

HIGHLIGHTS

- RME/Fame 0 widens in ARA, led by rise in RME premium
- European HVO Class II and IV premiums hit fresh highs
- Ucome fob China, Pome oil fob Malaysia tick higher
- US biofuels: RIN credits firm, ethanol softer

MARKET COMMENTARY

European biodiesel

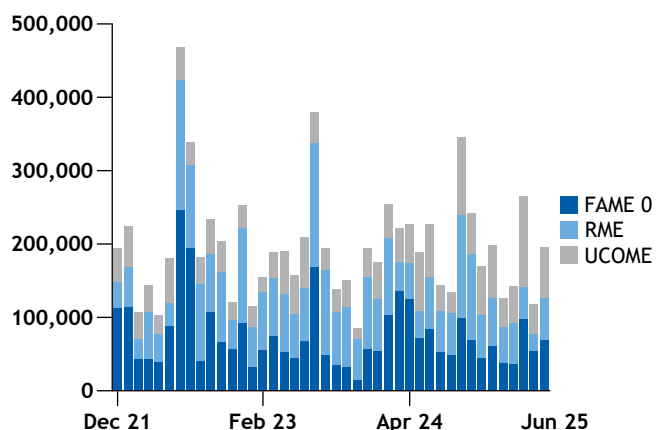
European biodiesel prices were relatively sedate on Thursday, with the RME/Fame 0 spread widening by \$14/t after narrowing in the previous session.

The wider RME/Fame 0 spread was led primarily by RME, which traded twice at \$669-670/t and was assessed at the \$669.50/t average of the deals. The spot premium rose by \$12.50/t, but a \$3.70/t decrease in the 7-28 day gasoil value led to an overall \$9/t increase in the outright price, to \$1,370/t.

Rapeseed oil fob Dutch mill spot prices have trended upwards this week on lower supply expectations.

August RME/Fame 0 traded more widely than the prompt

Total trade volumes RME, Fame 0, UCOME



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PRICES

Biofuels spot prices			\$/t
	Bid	Ask	±
RED biodiesel fob ARA range			
Rapeseed OME	1,365	1,375	+9.00
Soya OME	1,344	1,354	-5.00
FAME 0°C CFPP	1,329	1,339	-5.00
FAME -10°C CFPP	1,361	1,371	+7.00
UCOME	1,440.00	1,450.00	-5.70
Tallow OME	1,425.00	1,435.00	-5.70
POME OME	1,520.00	1,530.00	-5.70
Advanced FAME 0°C CFPP	1,565.00	1,575.00	-5.70
RED hydrotreated vegetable oil (HVO) fob ARA range			
HVO (Class I)	1,892.95	1,905.77	-4.01
HVO (Class II)	2,194.23	2,207.05	+53.68
HVO (Class III)	2,104.48	2,117.30	-4.01
HVO (Class IV)	2,207.05	2,219.87	+15.22
RED sustainable aviation fuel (SAF)			
HEFA-SPK* fob ARA range – SAF	2,008.55	2,021.71	-4.11
	Mid		±
HEFA-SPK* (ex HBE-IXB Netherlands credits)	355.81		-30.47
HEFA-SPK* cif NWE	2,008.55	2,021.71	-4.11
<i>*Hydrotreated Esters and Fatty Acids (HEFA-SPK)</i>			
Bionaphtha and biopropane			
Bionaphtha fob ARA range	1,395.00	1,405.00	+5.00
Biopropane fca ARA range	1,350.00	1,360.00	+5.00

Hydrotreated biofuels prices (volume)			\$/m ³
	Bid	Ask	±
HVO fob ARA range (Class II)*	1,711.50	1,721.50	+41.87
HEFA-SPK fob ARA range*	1,526.50	1,536.50	-3.12
HEFA-SPK cif NWE*	1,526.50	1,536.50	-3.12
Bionaphtha fob ARA range*	962.55	969.45	+3.45
Biopropane fca ARA range*	704.70	709.92	+2.61
<i>*HVO, HEFA-SPK, bionaphtha and biopropane have assumed densities of 0.78kg/l, 0.76kg/l, 0.69kg/l and 0.522kg/l respectively.</i>			

Ice gasoil			\$/t
Contract	Value		±
7 to 28 days forward	700.00		-3.70
7 to 28 days forward (HVO-escalated)	758.33		-4.01
7 to 28 days forward (SAF-escalated)	778.29		-4.11
Settle			
Aug	706.75		-4.50
Sep	693.25		-0.75
Oct	687.00		+1.25

RED biodiesel fob ARA range, premium to Ice gasoil 7-28 day	
Transaction	Price (\$/t)
FAME 0°C CFPP, loading 31 Jul 2025 - 21 Aug 2025 (1,000t)	
Trafigura buys from Adnoc Global Trading	+635.00
Gunvor buys from Adnoc Global Trading	+635.00
Gunvor buys from Astra Bioplant Trading SA	+633.00
Rapeseed OME, loading 31 Jul 2025 - 21 Aug 2025 (1,000t)	
TotalEnergies buys from ExxonMobil	+669.00
TotalEnergies buys from Petroineos	+670.00
UCOME, loading 31 Jul 2025 - 21 Aug 2025 (1,000t)	
Astra Bioplant Trading SA buys from EET Fuels	+745.00

spread, at \$55/t (\$670/t, \$615/t) for 1,000t per product. August RME traded three times at \$667-673/t for 4,000t total, while August Fame 0 traded four times at \$610-619/t for 5,000t total.

Prompt-loading Fame 0 traded three times at \$633-635/t and was assessed at the \$634.33/t average, down by only 67¢/t on the day. The outright price fell by \$5/t to \$1,334/t.

Ucome dealt and was assessed at \$745/t, down by \$2/t. The outright price declined by \$5.70/t to \$1,445/t.

Hydrotreated vegetable oil

Firm buying interest pushed up the northwest European hydrotreated vegetable oil (HVO) Class II and Class IV premiums to fresh eight-month highs.

HVO Class II was bid by two participants, opening at \$1,065/m³ and closing at \$1,120/m³ on Thursday's Argus Open Markets (AOM). Two offers emerged from one seller, rising by \$50/m³ during the session and closing at \$1,250/m³. The premium rose to \$1,125/m³, the midpoint of a \$10/m³ range up from the best bid. This is \$45/m³ higher on the day, and its highest level since 18 November 2024.

While the HVO-escalated 7-28 day gasoil softened by \$4.01/t to \$758.33/t, the premium gains saw the Class II outright price climb by \$53.68/t on the day to \$2,200.64/t – a \$1,442.31/t premium to the escalated gasoil price, or \$1,493.89/t over front-month gasoil.

Trade on the Class II paper market comprised a September contract at \$1,445/t for 2,000t, as a premium to front-month gasoil. The forward curve fell by \$4-15/t across the months and quarters.

Buying interest in Class IV closed at \$1,130/m³ and was unmet by offers on AOM. The premium firmed to \$1,135/m³, the midpoint of a \$10/m³ range up from the best bid. This is up by \$15/m³ on the day, and its highest level since 18 November 2024.

RED hydrotreated biofuels differentials to Ice gasoil		\$/t	
	Bid	Ask	±
Hydrotreated vegetable oil (HVO) fob ARA range			
HVO (Class I) diff to 7-28 days*	+1,134.62	+1,147.44	nc
HVO (Class I) diff to 7-28 days* \$/m ³	+885.00	+895.00	nc
HVO (Class II) diff to 7-28 days*	+1,435.90	+1,448.72	+57.69
HVO (Class II) diff to 7-28 days* \$/m ³	+1,120.00	+1,130.00	+45.00
HVO (Class II) diff to front month	+1,487.48	+1,500.30	+58.18
HVO (Class III) diff to 7-28 days*	+1,346.15	+1,358.97	nc
HVO (Class III) diff to 7-28 days* \$/m ³	+1,050.00	+1,060.00	nc
HVO (Class IV) diff to 7-28 days*	+1,448.72	+1,461.54	+19.23
HVO (Class IV) diff to 7-28 days* \$/m ³	+1,130.00	+1,140.00	+15.00
Sustainable aviation fuel (SAF) fob ARA range			
HEFA-SPK [^] diff to 7-28 days†	+1,230.26	+1,243.42	nc
HEFA-SPK [^] diff to 7-28 days† \$/m ³	+935.00	+945.00	nc
HEFA-SPK [^] diff to front month	+1,301.80	+1,314.96	+0.39
SAF cif NWE			
HEFA-SPK [^] diff to 7-28 days†	+1,230.26	+1,243.42	nc
HEFA-SPK [^] diff to 7-28 days† \$/m ³	+935.00	+945.00	nc

*HVO-escalated

[^]Hydrotreated Esters and Fatty Acids (HEFA-SPK)

†SAF-escalated

Gasoil spreads		\$/t	
	Month	Value	±
Palm oil-gasoil spread (Pogo)	Oct	346.25	+16.25
Bean oil-gasoil spread (Bogo)	Sep	543.50	+6.25

Marine biofuels spot prices			
	Bid	Ask	±
RED marine biodiesel (VLSFO blend)			
B30 (UCOME) dob ARA range	810.00	820.00	nc
B24 (UCOME) dob Algeciras-Gibraltar	770.00	780.00	nc
	Mid		±
B20 (Advanced Fame 0°C) dob ARA range		644.58	-3.67
B30 (Advanced Fame 0°C) dob ARA range		706.12	-4.75
B100 (Advanced Fame 0°C) dob ARA range		1,121.90	-12.33
FuelEU Maritime costs			\$/tCO ₂ e
FuelEU Ucome-MGO abatement		292.04	-0.63
FuelEU Ucome-VLSFO abatement		345.22	-2.43
FuelEU MGO penalty		759.07	+2.14
FuelEU VLSFO penalty		750.99	+2.12
Bio-LNG bunker dob northwest Europe (24 Jul)			€/MWh
Subsidised bunker bio-LNG dob NW Europe		73.20	-0.83
Unsubsidised bunker bio-LNG dob NW Europe		85.70	-0.83
Bio-LNG liquefaction fee Zeebrugge (26 Jun)		2.09	nc

AOM interest for class I and III was absent on Thursday and the premiums held steady at \$890/m³ and \$1,055/m³, respectively.

