Trade Remedies Investigations Directorate

Department for International Trade

North Gate House

21-23 Valpy St

Reading

RG1 1AF

27/5/21

TS0005 & TD0004 - UK biodiesel / HVO

Following on from our submissions to your department we were concerned to see the recent documents lodged on the public register in respect of the above cases.

Whilst we certainly do not wish to see the UK biodiesel industry harmed, we feel that it is imperative to advise the DIT that HVO is definitely not the same as Fatty Acid Methyl Esther (FAME) biodiesel.

These products do not compete in all circumstances and we feel it is wrong to align HVO so closely to Biodiesel. HVO production has a synthesised process with Hydrogen to make a paraffin type chemical chain whereas in making Biodiesel a methanol is used which creates an Ester type chemical chain. Clearly the two products are completely different.

HVO is a consistent product and suitable for other uses than FAME. We can speak with real experience as we held 100% FAME biodiesel at our storage depot for several years. We understand that FAME is hydroscopic, freezes at 0`c, will wax up and block filters in cold temperatures, can separate with soap dropping out and solidifying and can be carcinogenic. Whereas HVO is different in everyway just mentioned and biodegradable.

100% FAME is not suitable to be used for producing heat in domestic boilers and also there are many vehicles that cannot take 100% FAME or even a high % blend. We appreciate that there is a UK requirement of 3 billion litres of domestic heating fuel per annum and nearly 1 billion for industry and whilst this may reduce over time with other technologies coming onstream, there is a massive market for HVO.

Additional HVO imports could certainly help this new market which is totally separate from the existing demand for renewable fuel to replace road and off -road diesel. We believe that there will be such a demand for HVO that it will not harm UK FAME producers but provide additional opportunities for them as well.

We thought it is very important that it is made clear there is a massive potential market for renewable liquid fuels, and I understand HVO is not manufactured in the UK.