

EBB Press Release

Polish low-priced biodiesel exports threaten the level playing field on the EU market



The EBB has recently alerted EU and national Member States authorities on important and increasing trade distortions of the EU internal market of biodiesel created by biodiesel products exported from Poland at unfair low price levels. An inquiry is to be opened on such unfair practice, which is breaching EU and national laws. Operators need to be aware that this might have severe - and also retroactive - effects both on mandates compliance and on sustainability rules and certification.

According to recent reports received by EBB, it seems that some operators active in the Polish and EU market are taking advantage of unfair discounts granted by the Polish national biofuels law, allowing them to export physical quantities of biodiesel that have been officially but untrustworthy declared as blended – under RED mandates - with gasoil sold in the Polish territory. Cheaper fossil diesel is reported substituting the Polish claimed volumes of biodiesel accounted towards the national blending mandate. This concerns important biodiesel quantities which are then sold in Romania, the Netherlands, Belgium, Italy and, once blended at biodiesel hubs, (ARA, Barcelona) also reach the French market.

The quantities involved are increasing every day and have recently reached figures of 20-25.000 tonnes of unfair Polish biodiesel exports per month. The involved operators appear to be ready to take the risk to make such untrustworthy declarations since the same material ends up fraudulently used twice (in Poland and in another EU country) to fulfil RED based mandatory objectives, which gives them a corresponding unfair market advantage.

Such unfair practice breaches number of legal and economic concerns at European level, as well as in the various countries involved. The implementation of the RED is realised, under this practice, using unfair and untrustworthy claims as a basis and RED targets fulfilment does not correspond anymore to reality. The same concerns sustainability rules and certifications that are breached, which, if confirmed, will trigger retroactive verification and penalties at national and EU levels. Competition and EU internal market rules are also challenged.

EBB has expressed deep concern on this problem and has alerted EU and national authorities, as well as the OLAF (Anti-Fraud office of the European Commission) and the main voluntary schemes operating in the continent, in order to identify the untrustworthy operators and stop this traffic as soon as possible.

“The EBB is deeply concerned by such a flagrant breach of the EU law and principles, and is highly committed to stopping the flow of Polish biodiesel, which is highly disruptive and noxious to the integrity and competitiveness of the EU biodiesel market. We will actively strive to identify the source of the problem, as well as find effective solutions that will keep the EU internal market for biodiesel united and functioning at a level-playing field again” – stated EBB’s President, Alain Brinon.

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The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, EBB gathers nearly 80 members across 21 Member-States, which represents 75% of the European output. Biodiesel is the main European solution to reduce emissions from transport and dependence on imported oil. EBB aims to promote the use of biodiesel in the European Union and is committed to fulfil International standards for sustainability in GHG emissions and sustainable feedstock. EBB is constantly working towards the development of improved and greener technologies.