Companies showed no interest in the AOM platform for HEFA-SPK fob ARA barges on Thursday and no firm indications were reported in the wider market. Prices were assessed flat on the day at \$940/m³ for both, 1,000t barges and for 5,000-10,000t cargoes.

The HEFA-SPK premium equated to \$1,236.84/t over the SAF-escalated gasoil and \$1,308.38/t over gasoil front month swaps. Outright prices softened slightly to \$2,015.13/t, down by around \$4/t in line with gasoil, which fell to \$778.29/t.

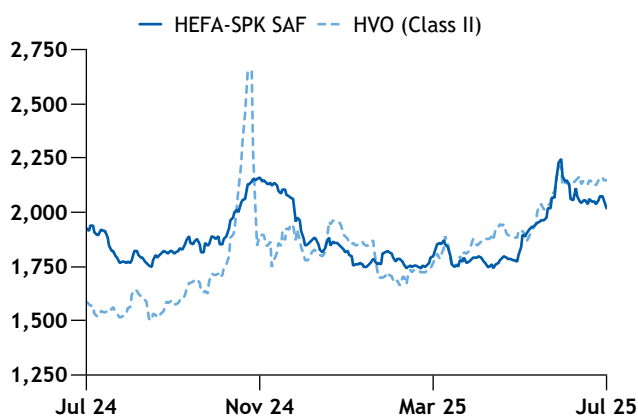
Finland's Neste [grew its SAF sales](#) by 80pc in the second quarter of 2025 compared with the first quarter, thanks to growing capacity at its Rotterdam facility, it said.

London's Heathrow airport [raised its target for SAF](#) to 3.5pc in 2026, up from 3pc in 2025, chief executive Thomas Woldbye has said. It brings Heathrow roughly in line with the UK's national mandate of 3.6pc for that year.

Japan has signalled it will import US-made SAF as part of an [\\$8bn trade pledge](#) tied to lower tariffs, but SAF will likely make up a small share of that figure and it's unclear how the plan will work in practice for companies.

HEFA-SPK SAF vs HVO (Class II) fob ARA

\$/t



European bio-bunkers

European marine biodiesel prices lacked direction on Thursday as values in underlying markets diverged.

In prompt biodiesel markets, outright Ucome and Advanced Fame 0 outright prices edged lower at the close. In fossil markets, the front-month Ice Brent crude and gasoil futures contracts fell at 16:30 BST. But delivered VLSFO and MGO prices diverged across ARA and the west Mediterranean GAC hub.

In ARA, trades and enquiries were absent for B30 Ucome dob ARA. Local suppliers reported price levels at around

Biofuels spot prices			\$/t
	Bid	Ask	±
RED ethanol fob ARA range			
Netherlands waste-based ethanol €/m ³	828.00	838.00	nc
Netherlands waste-based ethanol	1,235.20	1,250.12	+3.50
Germany waste-based ethanol €/m ³	838.00	848.00	nc
Germany waste-based ethanol	1,250.12	1,265.04	+3.54
T2 premium ethanol inc duty €/m ³	635.00	645.00	-7.25
T2 premium ethanol inc duty	947.29	962.21	-8.10
T2 ethanol inc duty €/m ³	615.00	625.00	-7.25
T2 ethanol inc duty	917.45	932.37	-8.18
T2 ethanol diff to Eurobob non-oxy	+226.70	+241.12	
RED biomethanol			
Biomethanol fob ARA range netback	1,130.00	1,136.00	nc
Biomethanol fob ARA range netback €/t	960.05	965.15	-2.72
Biomethanol fob ARA range diff to methanol	+872.00	+882.00	-0.72
Biomethanol cif UK	1,155.00	1,165.00	nc
ETBE			
ETBE fob Rotterdam (23 Jul)	1,105.50	1,106.25	-2.50
Diff to MTBE (23 Jul)		+245.00	

RED swaps and forward physical prices						\$/t
Contract	Aug	Sep	Oct	4Q 25	1Q 26	2Q 26
RME swap						
Mid	1,358.00	1,360.00	1,374.00	1,358.00	1,326.00	1,301.00
±	-15.00	-17.00	+5.00	-14.00	-11.00	-9.00
Fame 0°C CFPP swap						
Mid	1,313.00	1,285.00	1,259.00	1,253.00	1,246.00	1,246.00
±	nc	-7.00	nc	-4.00	-1.00	+1.00
UCOME swap						
Mid	1,438.00	1,440.00	1,439.00	1,438.00	1,421.00	1,401.00
±	-20.00	-17.00	-15.00	-9.00	-16.00	-14.00
SME forward physical						
Mid	1,328.00	1,305.00	1,279.00	1,283.00	1,256.00	1,256.00
±	nc	-7.00	nc	-4.00	-1.00	+1.00
Fame -10°C CFPP forward physical						
Mid	1,354.00	1,353.00	1,363.00	1,348.00	1,318.00	1,296.00
±	-13.00	-16.00	+5.00	-13.00	-10.00	-8.00
HVO (Class II) swap						
Mid	2,143.00	2,125.00	2,119.00	2,123.00	2,101.00	2,081.00
±	-15.00	-12.00	-10.00	-9.00	-6.00	-4.00
Ethanol NWE T2 swap €/m³						
Mid	625.00	622.00	619.00	613.00	596.00	611.00
±	nc	nc	nc	-1.00	nc	nc

\$820/t, and Argus therefore assessed B30 Ucome dob ARA steady at \$810-820/t. Calculated B30 Advanced Fame 0 dob ARA prices – which include a deduction of the value of Dutch HBE-G renewable fuel tickets – fell by \$4.75/t to \$706.12/t. And calculated B100 Advanced Fame 0 dob ARA prices lost \$12.33/t to \$1,121.90/t, under pressure from higher HBE-G values.

In the west Mediterranean, sellers reported spot offer levels for B24 in Algeciras and Gibraltar at \$780-786/t. But bids and trades were absent, and Argus assessed B24 dob Algeciras-Gibraltar sideways at \$770-780/t accordingly – reflecting the best offer as the ceiling.

EU ETS prices rose to \$82.59/t, from \$80.56/t, and ETS-inclusive premiums held by marine biodiesel blends against their fossil counterparts narrowed as a result. B30 Ucome dob ARA's ETS-inclusive premium to VLSFO dob ARA bucked the overall trend, holding roughly steady at just under \$272/t. But B30 Advanced Fame 0's ETS-incorporated premium to VLSFO slipped by \$4.58/t to \$163.11/t.

B100 Advanced Fame 0's premium to MGO shed \$16.63/t to \$233.55/t. And the ETS-inclusive premium held by B24 dob Algeciras-Gibraltar to VLSFO dob GAC declined by \$21.31/t to \$207.54/t.

European ethanol

Northwest European crop-based ethanol prices softened on Thursday.

One lower greenhouse gas (GHG) savings ethanol barge changed hands in Thursday's assessment period at €620/m³ for 1 - 5 August loading. Interest closed in a €617-620/m³ bid-offer range, for loading over 1 - 8 August. Argus assessed the lower GHG savings ethanol price at the traded level of €620/m³, down by €7.25/m³ on the day.

Lower crop-based T2 ethanol paper trade comprised of an August contract at €625/m³, and two October/November spreads, both at +€7/m³ (€620/m³, €613/m³).

Minimum 90pc GHG savings ethanol held at a €20/m³ premium to product with lower GHG savings, and the price dropped accordingly to €640/m³.

Dutch and German waste-based ethanol held steady at €833/m³ and €843/m³, respectively.

European rapeseed oil

Forward-loading fob Dutch mill rapeseed oil (RSO) prices lost much of their premium to nearer-term positions on Thursday, pressured in part by a downturn in Euronext rapeseed futures, market participants said.

