



FACT SHEET

Commerce Initiates Antidumping Duty and Countervailing Duty Investigations of Imports of Biodiesel from Argentina and Indonesia

- On April 13, 2017, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of biodiesel from Argentina and Indonesia.
- The AD and CVD laws provide 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 and unfair subsidization 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 a product in the United States at less than its fair value. For the purpose of CVD investigations, a countervailable subsidy is financial assistance from a foreign government that benefits the production of goods from foreign companies and is limited to specific enterprises or industries, or is contingent either upon export performance or upon the use of domestic goods over imported goods.
- The petitioner is the National Biodiesel Fair Trade Coalition, an *ad hoc* association composed of the National Biodiesel Board and 15 domestic producers of biodiesel.
- The scope of these investigations covers 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 at least 99 percent biodiesel by volume (B99). For fuel mixtures containing less than 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 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 preliminary injury determinations on or before May 8, 2017.
- If the ITC determines that there is a reasonable indication that imports of biodiesel from Argentina and/or Indonesia materially injure, or threaten material injury to, the domestic industry in the United States, the investigations will continue, and the Department will be scheduled to announce its preliminary CVD determinations in June 2017 and its preliminary AD determinations in August 2017, though these dates may be extended. If the ITC's determinations are negative, the investigations will be terminated.

ALLEGED DUMPING MARGIN:

COUNTRY	DUMPING MARGINS
Argentina	26.54 percent
Indonesia	28.11 percent

ESTIMATED SUBSIDY RATE:

COUNTRY	SUBSIDY RATE
Argentina	Above <i>de minimis</i> *
Indonesia	Above <i>de minimis</i> *

* *de minimis* = less than 1% for developed countries, less than 2% for developing countries.

CASE CALENDAR:

EVENT	AD INVESTIGATIONS	CVD INVESTIGATIONS
Petitions Filed	March 23, 2017	March 23, 2017
DOC Initiation Date	April 12, 2017	April 12, 2017
ITC Preliminary Determinations*	May 8, 2017†	May 8, 2017†
DOC Preliminary Determinations	August 30, 2017	June 16, 2017
DOC Final Determinations	November 13, 2017	August 30, 2017
ITC Final Determinations**	December 28, 2017	October 16, 2017†
Issuance of Orders***	January 4, 2018	October 23, 2017†

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended (the Act). For AD investigations, the deadlines are set forth in sections 733(b) and 735(a) of the Act. These deadlines may be extended under certain circumstances.

†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.

* If the ITC makes a negative preliminary determination of injury, the investigations are terminated.

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

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

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)