

Fertilizer Action Plan

Fertilizers Europe
2026



Fertilizers
Europe

Why mineral fertilizers matter?



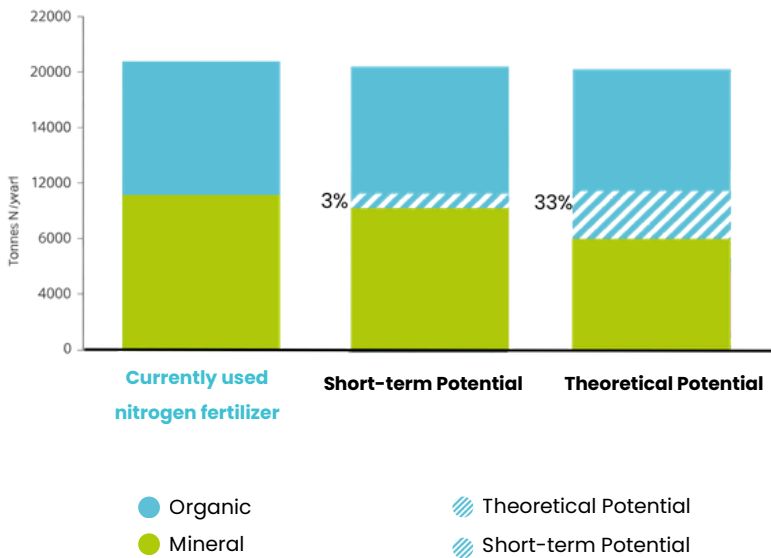
50%

**OF GLOBAL
FOOD
PRODUCTION**

Source: Nature, Erisman et al. (2008)

TODAY, MINERAL FERTILIZERS ENABLE

Current and potential nutrient use in EU agriculture



Source: D. Xu, G. H. Ros, Wim de Vries (Wageningen University and Research, 2025)

Major fertilizer plants in Europe



Structural Challenges



Persistently high and volatile energy costs (natural gas and electricity) continues to put European producers at a structural disadvantage in global markets. The recent Gulf crisis is additional proof of how exposed fertilizers are.



Carbon leakage is happening. Rising carbon costs under the EU ETS, combined with CBAM implementation challenges and uneven global carbon pricing, further increase pressure on EU producers. This, in turn, leads to shutdowns, temporary curtailments of European capacities[4], and a growing reliance on imports.



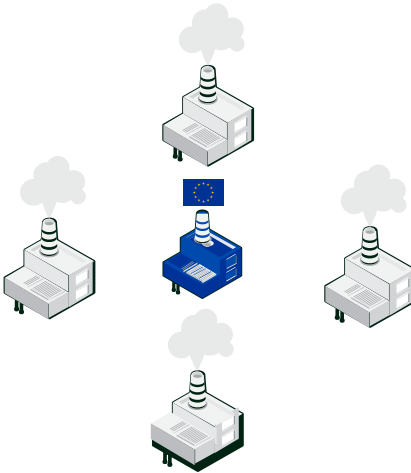
Limited investment conditions, regulatory hurdles, and weak demand for low-carbon and circular fertilizers.

8 action points for a competitive and resilient EU fertilizer sector

1

Recognise European fertilizer industry as a key pillar of the EU's strategic autonomy

Growing dependence



SOLUTION

- Recognise ammonia and fertilizers as strategic inputs across relevant legislative frameworks
- Ensure policy coherence to avoid fragmented or conflicting regulatory approaches
- Provide a stable and predictable regulatory environment

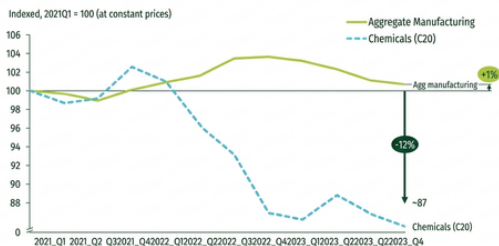
2

Strengthen EU's industry competitiveness

Unfair competition leading to industrial closures and increased import dependence

Data from Draghi Report indicates a deep recession for EU energy intensive industries including fertilizers

EU production in Chemical Industry (C20)



Source: European Commission, 2024. Based on Eurostat data.

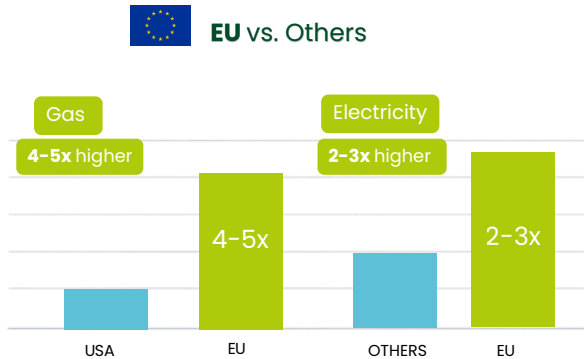
SOLUTION

- Strengthen measures to address carbon leakage and ensure fair competition vs imports
- Cut red tape
- Ensure a technology-neutral approach
- Incentivize, don't punish

3

Bring energy costs down

Europe faces **4–5x gas and 2–3x electricity** costs



SOLUTION

- Temporary state aid
- Supply diversification
- Stop-the-Clock for the EU Methane Regulation

Source: M. Draghi (2024), The Future of European Competitiveness: Part A – A Competitiveness Strategy for Europe, September.

4

Address carbon leakage

Distorted carbon cost conditions disadvantaging EU producers



SOLUTION

- ETS–CBAM coherence
- Free allowances
- Benchmark stability
- Export mechanism
- Predictable CBAM
- Financing Transition

Source: OECD (2025), Effective Carbon Rates 2025: Recent Trends in Taxes on Energy Use and Carbon Pricing and OECD (2024), Pricing Greenhouse Gas Emissions 2024: Gearing Up to Bring Emissions Down

5

Ensure a level playing field vis-à-vis imports

Unfair import competition distorting EU market



SOLUTION

- Strengthen the trade defence toolbox;
- Duly address anti-dumping practices;
- Tackle anti-circumvention effectively;
- Maintain existing measures amid geopolitical shocks;
- Align trade, energy, and climate policy.

6

Boost demand for low-carbon and circular fertilizers

Low-carbon fertilizers come with additional costs.



SOLUTION

- Demand-side incentives
- Certification schemes
- Regulatory framework
- Farmer support
- Innovation uptake

7

Deliver on longer-term priorities to advance the low-carbon transition

Lack of supportive and predictable framework



SOLUTION

- Provide CAPEX/OPEX support
- Develop CO₂ infrastructure
- Ensure policy predictability
- Ensure technology neutrality
- Establish labelling schemes
- Provide financial incentives

8

Develop an all-encompassing Farmer toolbox promoting NUE

Lack of comprehensive farmer toolbox



SOLUTION

- Farmer toolbox
- CAP support
- Precision agriculture
- Fertilizer best practices
- Decision-support tools
- Technology uptake
- Lower emissions

About Fertilizers Europe

Fertilizers Europe represents the majority of fertilizer producers in Europe and is recognized as the dedicated industry source of information on mineral fertilizers. The association communicates with a wide variety of institutions, legislators, stakeholders and members of the public who seek information on fertilizer technology and topics relating to today's agricultural, environmental and economic challenges.

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 [The full position paper is available here.](#)



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