The prompt 5-40 days loading assessment gained €2.50/t on the day to settle at €1,032/t, where participants saw fair value for August – with offers at €1,034/t at Thursday's

Feedstock prices				
		Bid	Ask	±
Rapeseed oil (RSO) €/t				
	Contract			
RSO fob Dutch mill	prompt	1,030.00	1,034.00	+2.50
RSO fob Dutch mill	ASO	1,025.00	1,034.00	nc
RSO fob Dutch mill	NDJ	1,031.00	1,035.00	-10.00
RSO fob Dutch mill	FMA	1,025.00	1,033.00	-10.00
Sunflower oil (SFO) \$/t				
SFO fob northwest Europe 6 ports	OND	1,230.00	1,250.00	+10.00
Used cooking oil (UCO) \$/t				
UCO fob ARA range		1,205.00	1,215.00	nc
UCO (hydrotreating) fob ARA range		1,275.00	1,285.00	nc
UCO cif ARA		1,120.00	1,130.00	nc
UCO ex-works ARA range €/t		1,040.00	1,050.00	nc
UCO ex-works ARA range		1,224.11	1,235.88	+3.47
Tallow fca northwest Europe \$/t				
Tallow categories 1 and 2 €/t		715.00	725.00	nc
Tallow categories 1 and 2		841.57	853.34	+2.39
Tallow category 3 €/t		970.00	980.00	nc
Tallow category 3		1,141.71	1,153.48	+3.23
Palm oil mill effluent (POME) and soapstock acid oil (SSAO) \$/t				
POME oil cif ARA		1,220.00	1,230.00	+5.00
SSAO cif ARA		875.00	885.00	nc

Renewable fuel ticket prices				
		Bid	Ask	±
German GHG reduction obligation* €/t CO2e				
Conventional GHG quota				
2025		100.00	110.00	nc
Single-counting advanced GHG quota €/GJ				
2025		9.35	9.80	nc
Double-counting advanced GHG quota				
2025		270.00	280.00	-2.50
Other GHG quota				
2025		140.00	145.00	nc
Annex IX part B GHG quota				
2025		100.00	110.00	nc
Upstream emission reduction (UER) certificates				
2025		135.00	145.00	nc
Netherlands renewable fuel unit** €/GJ				
Conventional renewable fuel unit (HBE-C)				
2025		13.10	13.50	+0.25
Advanced renewable fuel unit (HBE-G)				
2025		13.60	14.00	+0.15
Other renewable fuel unit (HBE-O)				
2025		13.60	14.00	+0.15
Annex IX part B renewable fuel unit (HBE-IXB)				
2025		13.15	13.55	+0.18
*Treibhausgasminderungsverpflichtung **Hernieuwbare brandstofeenheden				
UK renewable transport fuel certificate p/RTFC				
Crop-based RTFC				
2025		23.50	24.00	nc
Other RTFC				
2025		24.00	24.50	nc

close.

August-September-October (ASO) closed flat on the day at €1,029.50/t, with buy and sell-side ideas in the low-€1,020s/t and mid-€1,030s/t, respectively, at the end of Argus' assessment window, falling throughout the trading session on lower Paris-listed rapeseed futures, market participants said.

November-December-January (NDJ) fell by €10/t to €1,033/t, where the strip changed hands.

February-March-April (FMA) fell in line with NDJ losses, shedding €10/t to close at €1,029.50/t.

Lower rapeseed meal prices in Europe could pressure RSO crush margins, market participants said. Deliveries of non-EU rapeseed meal – most likely Canadian, according to market participants and vessel-tracking data – have weighed on meal prices, which could deter processors from crushing.

Meanwhile, market participants discussed a potential cargo of Russian RSO trading for shipment to India, which would be the first Russian RSO volume to the country in almost five years, according to customs data. India typically crushes domestic rapeseed, with an estimated 1.4mn t held in reserves as of June, according to the latest Solvent Extractors' Association of India report. But rising domestic edible oil prices could incentivise imports, market participants said.

Waste and advanced feedstocks

European waste and advanced feedstock prices were largely steady on Thursday with limited activity. Palm oil mill effluent (Pome) oil cif ARA edged slightly higher, following firmer Asian prices.

Inland, a trade for 150t of used cooking oil (UCO) delivered duty paid (DDP) ARA range with 5pc free fatty acids (FFA), moisture, impurities and unsaponifiables (MIU) of 2pc, 70g/hg of iodine value (IV), and sulphur at 50ppm (5/2/70/50) was done at €1,110/t, originating from Germany. Some on the market considered this trade above the market value. No fresh indications were reported for UCO ex-works ARA range, and the assessment was unchanged at €1,040-1,050/t.

On Argus Open Market (AOM), buying interest for UCO and UCO (hydrotreating) fob ARA range was at parity at \$1,150/t, loading in 31 July-14 August, but failed to attract any offers at the close.

Off AOM, selling interest for UCO fob ARA for hydrotreating for second half of August loading was heard at \$1,285/t, though specifications requirements and volumes were not disclosed. Both assessments held steady, at \$1,210/t and \$1,280/t, respectively.

Import market activity was muted, and UCO cif ARA was

Renewable gas guarantees of origin (24 Jul)					
	Unit	Bid	Ask	Mid	±
Subsidised					
Denmark					
2024 crop	€/MWh	10.00	10.50	10.25	nc
2025 crop	€/MWh	11.75	12.25	12.00	nc
2026 crop	€/MWh	12.25	14.25	13.25	nc
2024 waste*	€/MWh	22.50	27.50	25.00	+1.00
2025 waste*	€/MWh	27.00	32.00	29.50	+1.00
2026 waste*	€/MWh	29.50	34.50	32.00	+1.00
Netherlands					
2024 crop	€/MWh	10.00	10.50	10.25	nc
2025 crop	€/MWh	11.75	12.25	12.00	nc
2026 crop	€/MWh	12.25	14.25	13.25	nc
2024 waste*	€/MWh	21.00	25.00	23.00	+1.00
2025 waste*	€/MWh	27.00	32.00	29.50	+1.00
2026 waste*	€/MWh	28.00	35.00	31.50	+1.00
UK					
2024 crop	£/MWh	5.80	7.00	6.40	+0.15
2025 crop	£/MWh	6.90	7.30	7.10	nc
2026 crop	£/MWh	8.50	11.50	10.00	+1.15
2024 waste	£/MWh	6.60	7.40	7.00	nc
2025 waste	£/MWh	7.10	8.00	7.55	-0.25
2026 waste	£/MWh	11.00	13.00	12.00	+1.00
2024 waste*	£/MWh	14.00	16.00	15.00	+1.00
2025 waste*	£/MWh	15.00	18.00	16.50	+1.50
2026 waste*	£/MWh	16.50	18.50	17.50	+1.00
Unsubsidised					
Netherlands					
2024 waste*	€/MWh	40.00	42.00	41.00	+0.50
2025 waste*	€/MWh	41.00	43.00	42.00	+1.00
2026 waste*	€/MWh	44.00	48.00	46.00	nc

* RED-certified

Danish waste RGGO - EU ETS spread		€/MWh
2024		10.90
2025		15.40
2026		17.53

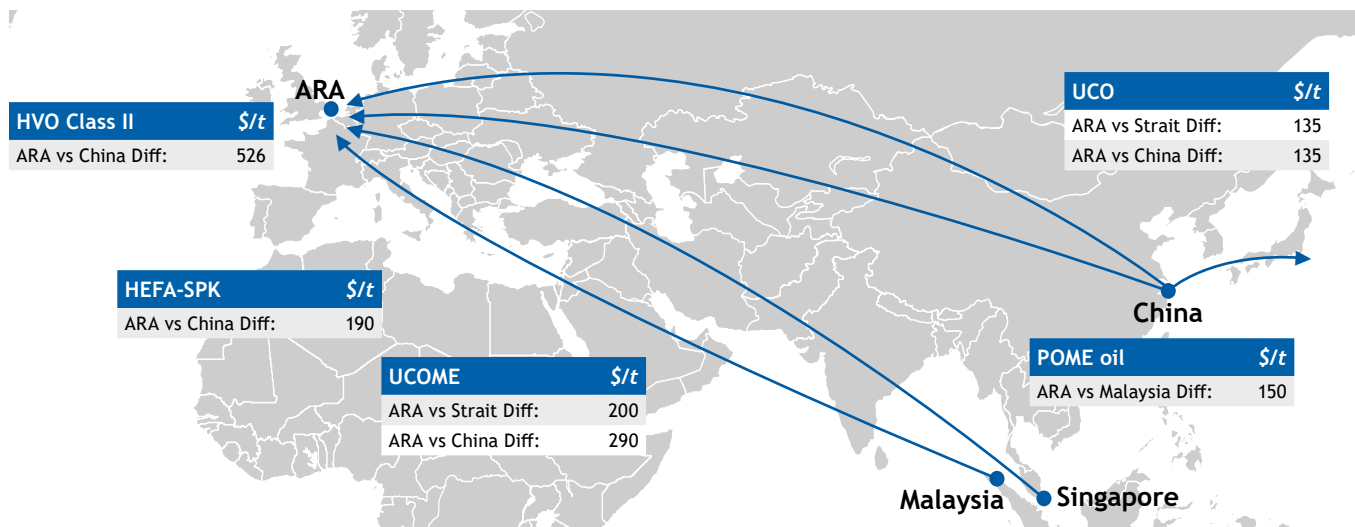
RED biomethane (24 Jul)		€/MWh
	Bid	Ask
Germany VTP (THE)		
2025	70	80
Premium Germany VTP (THE)		
2025	110	120

assessed stable at \$1,120-1,130/t.

