

# Decarbonising EU Fertilizer Industry by 2050

## Pathways to a decarbonised future



### Fertilizer's industry ambitions

2026



**Decarbonisation masterplan**  
By 2026, all Fertilizers Europe member companies will adopt a masterplan for the decarbonisation of their assets;

2040



**70% GHG emission reduction**  
By 2040, Fertilizers Europe members commit to reducing their scope 1 and 2 GHG emissions by 70% compared to 2020;

2050



**Carbon neutral**  
By 2050, European fertilizer production will be carbon neutral

A combination of policy solutions and access to affordable, low-carbon energy is needed to enable the transition of EU fertilizer production to a climate-neutral economy by 2050 while keeping its current assets competitive.

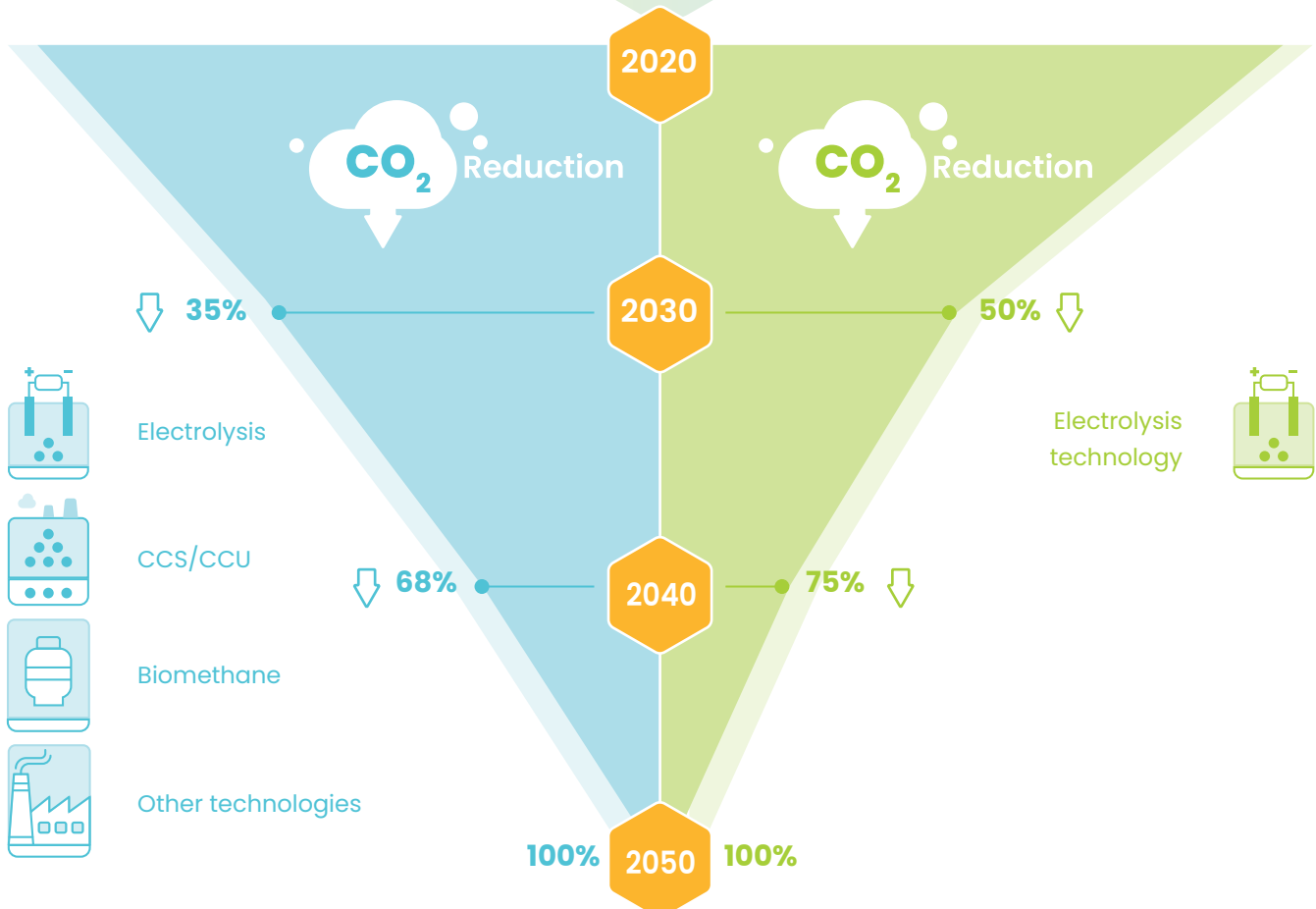
#### Technology neutral pathway

Decarbonisation through a combination of technologies

#### Green Hydrogen pathway

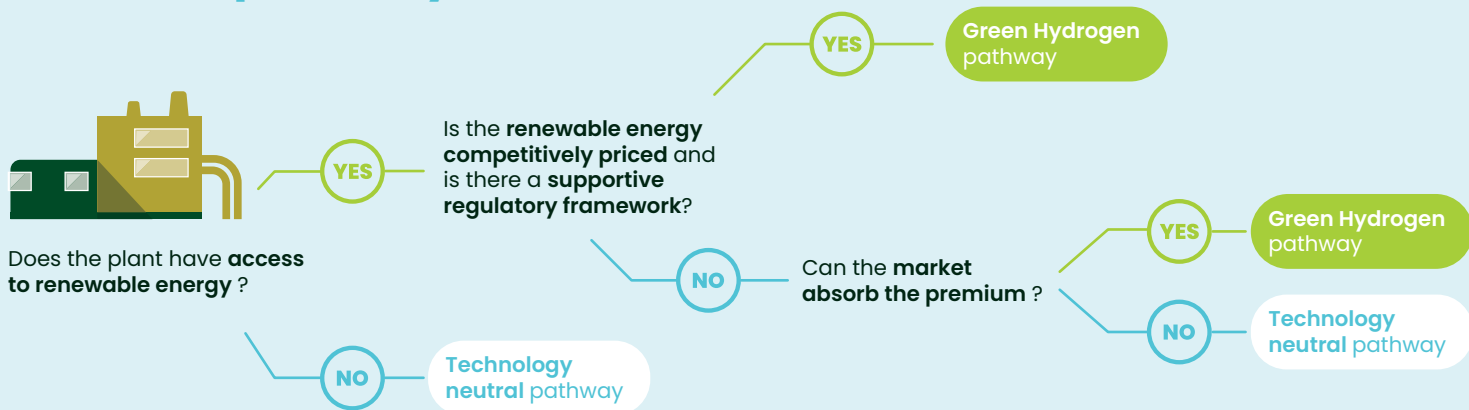
Decarbonisation through **electrolysis**

From 2005 to 2020, the EU fertilizers industry already reduced its scope 1 and 2 emissions by 49%.



# One size does not fit all

## Which pathway ?



## 5 prerequisites to boost decarbonisation and strategic autonomy of the EU



INTERESTED TO KNOW MORE?



1

### ENABLE AND PROMOTE ACCESS TO SUSTAINABLE ENERGY AND FEEDSTOCK

Access to **affordable green and low carbon energy** is essential to bridge the competitive gap between Europe and competing regions.



2

### BOOST DEMAND FOR CLIMATE-NEUTRAL EU FERTILIZERS

Boost demand for climate-neutral EU produced fertilizers through a **labelling system** accompanied by a mandatory purchasing target for all EU nitrogen fertilizer purchasers.



3

### STIMULATE TARGETED INVESTMENT

Implement measures to **'de-risk' the early investment** required to close gaps between the cost of the proposed alternative routes and current production routes. Promote **dedicated funding programs such as the hydrogen bank** with a sector specific approach in order to enable investments in required technologies to achieve climate neutrality.



4

### PREVENT AN UNFAIR COMPETITIVE ADVANTAGE FROM NON-EU PRODUCERS

Ensure timely and effective development and implementation of the **Carbon Border Adjustment Mechanism** to prevent unfair competitive advantage for non-EU producers importing to Europe. Develop and provide concrete safeguards to guarantee continuous competitiveness of European export-oriented production.



5

### PROVIDE A SUPPORTIVE LEGAL AND FUNDING FRAMEWORK

Enable rapid and targeted access to **public funding** and/or support and facilitate the **permitting or licensing** for construction of facilities to enable the transition – including new-build or refurbished nitrogen fertilizer plants, renewable electricity generation and retrofitted infrastructure.