

Fertilizers Europe statement on CBAM's impact on EU fertilizer import market

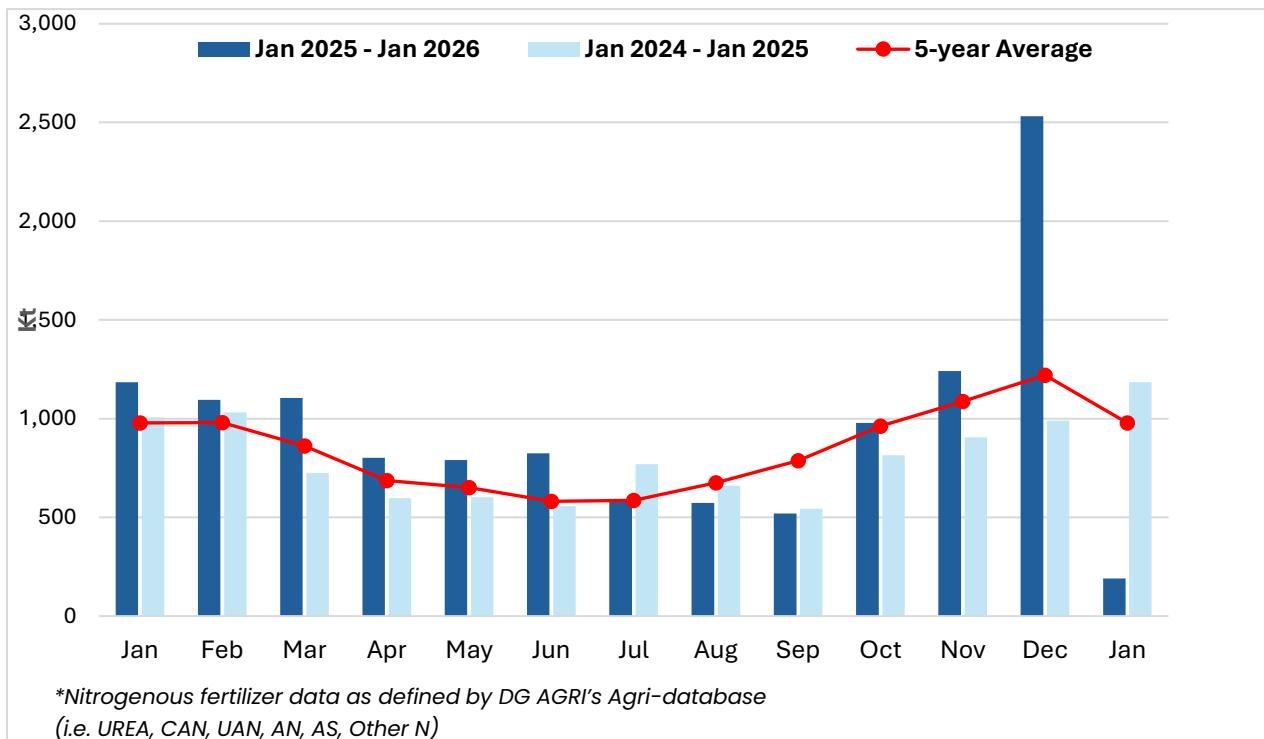
Fertilizers Europe aims to ensure that EU policymakers have access to all available and reliable data allowing them to take informed decisions on policies impacting EU farming sector. With this statement, Fertilizers Europe seeks to correct recent misrepresentations of how CBAM impacts EU fertilizer market.

I. Recently published import data was incomplete and misleading and underrepresents massive imports of fertilizers

Information circulated recently is incomplete and misrepresents how imports flooded the market before CBAM's entry into force.

Low January 2026 import level of fertilizers into Europe is the result of **an unprecedented flooding of imported fertilizers in Q4 2025 to avoid CBAM** (see figure 1).

**Figure 1. Monthly N-Fertilizer Imports (Kt):
(Jan 2025 – Jan 2026) VS. (Jan 2024 – Jan 2025)**



Source: European Commission, Agri database



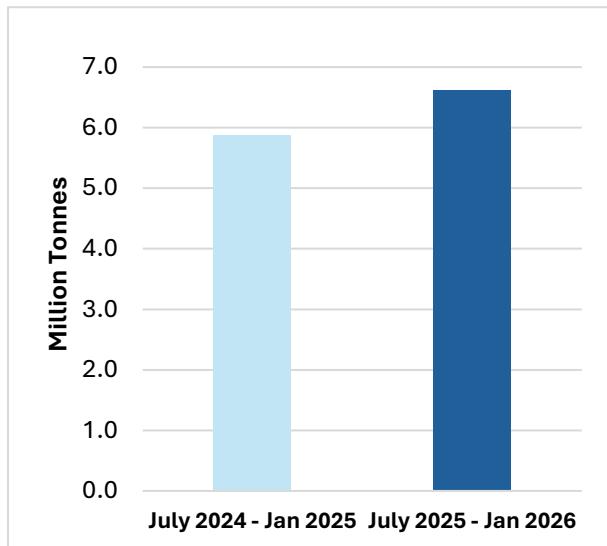
In fact, the December imports were the highest ever recorded.