Pome oil cif ARA was assessed up by \$5/t to \$1,225/t, reflecting firmer fob Malaysia prices. While soapstock acid oils (SSAO) cif ARA remained at \$880/t.

Tallow categories 1 and 2 and category 3 fca northwest Europe assessments were flat at €720/t and €975/t, respectively.

International biofuels / feedstock differentials and arbitrages



Origin	Destination	Tank type	Product	Origin price	Destination price	Full-cargo arb	Part-cargo arb
China	ARA	IMO2 coated	UCO	1,060.00	1,210.00	✓	✗
China	ARA	Stainless steel	UCO	1,060.00	1,210.00	✓	✗
China	USGC	IMO2 coated	UCO	1,040.00	See AmBio	✗	✗
China	USGC	Stainless steel	UCO	1,040.00	See AmBio	✗	✗
China	ARA	IMO2 coated	UCOME †	1,150.00	1,445.00	✗	✗
China	ARA	IMO3 coated *	HVO †	1,675.00	2,095.00	✗	✗
China	ARA	IMO3 coated *	HEFA-SPK	1,825.00	2,071.72	✓	✓
China	ARA	Stainless steel	HEFA-SPK	1,825.00	2,071.72	✓	✓
Singapore/Malaysia	ARA	IMO2 coated	UCO	1,080.00	1,210.00	✓	✗
Singapore/Malaysia	ARA	Stainless steel	UCO	1,080.00	1,210.00	✗	✗
Singapore/Malaysia	ARA	Stainless steel	POME oil	1,065.00	1,215.00	✓	✗
Singapore/Malaysia	ARA	IMO2 coated	UCOME †	1,250.00	1,445.00	✓	✗

*IMO2 vessel used for part-cargo arbitrage in line with market practice. † Third-month RED swap assessment at destination. The values, which are weekly, reflect 18-Jul.

Asia-Pacific biofuels

Firmer bids pushed Chinese used cooking oil (UCO) methyl ester (Ucome) prices marginally higher.

Ucome market participants said there was not a price premium for Argus methodology specifications suitable for road fuel blending compared with higher sulphur bio-diesel for bio-bunkering. An offer for higher sulphur Ucome emerged at \$1,160/t fob China. A supplier saw \$1,160/t as tradeable for biodiesel for road fuel blending and had a bid at \$1,150/t. The Ucome fob China assessment firmed by \$5/t to \$1,150-1,160/t.

Feedstock markets were largely stable during an industry conference in China. A Chinese UCO supplier reported a bulk deal for RED-certified Premium UCO at \$1,120/t fob, though specifications were not confirmed. Other UCO suppliers and a few traders said that the price for Premium UCO with Argus' methodology specifications was still at \$1,100-\$1,110/t fob China.

Traders reported a bid-offer range for RED bulk UCO at \$1,070-1,080/t fob China and agreed with the current range

for EPA-compliant UCO at \$1,045-1,065/t fob.

In the domestic market, UCO for hydrotreating was collected at Yn7,800-7,950/t (\$1,090-1,110/t) dap with value-added tax (VAT).

Southeast Asia Ucome, UCO values holds

Offers for UCO bulk fob Strait of Malacca held at \$1,090-1,100/t. Liquidity in the seaborne market was lacking but in the domestic market, 500t of UCO dealt over the week at \$1,000-1,010/t dap Malaysia.

A domestic bid for UCO dap Vietnam surfaced for 200-300t to be delivered first-half August. Value was equivalent to around \$1,000/t on a fob basis, a trader said. A buyer was looking to purchase Vietnam-origin UCO at \$1,000/t cif Malaysia instead. The currently assessed range for UCO fob Vietnam of \$1,000-1,010/t held.

The Ucome fob Strait of Malacca price was stable in a quiet market. An offer for 1,000t of palm oil mill effluent (Pome) oil methyl ester (Pome OME) from Thailand surfaced at \$1,250/t cif Malaysia for August delivery.

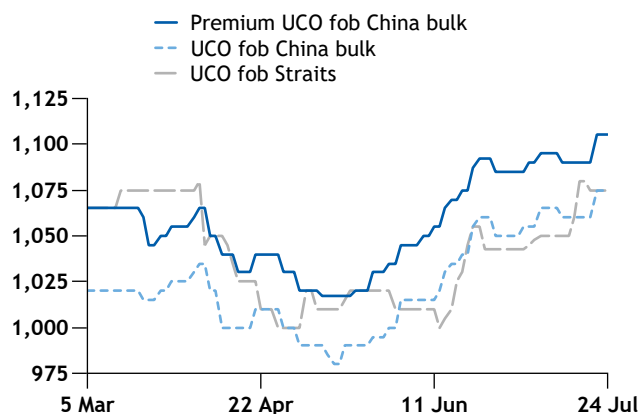
International feedstock spot prices				\$/t
	Bid	Ask	±	
RED feedstocks				
Brown grease dap China CNY/t	6,850.00	7,000.00	nc	
Brown grease dap China	956.72	977.67	+2.05	
UCO dap China CNY/t	7,350.00	7,550.00	nc	
UCO dap China	1,026.55	1,054.48	+2.20	
UCO (hydrotreating) dap China CNY/t	7,800.00	7,950.00	nc	
UCO (hydrotreating) dap China	1,089.40	1,110.35	+2.33	
Premium UCO bulk fob China	1,100.00	1,110.00	nc	
UCO bulk fob China	1,070.00	1,080.00	nc	
Premium UCO diff to UCO bulk fob China		+30.00		
UCO fob China	990.00	1,010.00	nc	
UCO fob Indonesia	na	na	na	
UCO bulk fob Strait of Malacca	1,070.00	1,080.00	nc	
UCO fob Vietnam	1,000.00	1,010.00	nc	
POME oil fob Indonesia	na	na	na	
POME oil fob Malaysia	1,065.00	1,085.00	+5.00	
EPA-compliant feedstocks				
UCO bulk fob China	1,045.00	1,065.00	nc	
UCO bulk fob Strait of Malacca	1,020.00	1,040.00	nc	
Feedstocks				
Tallow dap East Coast Australia (22 Jul) A\$/t	1,785.00	1,805.00	+10.00	
Tallow fob East Coast Australia (22 Jul)	1,180.00	1,200.00	+5.00	
Palm olein Malaysia/Indonesia fob				
Prompt	1,067.50	1,077.50	+12.50	
Sep	1,080.00	1,090.00	+17.50	
Oct	1,085.00	1,095.00	+27.50	
Nov	1,085.00	1,095.00	+30.00	
Arg SBO diff to CBOT 1st mth (23 Jul) €/lb	-6.00	-5.00		

Pome oil edges up

The Malaysian Pome oil assessment rose by \$5/t to \$1,065-1,085/t fob Malaysia. Trades concluded in Malaysian and Indonesian domestic markets at higher levels than earlier in the week. Offers for Indonesian refined Pome oil also firmed. Rising palm oil values supported the increase.

In Malaysia, a supplier sold 500t of Pome oil at around \$1,070/t dap with lower free fatty acids (FFA) than Argus' methodology standard, and a high metals guarantee. A buyer said they were close to closing a deal for 500t of Pome oil at \$1,050/t dap, having bought another cargo at \$1,040/t dap earlier in the day, but did not confirm specifications.

RED Prem UCO China vs UCO China vs UCO Straits



International biofuels spot prices			\$/t
	Bid	Ask	±
RED biodiesel			
POME OME fob China	1,150.00	1,160.00	+5.00
BGME fob China	1,150.00	1,160.00	+5.00
UCOME fob China	1,150.00	1,160.00	+5.00
UCOME fob Strait of Malacca	1,235.00	1,255.00	nc
Biodiesel			
SME fob Argentina upriver (23 Jul)	1,245.70	1,267.74	-0.32
Houston fob B100 (23 Jul)	1,311.56	1,323.52	+8.13
Houston fob B100 (23 Jul) €/USG	438.65	442.65	+2.72
Marine biodiesel			
B24 (UCOME/VLSFO) dob Guangzhou	696.00	706.00	nc
B24 (UCOME/VLSFO) dob Singapore	676.25	681.25	-0.25
B30 (UCOME/VLSFO) dob Singapore	746.25	756.25	-0.25
	Mid		±
B24 dob Fujairah	704.96		-0.25
RED hydrotreated vegetable oil (HVO)			
HVO fob China (Class II)	1,665.00	1,685.00	nc
HVO fob China (Class IV)	1,665.00	1,685.00	nc
HVO fob Singapore (Class I) netback	1,840.45	1,853.27	-4.01
HVO fob Singapore (Class II) netback	2,141.73	2,154.55	+53.68
HVO fob Singapore (Class III) netback	2,051.98	2,064.80	-4.01
HVO fob Singapore (Class IV) netback	2,154.55	2,167.37	+15.22
RED sustainable aviation fuel (SAF)^			
HEFA-SPK fob China*	1,800.00	1,850.00	nc
HEFA-SPK fob Singapore netback	1,956.05	1,969.21	-4.11
	Mid		±
SAF1 blend fob Singapore	706.91		+5.03
SAF10 blend fob Singapore	821.07		+4.20
SAF30 blend fob Singapore	1,074.75		+2.35
^Hydrotreated Esters and Fatty Acids (HEFA-SPK), *RED or CORSIA compliant			
Bionaphtha			
Bionaphtha cfr northeast Asia	1,355.00	1,375.00	nc
Ethanol			
fob Pakistan	780.00	800.00	nc
fob Pakistan (hydrous)	710.00	730.00	nc
cfr Mumbai	680.00	700.00	-10.00
cfr Philippines \$/m³	545.00	565.00	-10.00
B-grade cfr northeast Asia \$/m³	600.00	620.00	nc
RED biomethanol			
Biomethanol fob north China (18 Jul)	920.00	970.00	nc
Biomethanol dap east China (18 Jul)	950.00	1,000.00	nc
Biomethanol dob east China (18 Jul)	980.00	1,050.00	nc

