoC) and several biodiesel producers in China (e.g., Beijing Sanju Environmental Protection and New Materials Co Ltd and Beijing Haixin Energy Technology Co., Ltd);
- GoC interference in prices and costs through both state-owned and private companies producing biodiesel in China;
- Development plans released by the GoC (such as the Strategic Action Plan for Energy Development 2014-2020, the 14th Five-Year-Plan 2021-2025 for Renewable Energy Development) indicating active governmental support for the development of the biodiesel industry. This support can take various forms, including direct subsidies (e.g., provision of land, grants, loans and reduced enterprise income tax rates), indirect subsidies (e.g., low-interest loans, tax reductions), and price controls on energy costs or other factors of production;
- Inadequate enforcement of bankruptcy, corporate, or property laws in China, which generally applies to all sectors;
- Distorted wage costs in the Chinese biodiesel industry due to the hukou system and the difficulty of employees to collectively organise.

In light of the above, Argent considers that the above-mentioned distortions collectively constitute a Particular Market Situation (“PMS”) in the Chinese biodiesel industry.

C3 – Appropriate Third Country



In respect of imports from particular foreign countries and territories, the TRA may calculate the normal value of the goods concerned using an appropriate third country in accordance with Regulation 14 of the D&S Regulations. The Applicant has proposed Brazil as an appropriate third country.

Do you agree with Brazil as an appropriate third country? Please explain your reasons.

We support the use of data from an appropriate third country instead of China to calculate the normal value. Among the countries having a similar level of economic development, Argent believes Brazil as the most appropriate third country.

Brazil's domestic biodiesel production volumes significantly exceed those of other countries. And secondly, the relevant financial data for constructing the normal value is readily available from Brazilian producers.

Furthermore, other biodiesel-producing countries do not match Brazil's representativeness. Argentina and Malaysia, for instance, subsidise their biodiesel industries through various means, rendering their data unreliable. With regard to the other two major producer countries, i.e. Thailand and Colombia, they produce significantly less biodiesel than Brazil.

C4 – Scope

Do you agree with the scope of the investigation as outlined on page 3?

- Yes
 No

If you have answered 'no' to the above question, please can you explain why?



The present investigation should encompass all types and alternatives of biodiesel. While biodiesel made through transesterification (“FAME”) is the primary product in the UK domestic market, China has developed other production pathways, such as hydro-treated vegetable oils (“HVO”) and sustainable aviation fuels (“SAF”).

HVO and SAF biodiesel produced in China are similar to biodiesel produced in the UK in that they can all be used as fuel in diesel engines (even if current production levels, capacity investment and regulatory demands do not drive all products into diesel engines). Different terms (FAME, HVO, SAF) do not imply these products belong to different biodiesel categories. Instead, they all fall under the same general category of biodiesel: they are similar or interchangeable products, competing in the UK market.

For a detailed analysis of the interchangeability and competition between different biodiesel types, Argent refers the TRA to the Applicant’s Application (see Section A.2 – The Like Goods) and the Applicant’s Submission of 28 June 2024 regarding the inclusion of SAF in the product scope.

C5 – Product Control Numbers

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

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

We have created a draft PCN table and enclose this here for you now.

Characteristic	Symbol	Description
Type	F	F - FAME (fatty-acid mono-alkyl esters)
	P	P - Paraffinic gasoils
Cold Filter Plugging Point (CFPP) in degrees centigrade to nearest degree	1	1 - Higher than +9
	2	2 - Higher than or equal to 0 but lower than or eq
	3	3 - Lower than 0 but higher than or equal to -9
	4	4 - Lower than -9 but higher than or equal to -40



	5	5 - Lower than -40
Feedstock	1	1 - biodiesel from food and feed crops
	2	2 - biodiesel from feedstocks subject to incentives (e.g. double counting)
	3	3 - biodiesel from feedstock other than food and feed crops and not subject to incentives
	0	0 - other/special purpose sold without any certificate
Form	P(100)	Included in a blend with mineral fuel Pure form (100)
	B(XX)	Included in a blend with mineral fuel

Under this PCN structure, biodiesel assigned PCN F12B30 would be a product that corresponds with the following:

- FAME
- A Cold Filter Plugging Point (CFPP) higher than +9
- Biodiesel from feedstocks subject to incentives
- A 30 percent blend rate

Please review the draft PCN structure for this investigation shown in the table above. Please include any comments on the PCN structure in the box provided.

Click or tap here to enter text.



C6 – Economic Interest Test

It is a requirement of the investigation to conduct an Economic Interest Test (EIT). The aim of the EIT is to determine whether the implementation of the proposed trade remedy measure is in the wider economic interest of the UK. In order to obtain a complete picture of the UK market, could you please help by providing us with details of your UK suppliers (upstream companies providing inputs) and UK customers (downstream companies buying your like goods). Please confirm in the final column if we are able to contact these companies.

	Company name	Company location (city, country)	Company contact information (email/telephone)	Relationship	Can we contact? Yes/No
1					
2					
3					
4					

C7 – Anything else

Please use the box below to provide information about anything else you consider relevant to this investigation:



It is crucial for the UK biodiesel industry that the TRA acknowledges the high degree of integration between the UK and EU markets. Due to their geographical proximity and similar market conditions, further injury may occur from potential trade diversion from the EU to the UK once the former imposes definitive anti-dumping duties at the end of the ongoing anti-dumping investigation, initiated on 20 December 2023 ("AD700 Investigation"). Additionally, a halt in some Chinese exports to the EU is likely to further reduce UK market prices, as the UK will absorb a substantial part of these diverted Chinese imports. Also, even if imports from China do not increase substantially, the loss of the EU market to Chinese exporters means the prices will collapse even further.

We therefore request the TRA to follow closely developments in the EU market throughout the present investigation. If the UK adopts different (lower) import duties than the EU, we would expect the UK to become more attractive to Chinese exporters, as it will become the area of access to the EU/UK market where biodiesel from China is offered to UK importers and customers at a discount to European prices. In a hypothetical scenario where the UK imposes import duties 10% lower than the EU, we expect that producers from China will be able to offer the UK market biodiesel at a discount to European prices between 1-9% (depending on the market conditions).

Finally, any gap between imposition of duties in the EU on Chinese imports and duties in the UK will be a hugely important window of opportunity for Chinese biodiesel exporters. Argent therefore requests that the TRA imposes a registration of imports of biodiesel from China as soon as possible and makes preparations for such action to prevent any bureaucratic delays.

Now you have reached the end of this questionnaire please ensure that you have prepared a confidential and non-confidential version and indicated the status of each within the header. The non-confidential version should redact personal contact information, names, signatures, and exact sales quotes. Redacted figures should be replaced with a range where possible. Please return both versions to the TRA using the Trade Remedies Service (trade-remedies.service.gov.uk).