



## FACT SHEET

### Commerce Finds Dumping of Imports of Biodiesel from Argentina and Indonesia

- On February 21, 2018, the Department of Commerce (Commerce) announced its affirmative final determinations in the antidumping duty (AD) investigations of imports of biodiesel from Argentina and Indonesia.
- The AD law provides U.S. businesses and workers with a transparent, quasi-judicial, and internationally accepted mechanism to seek relief from the market distorting effects caused by injurious dumping of imports into the United States, establishing an opportunity to compete on a level playing field.
- For the purpose of AD investigations, dumping occurs when a foreign company sells an imported product in the United States at less than fair value.
- In the Argentina AD investigation, Commerce calculated final dumping rates of 60.44 percent for LDC Argentina S.A. and 86.41 percent for Vicentin S.A.I.C., Renova S.A., Oleaginoso Moreno Hermanos S.A., Molinos Agro S.A., Patagonia Energia S.A., VFG Inversiones y Actividades Especiales S.A., Vicentin S.A.I.C. Sucursal Uy, Trading Company X, and Molinos Overseas Commodities S.A. Commerce determined a rate of 74.73 percent for all other producers and exporters of biodiesel from Argentina.
- In the Indonesia AD investigation, Commerce calculated a final dumping rate of 92.52 percent for mandatory respondent Wilmar Trading PTE Ltd. The dumping rate for PT Musim Mas was determined on the basis of adverse facts available due to its failure to provide certain information as requested by Commerce. As a result, Commerce assigned PT Musim Mas a dumping rate of 276.65 percent which is the highest transaction-specific rate on the record of the investigation. Commerce determined a rate of 92.52 percent for all other producers/exporters of biodiesel from Indonesia.
- Commerce found that a particular market situation existed with respect to the respondents' home market sales in Argentina and Indonesia. In addition, Commerce found a particular market situation existed with respect to the respondents' reported costs of soybeans and crude palm oil used in the production of biodiesel in Argentina and Indonesia, respectively.
- Upon publication of the final affirmative AD determinations, Commerce will instruct U.S. Customs and Border Protection (CBP) to collect cash deposits equal to the applicable final weighted-average dumping rates.
- The petitioner is the National Biodiesel Board Fair Trade Coalition, an *ad hoc* association composed of the National Biodiesel Board and 15 domestic producers of biodiesel.
- The merchandise covered by these investigations is biodiesel, which is a fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, including biologically-based waste oils or greases, and other biologically-based oil or fat sources. The investigations cover biodiesel in pure form (B100) as well as fuel mixtures containing blends above B30 and including 99 percent

biodiesel by volume (B99). For fuel mixtures containing above 30 percent and including 99 percent biodiesel by volume, only the biodiesel component of the mixture is covered by the scope of the investigations.

- Biodiesel is generally produced to American Society for Testing and Materials International (ASTM) D6751 specifications, but it can also be made to other specifications. Biodiesel commonly has one of the following Chemical Abstracts Service (CAS) numbers, generally depending upon the feedstock used: 67784-80-9 (soybean oil methyl esters); 91051-34-2 (palm oil methyl esters); 91051-32-0 (palm kernel oil methyl esters); 73891-99-3 (rapeseed oil methyl esters); 61788-61-2 (tallow methyl esters); 68990-52-3 (vegetable oil methyl esters); 129828-16-6 (canola oil methyl esters); 67762-26-9 (unsaturated alkylcarboxylic acid methyl ester); or 68937-84-8 (fatty acids, C12-C18, methyl ester).

The B100 product subject to the investigation is currently classifiable under subheading 3826.00.1000 of the Harmonized Tariff Schedule of the United States (HTSUS), while the blends above B30 through B99 product is currently classifiable under HTSUS subheading 3826.00.3000. Although the HTSUS subheadings, ASTM specifications, and CAS numbers are provided for convenience and customs purposes, the written description of the scope is dispositive.

- In 2016, imports of biodiesel from Argentina and Indonesia were valued at an estimated \$1.2 billion and \$268 million, respectively.

#### **NEXT STEPS**

- The U.S. International Trade Commission (ITC) is scheduled to make its final determinations on or about April 6, 2018.
- If the ITC makes affirmative final determinations that imports of biodiesel from Argentina and Indonesia materially injure, or threaten material injury to, the domestic industry, Commerce will issue AD orders. If the ITC makes negative determinations of injury, the investigations will be terminated.
- The Final Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. Please refer to case number A-357-820 for Argentina and A-560-830 for Indonesia.

## FINAL DUMPING MARGINS:

COUNTRY	EXPORTER/PRODUCER	DUMPING RATES
Argentina	LDC Argentina S.A.	60.44%
	Vicentin S.A.I.C., Renova S.A., Oleaginosa Moreno Hermanos S.A., Molinos Agro S.A., Patagonia Energia S.A., VFG Inversiones y Actividades Especiales S.A., Vicentin S.A.I.C. Sucursal Uy, Trading Company X, and Molinos Overseas Commodities S.A.	86.41%
	All Others	74.73%
Indonesia	Wilmar Trading PTE Ltd.	92.52%
	P.T. Musim Mas	276.65%
	All Others	92.52%

## CASE CALENDAR:

EVENT	DATE
Petitions Filed	March 23, 2017
DOC Initiation Date	April 12, 2017
ITC Preliminary Determinations	May 8, 2017
DOC Preliminary Determinations	October 19, 2017
DOC Final Determinations	February 20, 2018 <sup>^</sup>
ITC Final Determinations*	April 6, 2018
Issuance of Orders**	April 13, 2018

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For AD investigations, the deadlines are set forth in sections 733(b) and 735(a)(1) of the Tariff Act of 1930, as amended. These deadlines may be extended under certain circumstances.

\*This will take place only in the event of affirmative final determinations from Commerce.

\*\*This will take place only in the event of affirmative final determinations from Commerce and the ITC.

<sup>^</sup> As explained in the Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018, Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through January 22, 2018. Therefore, the final determination date for these investigations has been tolled by three days and all other deadlines have been adjusted accordingly.

## IMPORT STATISTICS:

ARGENTINA	2014	2015	2016
Volume (metric tons)	156,497	659,661	1,475,038
Value (USD)	136,035,141	470,305,187	1,199,817,824
INDONESIA	2014	2015	2016
Volume (metric tons)	170,962	236,832	370,969
Value (USD)	137,755,886	153,832,503	268,213,562

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 3826.00.1000 and 3826.00.3000)