In Indonesia, domestic prices inched up to 11,500 rupiah/kg (\$706/t) in Belawan, higher by around Rp50/kg. Suppliers reported offers for refined Pome oil were now at \$1,100/t fob Indonesia or above, for product with maximum 100ppm total metals. Lower offers of \$1,080/t fob from earlier in the week were no longer in the market. A seller reported a refined Pome oil trade at \$1,120/t fob Indonesia, but did not confirm the specifications.

The third-month crude palm oil futures contract on Bursa Malaysia moved up by 1pc to 4,355 ringgit/t (\$1,033/t) by the 4:30pm Singapore close.

Asia bio-bunkers

Spot demand for B24 very-low sulphur fuel oil (VLSFO) and high-sulphur fuel oil (HSFO) continued to emerge in the port of Singapore on 24 July. The overall market direction was steady in line with the trend seen in crude futures and cargo markets.

September Ice Brent Singapore crude futures firmed by 48¢/bl to \$68.97/bl as the market remained focused on US trade deals ahead of the 1 August tariff deadline.

A deal was concluded by a key regional ship owner for 850t of B24 VLSFO blend at a premium of \$185/t over cargo prices, or at \$681.25/ delivered on board (dob) basis for early August delivery. A spot enquiry was seen for 1,200t of B24 VLSFO blend for a 3 August laycan, which will be negotiated on 25 July.

A second deal was also concluded for 3,300t of B24 HSFO blend at a delivered premium of \$207-208/t or \$607.25-608.25/t on a dob basis.

In Guangzhou, B24 VLSFO blend prices were steady in the \$696-706/t range on a dob basis.

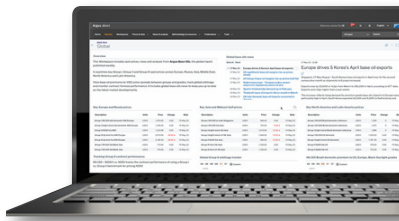


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Reference prices		\$/t	
	Month	Settle	±
CBOT soybean oil futures (16:30 London time)			
	Aug	1,241.20	+6.17
	Sep	1,236.79	+5.51
	Oct	1,232.82	+4.62
Malaysia palm oil futures			
	Aug	1,016.49	+15.43
	Sep	1,028.59	+28.71
	Oct	1,033.34	+17.61
	Bid	Ask	±
Glycerine fob SE Asia	650.00	670.00	nc

Biodiesel spot price averages July to date		\$/t	
		Bid	Ask
RED			
Rapeseed OME fob ARA range		1,358.22	1,368.22
Soya OME fob ARA range		1,338.00	1,348.00
FAME 0°C CFPP fob ARA range		1,329.11	1,339.11
FAME -10°C CFPP fob ARA range		1,355.44	1,365.44
UCOME fob ARA range		1,452.94	1,462.94
Tallow OME fob ARA range		1,437.94	1,447.94
POME OME fob ARA range		1,520.71	1,530.71
Advanced FAME 0°C CFPP fob ARA range		1,582.66	1,592.66
International			
RED POME OME fob China		1,141.39	1,160.83
RED UCOME fob China		1,141.39	1,160.83
RED UCOME fob Straits of Malacca		1,223.06	1,243.06
SME fob Argentina (to 23 Jul)		1,247.07	1,256.63

HVO spot price averages July to date		\$/t	
		Bid	Ask
RED			
HVO fob ARA range (Class I)		1,839.18	1,852.00
HVO fob ARA range (Class II)		2,141.53	2,154.35
HVO fob ARA range (Class III)		2,090.60	2,103.42
HVO fob ARA range (Class IV)		2,144.73	2,157.56
International			
RED HVO fob China (Class II)		1,646.94	1,666.94
RED HVO fob China (Class IV)		1,646.94	1,666.94
RED HVO fob Singapore (Class I)		1,782.37	1,795.19
RED HVO fob Singapore (Class II)		2,084.72	2,097.55
RED HVO fob Singapore (Class III)		2,033.79	2,046.61
RED HVO fob Singapore (Class IV)		2,087.93	2,100.75

RED SAF* spot price averages July to date		\$/t	
		Bid	Ask
HEFA-SPK fob ARA range		2,047.67	2,060.83
HEFA-SPK cif NWE		2,059.36	2,072.52
HEFA-SPK fob Singapore		1,990.86	2,004.02

*Hydrotreated Esters and Fatty Acids (HEFA-SPK)

US biofuels

D4 and D6 RIN credits gained minimal value on Thursday morning, while Chicago ethanol markets posted slight losses.

The Argus Renewable Volume Obligation (RVO) rose by 0.04¢/USG and was last measured at 16.79¢/USG.

Current year ethanol D6 RINs traded at 120.5¢/RIN early in the session and again at 120¢/RIN for an overall gain of 0.375¢/RIN. Biomass-based diesel D4 RINs traded last at 126.25¢/RIN, matching the D6 gains.

Chicago ethanol markets fell on Thursday morning despite slight strength in corn futures.

Argo prompt in-tank transfers received bids and offers at 174-176.5¢/USG, weighing on intraday value by 1.25¢/USG to 175.25¢/USG. Meanwhile July anys shed 1¢/USG to 175.5¢/USG following bids and offers at 174-177¢/USG. Chicago Rule 11 railcars were last measured at 175.75¢/USG, 1¢/USG lower on the day, after buyer and seller interest surfaced at 175.5-176¢/USG.

Fob barges at New York Harbor maintained their value at 190.38¢/USG absent of fresh liquidity, while participants valued August barges at a 10.25¢/USG premium to ethanol futures.

Renewable feedstocks: Prices move up

Renewable feedstock prices extended their gains on Wednesday amid increased market activity.

Soybean oil futures also rose, supported by optimism surrounding new trade agreements with agricultural partners and sustained demand from the biofuels sector.

Bleached fancy tallow (BFT) prices in California rose by 1.5¢/lb, driven by strong trading activity, with sizable volumes trading at 68¢/lb and 69¢/lb.

Used cooking oil (UCO) market also saw upward momentum across some regions. In Chicago, fob truck volumes traded at 61¢/lb, resulting in a 1¢/lb increase. Meanwhile, delivered truck bids in the Midwest reached 64.5¢/lb, pushing prices up by 2.5¢/lb. At the US Gulf, UCO prices held steady, with new trades in the 65-65.25¢/lb range.

Choice white grease (CWG) prices in Iowa edged up by 0.5¢/lb, reflecting trading activity in the 58-60¢/lb range.

Distillers corn oil (DCO) also posted gains, with railcars trading into the US Gulf coast at 68¢/lb, prompting a 0.25¢/lb increase. In the Iowa/Nebraska region, DCO trades were in the 65-66¢/lb range, while in the eastern corn belt, trade discussions centred around 65-65.5¢/lb, with some sellers offering higher.

In contrast to the broader upward trend, the basis for crude degummed soybean oil at the US Gulf slipped by 0.13¢/lb as most recent activity reflected a range between 3.25-3.5¢/lb over CBOT.