Europe saw a 140% increase in fertilizer imports between December 2024 and December 2025.

In one month only, Europe imported 2.37 mln tonnes of N fertilisers. This represents around 28% of Europe's total annual consumption of N fertilizers (8.3 mln tonnes in 2023¹).

Record level imports were meant to allow importers of fertilizers beat the onset of the new EU climate policy measures which were intended to put EU and non-EU producers on equal footing.

**Figure 2. Cumulative N-Fertilizer Imports (MT):
(July 2025 – Jan 2026) VS. (July 2024 – Jan 2025)**



II. Impact of CBAM on prices is overestimated

Contrary to various unfounded statements distributed by stakeholders, recent analyses² estimate that the **price increase due to the inclusion of fertilizers in the CBAM** should be relatively modest, of the order of **45€ per tonne of urea (representing around 8% of the farm delivered price of urea)**, depending on imports' emissions.

Farmers facing multiple cost pressures deserve targeted support. However, long-term predictable price adjustments for GHG emissions should not undermine the implementation of a climate instrument designed to ensure fair carbon pricing between EU producers and imports. The appropriate response is direct support to farmers, not the suspension of CBAM.

III. Uncertainty about CBAM application to fertilizers caused market turbulence

Contrary to various statements, it is not the implementation of CBAM on fertilizers that can disrupt traditional supply flow of fertilizers. Instead, it is the fact that a policy built over seven years, with long transitional period, various impact assessment and underlying data, was unexpectedly and with no proper analysis thrown into question just seven days after entering into force. More specifically, it is the announcement of possible retroactive suspension of CBAM on fertilizers that brought unpredictability and destabilised the market.

¹ Agri-environmental indicator - mineral fertiliser consumption - Statistics Explained - Eurostat

² <https://www.ecologie.gouv.fr/politiques-publiques/mecanisme-dajustement-carbone-aux-frontieres-macf>

IV. Fertilizer prices driven by global supply & demand

Global fertilizer prices are primarily driven by the balance between agricultural demand and production supply. Europe represents a very small portion of global trade. Fertilizer prices are heavily influenced by energy costs, geopolitical tensions, global production capacity changes, export restrictions and trade flows. Confusion and unpredictability cause disruption in demand and price volatility.

V. Domestic fertilizer production is key to stable supply of quality fertilizers for European farmers

A strong regional manufacturing base is key to supply security and resilience against geopolitical disruptions and volatile global markets. **European producers have the capacity to satisfy most of the needs of the domestic market, providing high quality fertilizers with an average carbon footprint 50% lower than imports.**

Import dependency is dangerous. Experience from Ireland³ shows that markets most dependent on imports record frequently the highest N fertilizer prices in the EU, mainly due to the absence of domestic production capacity.

Europe recently learnt hard way how over-reliance on imported gas can be weaponised. Europe cannot afford to become equally reliant on critical inputs if it wants to ensure its food sovereignty.

VI. Need for fact-based policymaking

Recent weeks have seen various apocalyptic forecasts of CBAM's impact on fertilizer prices and availability. All fact-based analyses show a limited impact.

Impact of CBAM on prices of imported fertilizers will necessarily be linked to GHG emissions embedded in such imports: fertilizers with low emissions will not be materially impacted, while fertilizers with very high emissions may be impacted more. This is exactly how internal carbon pricing in the EU – the ETS – works and this is the exact purpose of CBAM – to harmonize the rules for EU-produced and imported fertilizers and move the market to lower emissions fertilizers across the EU.

To ease farmers' concerns about fertilizer affordability, the European Commission set a lower markup of 1% on CBAM default values for imported fertilizers, compared to higher 10%-30% applied to other CBAM sectors.

Misinformation on CBAM's impact on fertilizer prices is detrimental to a fact-based discussion over how EU's climate policies impact fertilizer prices across the entire market.

Instead, **all stakeholders should work hand in hand with EU institutions to develop policies supporting farmers.**

³ Irish farmers face highest fertiliser import prices