



Thursday, 25<sup>th</sup> May 2023

**INFORMATION**

**The Termination of the Anti-subsidy Proceeding Concerning the Imports of Fatty Acid Originating from Indonesia by the European Union Commission**

The European Union (EU) Commission released a document of Commission Implementing Decision No. 617 Year 2023 and stated that the EU Commission has terminated the anti-subsidy proceeding on imports of fatty acid originating in Indonesia. The decision was made after the objection has been withdrew in October 2022.

The flow of objection submissions to the EU Commission started on 31 March 2022 lodged by the coalition opposing Unfair Trade in Fatty Acid. In response to the objection, on 13 May 2022, the EU Commission initiated a review of anti-subsidy proceedings concerning imports of fatty acid from Indonesia during the period 1 October 2020 to 30 September 2021. The products subject to the review were fatty acids with a carbon chain length of C6, C8, C10, C12, C14, C16, or C18 with an iodine value below 105g/100g and with a ratio of free fatty acids to triglycerides (Degree of Split – DoS) of at least 97%.

During the process of review by the EU Commission, the objection submissions were withdrawn. According to Article 14(1) of Regulation (EU) 2016/1037, when an objection submission on the EU's policy is withdrawn, the process of review can be terminated as long as the subject of the objection is not interfering with the EU's interest, therefore, the EU Commission considering that the process of review should be terminated.

The Minister of Trade of the Republic of Indonesia, Zulkifli Hasan, welcomed the EU Commission's decision and emphasized that the termination would benefit Indonesian companies to export fatty acids to the EU countries, as the anti-subsidy duties ranging from 15.2% to 46.4% are invalid and it could encourage Indonesian exporters to increase their exports of fatty acids to the EU countries, and it's potentially leading to increasing the trading in the EU countries market.

References:

- Press Release of the Ministry of Trade on 5 May 2023
- The Commission Implementing Decision (European Union/EU) 2023/617 of 17 March 2023 terminating the anti-subsidy proceeding concerning imports of fatty acid originating in Indonesia

If you require the copy of this documents, please do not hesitate to contact [research@ibai.or.id](mailto:research@ibai.or.id)  
Thank you for your attention and hope this information would be valuable to you.

**Italian Business Association in Indonesia (IBAI)**

c/o Istituto Italiano di Cultura Jakarta

Jl. HOS Cokroaminoto No. 117 Menteng Jakarta 10310 INDONESIA

P: +6281 1979 4262 E: [ibai@ibai.or.id](mailto:ibai@ibai.or.id)