Bionaphtha spot price averages July to date		\$/t
	Bid	Ask

Bionaphtha fob ARA range	1,395.56	1,405.56
Bionaphtha cfr northeast Asia range	1,346.94	1,366.94

Biopropane spot price average July to date		\$/t
	Bid	Ask

Biopropane fca ARA range	1,366.94	1,376.94
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Ice gasoil spot price averages July to date		\$/t
	Mid	

7 to 28 days forward	701.65	
7 to 28 days forward (HVO-escalated)	760.12	
7 to 28 days forward (SAF-escalated)	780.12	

Ethanol spot price averages July to date		\$/t
	Bid	Ask

RED		
Netherlands waste-based ethanol fob ARA range €/m ³	794.00	804.00
Netherlands waste-based ethanol fob ARA range	1,178.49	1,193.33
Germany waste-based ethanol fob ARA range €/m ³	819.28	829.28
Germany waste-based ethanol fob ARA range	1,216.02	1,230.87
T2 premium ethanol fob ARA range inc duty €/m ³	618.35	628.35
T2 premium ethanol fob ARA range inc duty	917.79	932.63
T2 ethanol fob ARA range inc duty €/m ³	598.90	608.90
T2 ethanol fob ARA range inc duty	888.93	903.78
T2 ethanol diff to Eurobob non-oxy	+192.49	+206.83

International		
fob Pakistan	796.67	816.67

Feedstocks spot price averages July to date		\$/t
	Bid	Ask

RED		
RSO fob Dutch mill prompt €/t	1,039.31	1,048.81
UCO fob ARA range	1,203.33	1,213.33
UCO (hydrotreating) fob ARA range	1,245.56	1,255.56
UCO cif ARA	1,101.39	1,111.39
UCO ex-works ARA range	1,227.03	1,238.74
Tallow (categories 1 and 2) fca northwest Europe	837.33	849.04
Tallow (category 3) fca northwest Europe	1,125.55	1,137.26
POME oil cif ARA	1,203.33	1,213.33
Soapstock acid oil cif ARA	892.78	902.78

International		
RED premium bulk UCO fob China	1,086.11	1,099.44
RED bulk UCO fob Straits of Malacca	1,049.72	1,065.83
RED UCO fob China	990.00	1,010.00
RED UCO fob Indonesia	na	na
RED UCO fob Vietnam	986.11	998.89
RED bulk UCO fob China	1,054.44	1,068.89
RED POME oil fob Malaysia/Indonesia	na	na

NEWS

EU pushes member states on RED implementation

The European Commission has opened infringement procedures against all EU states except Denmark for failing to communicate full transposition of the bloc's renewables directive (RED III), which was most recently revised in 2023.

If countries do not fully and correctly transpose the directive into national law, they could eventually face heavy EU court fines.

Member states had to notify the commission of full transposition into national law by 21 May, apart from some provisions related to permitting, which had an earlier deadline of 1 July 2024. Denmark was the only country to hit the deadline, and the commission has now sent formal letters of notice to all other EU states, giving them two months to respond. Beyond that, countries face further infringement procedures.

Infringement procedures begin with a formal notice but can take several years. The commission in 2013 sought a daily fine of €130,000 (\$153,000) against Poland for faulty implementation of the bloc's 2009 renewables directive (RED).

RED III sets a target share of at least 42.5pc renewables in final energy consumption by 2030 for the whole EU. The law further sets specific sector targets, notably a 29pc share of renewable energy within the final consumption of energy in transport by 2030.

The directive also boosts renewable fuels of non-biological origin (RFNBOs) and sustainable biofuels. If and when fully implemented nationally, it would require EU countries to oblige their fuel suppliers to ensure a combined share of advanced biofuels and biogas as well as of RFNBOs of at least 1pc of transport fuels in 2025 and 5.5pc in 2030. At least 1 percentage point should come from RFNBOs in 2030. Countries must also ensure that at least 42pc of all hydrogen used in industry is renewable by 2030, with the minimum share rising to 60pc by 2035.

By Dafydd ab Iago

Eni agrees €500mn EIB loan for Livorno conversion

Italian integrated Eni has agreed a €500mn (\$587mn) loan from the European Investment Bank (EIB) to support the conversion of its Livorno oil refinery into a biorefinery.

Terms of the 15-year deal were not given by either party.

Livorno will have capacity of 500,000 t/yr of hydrotreated vegetable oil (HVO), and is scheduled to be [ready for operations](#) by the end of 2026.

Eni [closed the oil refinery](#) at Livorno in early 2024.

Livorno will be the company's third biorefinery after

Porto Marghera near Venice and Gela in Sicily, and is part of the company's plans to raise its biofuels production capacity to more than 5mn t/yr by 2030 from the current 1.65mn t/yr. Eni is examining the case for converting its 210,500 b/d Sannazzaro refinery, and plans to build a biorefinery to produce sustainable aviation fuel (SAF) at the Priolo site of chemicals division Versalis.

By Ben Winkley

Neste continues shift to EU market on US policy

Finnish refiner Neste's second-quarter results continued to show a pivot towards the European market which [started at the beginning of the year](#), with 73pc of hydrotreated vegetable oil (HVO) and sustainable aviation fuel (SAF) sales going to Europe and 27pc to North America, compared with 49pc to Europe and 51pc to North America in the same period last year.

The switch intensified from the first quarter, when 69pc of sales went to Europe and 31pc to North America.

The company attributed the change to a challenging policy environment in the US, which transitioned from a blender's tax credit to a clean fuel production credit. Neste booked no CFPC in the first quarter, awaiting more detailed guidance, but did book €33mn (\$38.8mn) of the credits in the second quarter.

Neste also warned of uncertainty from US regulatory changes affecting feedstock and finished product flows in and out of the US, which would include [changes to production tax credits](#) based on feedstock origin and [decreased RIN generation](#) for foreign feedstocks and fuels. It said the company has already significantly reduced its exports to the US as a result, but the changes are still expected to affect the competitiveness of Neste's American operations and flows.

Neste produced 844,000t of HVO and 290,000t of SAF in the second quarter, of which it sold 836,000t and 233,000t, respectively. The product mix changed from the first quarter, with more focus on SAF production, despite the com-

Argus Americas Biofuels

For daily North American and South American biofuel price assessments, market commentary, news and analysis, please see [Argus Americas Biofuels](#).

Markets covered include renewable diesel, renewable feedstocks, sustainable aviation fuel, biodiesel, ethanol, and federal and state environmental credits for transportation fuels. The report includes news and analysis on regulations impacting the markets.

pany saying it switched to focus on HVO at the end of the second quarter because of higher European prices.

Neste produced 877,000t of HVO and 207,000t of SAF in the first quarter, meaning second quarter HVO production fell by 33,000t while SAF production increased by 83,000t. Overall, the utilisation rate rose to 81pc. Compared with the second quarter of 2024, HVO production was relatively stable, down from 858,000t, while SAF production was up from 164,000t. The utilisation rate was unchanged year on year.

The sales margin rose from the first quarter but was lower on the year at \$361/t, compared with \$382/t last year and \$310/t in the first quarter.

The second quarter results showed a switch from an operating loss to a €30mn operating profit for renewable products, which includes HVO, SAF and hydrotreated byproducts such as bionaphtha and biopropane, compared with a €19mn loss in the first quarter. Renewable products made a €101mn operating loss in the same period last year.

The company attributed the profit in renewable products to higher sales volumes, which rose by nearly 80pc on the quarter and nearly 260pc on the year for SAF. HVO sales also increased on the quarter, by 15pc, but were down by 3pc on the year at 836,000t.

Overall, the company made a second-quarter loss of €36mn, in from a loss of €144mn a year earlier.

By Simone Burgin

EU UCO May imports 32pc up, stronger China flows

EU imports of used cooking oil (UCO) under code 151800 from outside the block rose 32pc month on month to 248,900t in May, the highest monthly total this year, according to EU customs data accessed via Global Trade Tracker (GTT). Growth was largely driven by a strong rebound in shipments from China and Malaysia, reflecting a continued rerouting of global UCO flows toward Europe, as policy uncertainty and trade barriers in the US weigh on demand there.

■ China remained the leading supplier, shipping 79,700t, up by 125pc on the month, despite a steep pullback in April. Volumes were nearly nine times higher year on year, supported by continued redirection of flows away from the US market amid [45Z tax credit restrictions](#), proposed [cuts](#) to Renewable Identification Number (RIN) credits for foreign feedstock-based biofuels, and steep tariffs.

■ Malaysia exports sharply rebounded to 51,450t, a 267pc increase from April and Malaysia's highest monthly total this year.

■ The UK also made strong gains, supplying 25,400t to the EU. Year-to-date, UK shipments reached 95,750t, up by

20pc on the year. The UK biofuel industry has been under pressure this year from slow increases in national biofuels mandates and competition from US-origin finished products. In July, one of the largest players in the UK market – Green-ergy – launched a consultation on a [proposal to permanently stop](#) production at its 200,000 t/yr UCO-based biodiesel plant in Immingham, northeast England, following an earlier [temporary suspension in May](#).

■ The EU's top three importers were the Netherlands, Spain and Belgium, with respective shares of total EU imports of 41pc, 35pc, and 10pc in May.

■ Dutch imports fell slightly by 10pc month on month to 102,700t – although up by 31pc year on year. The country remains the EU's largest importer, with year-to-date volumes at 542,600t, representing nearly half of all EU UCO imports in January-May.

■ Spain emerged as the second-largest importer, receiving 88,100t in May, up by 360pc on the month, its strongest monthly intake on record since 2012. Most of its shipments came from China, around 51,500t, and Malaysia with 18,500t.

■ Belgium imported 23,800t, or 10pc of total EU imports in May.

■ In the first five months of 2025, total EU UCO imports reached over 1.13mn t, already accounting for more than half of [2024's total volumes](#).

