

Parliament's vote on carbon border adjustment mechanism reiterates the need for carbon leakage protection adequate to EU's climate ambitions

Brussels, 11 March 2021: The European fertilizer industry welcome the European Parliament's vote on its Carbon Border Adjustment Mechanism (CBAM) resolution, and especially a firm recognition that EU's climate leadership ambition needs an adequate carbon leakage protection. A combination of policies is needed to ensure European industry competitiveness on both the export market and the competitiveness of the value chain in Europe.

"Fertilizers Europe welcome the Parliament's resolution which recognises that to raise EU's ambition on climate while avoiding carbon leakage, the EU must put a carbon border measure in place to ensure an international level playing field", said Jacob Hansen, Director General of Fertilizers Europe.

Several European fertilizer producers recently announced projects to upscale low carbon technologies at the same time calling for adequate support. A precondition for industry transition is a supportive framework with an effective carbon leakage measures that will ensure the international level playing field.

Jacob Hansen commented "with higher climate ambition for 2030, the EU needs strengthened carbon leakage protection. We therefore welcome the Parliament's call for the continuation of free allowances under CBAM design to ensure competitiveness of European industries on the export markets as well as the competitiveness of the entire value chain within the Single Market".

The fertilizer industry is often cited as a suitable candidate for testing the new mechanism.

"Due to its high trade and energy intensity and the fact that fertilizers are relatively simple products the sector is well suited for CBAM. We are therefore glad to see that the MEPs explicitly recognised fertilizers among other energy intensive sectors as most suited for the new mechanism" said Jacob Hansen.



Notes for editors

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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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