By Anna Prokhorova

Decarbonisation of German transport ramps up

New regulations for heavy-duty vehicles are accelerating the transition to alternative fuels in Germany and will significantly reduce the fuel demand of the country's logistics industry. Decarbonisation is also taking hold on its waterways.

Heavy-duty transport on roads and rivers has traditionally been a major section of demand for fuels in Europe, particularly for diesel. In Germany, freight transport accounted for almost 28pc of total road fuel consumption in 2023, according to data from the transport ministry (BMV).

Commercial vehicles also cause about a third of greenhouse gas emissions on German roads, according to the economic co-operation and development ministry. And because long-distance road freight transport runs almost exclusively on diesel, the government has introduced incentives for decarbonisation in this area in recent years through regulatory changes such as the CO2 toll. The government's 2030 climate protection programme defines the goal of electrifying one third of German truck mileage by 2030. And tightened EU fleet limits for heavy-duty vehicles are putting pressure on manufacturers to drive innovation in this direction.

These incentives are now having an effect – vehicle manufacturers have significantly expanded their product ranges of heavy-duty vehicles with alternative fuels, and logistics companies are increasingly converting their fleets.

In a report on the market development of climate-friendly technologies in heavy duty road transport – prepared by NOW on behalf of BMV in November 2024 – manufacturers forecast that around 75pc of newly-registered heavy commercial vehicles in Germany will be emission-free or low-emission by 2030. This trend will accelerate.

For manufacturers, electrified trucks remain the primary technology for the time being. They are expected to account for 48pc of all new registrations in Germany in 2030, compared with 37pc across Europe. They are complemented by hydrogen combustion engines and, in individual cases, plug-in hybrids or low-emission fuels such as bio-LNG.

While many in the logistics industry are planning towards the EU's general net zero target by 2050, some companies are going far beyond this target. For example, the Reber Group plans to be climate neutral by 2035. It is gradually converting its diesel trucks to alternative fuels such as HVO100, LNG and CNG and has acquired its first e-trucks. HVO100 is described as a viable bridge technology that can be used in existing diesel drives and can reduce CO₂ emissions by up to 90pc. In addition, there is a "close co-operation with vehicle manufacturers and OEMs to test new drive technologies," Mirko Kauffeldt, Reber Logistik managing director told *Argus*. As electric trucks are becoming increasingly more range-rich and the charging infrastructure is growing steadily, this technology will prevail in the long term, Reber said.

But Kauffeldt also identified challenges that are slowing down the decarbonisation of logistics in Germany – in addition to the lacklustre pace in the construction of charging infrastructure and often long delivery times for alternative fuel vehicles, many market participants lack certainty as to which type will lead in the long run. The high acquisition costs of trucks with alternative drives and uncertainties about the feasibility of reselling e-trucks in particular are also slowing down switching. Without subsidies, electric trucks are at least twice as expensive to purchase as diesel. But according to a June 2024 study by the Fraunhofer Institute, market ramp-up and further development of the technology will significantly reduce costs for battery and fuel cell systems for heavy trucks by 2030. The study's authors conclude: "Battery-electric trucks represent the most promising technology with a high degree of safety in order to at least reach the cost level of today's diesel trucks."

"The fact that the EU wants to exempt emission-free trucks from the toll by 2031 is a step in the right direction"

[to make e-trucks competitive], Kauffeldt said.

Decarbonisation of inland waterway transport

German inland waterway shipping is also making progress with decarbonisation. But the effect on fuel demand is likely to be rather small compared with decarbonisation of road freight transport.

According to the Federal Association of German Inland Shipping, barges on German waterways mainly come from the Netherlands and Belgium. Polish and Czech operators are also active in the east. These operators do not usually bunker their fuel in Germany.

In addition to the continuous renewal of its inland waterway fleet, Rhenus Logistics has launched a new fleet that "combines an electrified engine with flexibly interchangeable drive types – in this case diesel engines in accordance with the Euro 6 standard, electric batteries and a hydrogen fuel cell", Philip Tomaskowicz, managing director of Rhenus Partnership, told *Argus*. Additionally, the diesel engines are operated with HVO100.

Reducing emissions is not the only reason for fleet modernisation at Rhenus: "Our industry is facing the tangible effects of climate change as low water," Tomaskowicz said. Accordingly, the new fleet is designed to be operational at water depths as low as 1.2m.

Rhenus cannot predict whether "hydrogen, electric batteries, methanol, ammonia or another system will prevail in the future". Hence the new fleet is an opportunity to test the combination of different fuels in practice. The expansion of supply infrastructure for hydrogen, for example, is necessary to further advance decarbonisation on waterways, in addition to targeted subsidy programmes.

By Johannes Guhlke

Japan may buy more US, Brazil, Thai ethanol

Japan will likely purchase more bioethanol from the US, Brazil and Thailand as the country looks to secure a wider range of sources to use the product for blending with gasoline and as a feedstock for sustainable aviation fuel (SAF) in the coming years.

Japan will purchase \$8bn in goods from the US' agriculture and food sectors, including corn, soybeans, fertilizer, bioethanol and SAF, announced the US' White House on 23 July, as part of the latest [US-Japan trade deal](#).

Buying bioethanol is not a diplomatic concession for Japan, but instead reflects the resource-poor country's need to prepare for expected increases in demand for use in blending with road and airline fuels, including as feedstock.

The country currently uses bioethanol – or its derived gasoline blendstock ETBE – mainly for mixing with gasoline,

as the trade and industry ministry (Meti) requires domestic refiners to blend 500,000 kilolitres/yr (8,600 b/d) of crude-equivalent bioethanol or ETBE with gasoline over the five years to March 2028.

Tokyo now plans to start supplying gasoline blended with up to 10pc bioethanol (E10) in parts of the country from the 2028-29 fiscal year, and expand delivery areas in 2030-31. Meti estimates Japan will require 39mn kl of gasoline in 2029-30. Blended bioethanol could meet some of these requirements.

Domestic refiners will also need to supply as much SAF in 2030-31 as necessary to reduce the equivalent of 5pc or more of greenhouse gas (GHG) emissions from jet fuel produced or supplied in Japan in 2019-20. Idemitsu plans to start producing 100,000 kl/yr of bioethanol-derived SAF in 2028-29, while Cosmo Oil plans for 150,000 kl/yr in or after 2029, and Taiyo Oil aims to produce 200,000 kl/yr in 2029-30. Achieving these three targets will depend on the receipt of enough bioethanol to produce 450,000 kl/yr of SAF in total.

But Japan relies heavily on imported bioethanol to meet its domestic requirements. Japan's bioethanol imports for ETBE production in 2024 totalled 45,000 kl, all from Brazil, finance ministry data show. Japan also imported 1.8mn kl of ETBE in 2024, with the US supplying 98pc of this.

"Japan's bioethanol self-sufficiency rate is 0pc," a Meti official said at a conference in June, which means no large-scale bioethanol production exists in Japan to meet these domestic requirements. The self-sufficiency rates are 110pc for the US, 124pc for Brazil and 101pc for each of Thailand, India and Argentina, the official added.

The lack of reliable domestic production requires Japan to be able to take in more supply from these bioethanol-rich countries. Meti [plans to assess](#) the life-cycle GHG emissions of Brazilian corn-derived and Thai cassava- or sugarcane-derived bioethanol, planning to set default life-cycle GHG values for these types of bioethanol around next spring.

"Importers can use the default value instead of paying a high cost to assess life-cycle GHG emissions on their own," another Meti official told *Argus*. The ministry has currently set default values for the two main types of imports, US corn-derived and Brazilian sugarcane-derived bioethanol, which has in part spurred domestic buyers to take up these types. Additional default values could also drive Japanese buyers to take in the new types from Brazil and Thailand.

Meti has chosen Brazilian corn and Thai cassava or sugarcane because of their potential to provide a steady supply source. Brazil is [raising corn usage](#) for bioethanol production, partly as the corn-based output [costs less](#) than making it from sugarcane. Thailand could boost output as it has stable production capacity despite the lower operating rates, Meti pointed out.

The US bioethanol sector is also attractive to Japan.

"The US corn industry is willing to continue supplying bioethanol feedstock and livestock feed to Japan," said the US Grains Council's Japan director, Tetsuo Hamamoto, at a conference in June. The US has been raising corn harvests to accommodate growing demand for corn as a bioethanol feedstock, and farmers can invest to produce more given rising demand, he stressed.

By Kohei Yamamoto

US biofuel credit shift risks price spikes: Study

A US plan to revamp a biofuel mandate to discourage foreign supplies could hike feedstock costs and limit biomass-based diesel output, according to a new industry study.

The Environmental Protection Agency (EPA) has proposed [halving](#) credits from biofuel blending for fuels made abroad or from foreign feedstocks, a major change that has already helped send US soybean oil prices to their highest levels in more than a year. Farm groups – frustrated that renewable diesel plants have increasingly looked abroad for low-carbon inputs like used cooking oil – have cheered the proposal while oil and biofuel refiners are more skeptical.

The proposal alone could lead domestic soybean oil to trade at a \$250/tonne (11.3¢/lb) premium to foreign soybean oil – and potentially even more when factoring in [new clean fuel tax credit rules](#) next year that will limit eligibility to North American feedstocks, according to a study from consultancy GlobalData that was commissioned by the Advanced Biofuels Association. The trade group represents US refiners like Phillips 66 and Marathon Petroleum that use global feedstocks for renewable diesel production as well as some foreign biofuel producers.

The study's price forecast is based on an assumed D4 biomass-based diesel Renewable Identification Number (RIN) price of \$1.10, but the gulf between domestic and foreign feedstock prices would rise if RINs were higher. *Argus* on Tuesday assessed vintage-2025 D4 credits at 123.75¢/RIN.

The study agrees with EPA's optimism that [more domestic feedstock supply](#) will come on line in future years, enabling more biofuel production, but says that shifting RIN market rules would run counter to those goals. Higher costs as a result of the changes, for instance, could mean consumers pay more for fuel.

And just a \$200/t increase in US soybean oil prices would cause D4 prices to rise by 42¢/RIN, drawing more domestic feedstocks away from current uses like food and animal feed, the study projects. This feedstock switching could then mean that fewer gallons of biofuel actually have to be blended to meet mandates.

EPA estimated that its proposed quota of 7.12bn D4 biomass-based diesel RINs next year would require oil companies to blend 5.61bn USG of qualifying fuel. But industry groups have [noted](#) that fewer than 5bn USG of biodiesel and renewable

diesel – below US biorefining capacity – could meet that RIN target if made from purely domestic feedstocks. This dynamic, spurred on by changes to the credit market, would “limit growth” in the biomass-based diesel market, the study argues.

The Advanced Biofuels Association is pushing EPA to withdraw its proposed cuts to foreign inputs and return to its typical practice of setting the program’s biomass-based diesel mandate in physical gallons rather than credits. Other [critics](#) have said that such a substantial revamp of the RIN market would be legally risky for EPA.

Under the Renewable Fuel Standard, oil refiners and importers must annually blend different types of biofuels or buy RINs from those who do. EPA has signaled it wants to finalize biofuel quotas for 2026 and 2027 before November.
By Cole Martin

Nations obliged to tackle climate change

The International Court of Justice (ICJ) today determined in an advisory opinion that all countries have an obligation to contribute to cutting emissions, while advanced economies have further responsibilities to take the lead on addressing climate change.

The ICJ’s advisory opinions are not legally binding, but carry significant weight, and may contribute to the development of international law, the Centre for International Environmental law (CIEL) said.

International climate treaties – such as the Paris Agreement – “establish stringent obligations upon states to ensure the protection of the climate system and other parts of the environment from anthropogenic GHG [greenhouse gas] emissions”, the ICJ said today.

Countries “must fulfil their duty to prevent significant harm to the environment by acting with due diligence”, the ICJ said. It noted the discretion, built into UN climate body the UNFCCC, for nations to determine the means by which they cut emissions. But it was clear that “this discretion cannot serve as an excuse for states to refrain from co-operating with the required level of due diligence or to present their effort as an entirely voluntary contribution which cannot be subjected to scrutiny”.

The court noted the primary temperature goal set by the Paris agreement – to limit the global rise in temperature to 1.5°C – and found that countries party to the agreement have an obligation to present national climate plans that align with this.

The ICJ also focused on the primary cause of GHGs – burning fossil fuels.

“Failure of a state to take appropriate action to protect the climate system from GHG emissions – including through

fossil fuel production, fossil fuel consumption, the granting of fossil fuel exploration licences or the provision of fossil fuel subsidies – may constitute an internationally wrongful act which is attributable to that state”, the court found.

The issue was originally spearheaded by the small island state of Vanuatu, and led to a UN General Assembly request for the ICJ’s advisory opinion on states’ obligation to “ensure the protection of the climate system and other parts of the environment from anthropogenic emissions of greenhouse gases for states and for present and future generations”. It also seeks the ICJ’s opinion on the legal consequences for states when they “by their acts and omissions, have caused significant harm to the climate system and other parts of the environment”.

The outcome will “serve as definitive guidance from the world’s highest court”, environmental organisation ClientEarth told *Argus* last year.

The issues tackled by the court “concern an existential problem of planetary proportions that imperils all forms of life and the very health of our planet. International law... has an important but ultimately limited role in resolving this problem”, the ICJ said today.

The damage caused by climate change is growing, increasing pressure to define legal parameters and responsibilities. Weather and science agencies found that [2024 was the hottest year on record](#), smashing the [record set in 2023](#).
By Georgia Gratton

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Changes to RGGO assessments to add CI score requirement

Following consultation, from 1 August Argus will require that trades, bids and offers must be for product meeting the below carbon intensity (CI) requirements to be considered for inclusion in the relevant RGGO assessment:

- Netherlands, Denmark and UK waste based: 0-21g CO₂e/MJ
- Netherlands, Denmark and UK crop based: 18-35g CO₂e/MJ

Change to ARA biofuels requirements

Following consultation, Argus will further standardise requirements for trade, bids and offers considered for inclusion in fob ARA biofuels assessments.

To be considered for inclusion in the RED Fame 0°C CFPP, rapeseed OME and UCOME fob ARA range price assessments, market information must be related to trade for material registered in Germany's biomass web application system Nabisy.

Argus will also align terms and conditions, payment terms and sustainability clause requirements across its RED Fame 0°C CFPP, rapeseed OME and UCOME fob ARA range coverage by requiring that all such trades are conducted under standard industry-acceptable terms and conditions or other pre-agreed terms and conditions, payment must be made within five calendar days after the bill of lading and that only standard industry-acceptable proof of sustainability clauses are used.

These changes will be implemented on 1 August.

Note, the initial consultation erroneously proposed the introduction of a requirement of a buyer's option to choose one of German mandate use, Dutch or UK double counting at the time of nomination for Fame 0, rapeseed OME and UCOME fob ARA range, none of which will be changed. The UCOME assessment includes the buyer's option at present and the Fame 0 and rapeseed OME assessments do not and will not change as a result of this consultation process.

Suspension of fob Indonesia Pome, UCO price assessments

Argus has suspended its fob Indonesia Pome oil and UCO price assessments because of the suspension of exports. Argus will continue to monitor the situation and will provide further announcements in due course.

Please contact Lauren Moffitt at lauren.moffitt@argusmedia.com or +65 8460 4840 with any questions.

Changes to European ethanol coverage

Following consultation, Argus will change its European RED (T2) ethanol assessments to increase greenhouse gas (GHG) savings requirements.

The following changes will be implemented on 4 August:

- GHG savings requirements for RED T2 ethanol fob ARA range will change from minimum 64pc to 75pc average per barge, based on a fossil fuel comparator of 94g CO₂ equivalent/MJ. All qualities included in a 1,000t barge would need to meet a minimum GHG savings of 65pc
- Loading for RED T2 ethanol and premium ethanol fob ARA range assessments would change to 5-20 days forward of the day of the assessment, from 5-15 days forward

To be considered for inclusion in the RED T2 ethanol fob ARA range assessment:

- Market information must be related to trade for material registered in Germany's biomass web application system Nabisy
- Upon buyer request, and within 20 working days after bill of lading, the commissioning date of the production plant and the country of production must be provided by the seller, in writing in a way consistent with industry practice and acceptable to both buyer and seller
- PoS must be transferred between counterparties within 20 working days after bill of lading
- Trades must be conducted under standard industry-acceptable terms and conditions or other pre-agreed terms and conditions, and only standard industry-acceptable PoS clauses may be used
- Payment must be made within five calendar days after the bill of lading
- Traded material may be delivered within the same terminal via a pump-over on buyer's request. In this instance, the seller would be required to deliver into the buyer's tank within a maximum of 120 hours after the nomination date, and timings relating to bill of lading would instead refer to the date of pump-over completion

The specification for RED (T2) ethanol forward price assessments will change accordingly and prices will change to physical forward price assessments from swaps price assessments.

Argus successfully completes annual Iosco assurance review

Argus has completed the 13th external assurance review of its price benchmarks covering crude oil, oil products, LPG, chemicals, thermal and coking coal, natural gas, biofuels, biomass, metals, fertilizers and agricultural markets. The review was carried out by professional services firm PwC. Annual independent, external reviews of oil benchmarks are required by international regulatory group Iosco's Principles for Oil Price Reporting Agencies, and Iosco encourages extension of the reviews to non-oil benchmarks. For more information and to download the review visit our website <https://www.argusmedia.com/en/about-us/governance-compliance>

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Argus Assessment Rationale Database

For prices used in financial benchmarks, Argus publishes daily explanations of the assessment rationale with supporting data. This information is available to permissioned subscribers and other stakeholders. Subscribers to this report via Argus Direct or My Argus may access the database [here](#). Other subscribers may request access [here](#) or contact us by email at sales@argusmedia.com.

Argus Biofuels Methodology

Argus uses a precise and transparent methodology to assess prices in all the markets it covers. The latest version of the Argus Biofuels Methodology can be found at: www.argusmedia.com/methodology



For a hard copy, please email info@argusmedia.com, but please note that methodologies are updated frequently and for the latest version, you should visit the internet site.



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