

Conference Summary

Opportunities in the EU Fertilizer Regulation: What to look out for?

On 3 May, Fertilizers Europe hosted a full day conference featuring agriculture and fertilizer specialists in both the industrial and public sector to address the European Commission's proposal on the new fertilizer Regulation.

1. Morning Session

During the first morning session, speakers and participants discussed about the opportunities and inevitably the challenges that will emerge from this new EU legislation about nutrients.

The President of Fertilizers Europe, Javier Goñi del Cacho, presented the views of the industry about the new EU Commission proposal. He underlined that quality of fertilizers must be the priority of the new Regulation. He highlighted serious concerns of the industry about elements of the proposal that put the availability of key mineral fertilizers at stake. For instance, even if the industry agrees on setting a limit, the Commission proposal to limit cadmium in phosphate fertilizers is overly ambitious. There is another aspect where the industry has high concerns about the impact of the new Regulation, namely the proposed requirements for biodegradability of Controlled Release fertilizers (CRF). There is presently no science-based data on degradation of polymers used as coating enabling a release of nutrients over at least one year.

In addition, the President of Fertilizers Europe also made it clear that there are new opportunities for the mineral fertilizer industry to seize. The EU Commission proposal opens the door for new fertilizers, like agronomic additives, which help contributing to minimizing negative impacts on public health and environment. Conditions for the recycling of nutrients become established, and information for the farmers will be clearly spelled out.

Last but not least, the new Regulation must establish effective and non-bureaucratic procedures for manufacturers in order to get a CE mark for their products. Ultimately, the new fertilizers Regulation must contribute to making the European farming sector – that is of strategic importance for the EU – more productive, more sustainable and more competitive at the same time.

On behalf of the European Commission, Reinhard Büscher gave presented the ideas behind the proposal and the main elements it contains. The European Commission proposes an optional harmonization, while mutual recognition will still apply. From the background of Better regulation, the Commission proposes a radical increase of products falling under the scope of the new piece-of-legislation. The ultimate goal of the regulation is to ensure that fertilizing products will be safe to use. Büscher also explained the reasoning of the EU Commission as far as the cadmium limits and controlled release fertilizers.

Arnaud Petit (COPA-COGECA) made the point that farmers for instance can only provide quality bread to the food industry if they can use fertilizers to feed their crops. European farmers and agri-cooperatives are looking for a better harmonization within the EU single market in order to benefit from the full potential the different categories of fertilizing products can offer. Petit also stated that farmers are both users and producers of fertilizers through manure. He regretted that the new Regulation does not provide enough incentives for farmers to embark on recycling manure processing. Last but not least, Petit made a plea for more information to be provided about the quality of the fertilizing products, and mineral fertilizers especially.

During the debate, it emerged that there is a trade-off the co-legislators will have to deal with, namely reconciling environmental protection on one side and boosting harmonization of the EU internal market on the other side. This has been seen particularly true for aspects like degradability requirements for Controlled Release Fertilizers and cadmium limits in phosphate fertilizers.

2. Breakout Sessions

During the discussion, it was clear that the mineral fertilizer industry wants to be part of the circular economy, and that new business models will be developed.

Cadmium

- It is a health issue that the EU needs to deal with, even if so far no risk assessment has been undertaken.
- There is a need for a limit, and 60 mg would strike a right balance between the different concerns. In the mid to long term, the EU could monitor developments and consider lower limits once those would be achievable.
- Decadmiation works for some production processes, even if it is very costly and not possible to upscale it today. However, decadmiation is not possible for nitrophosphate processes which represent one third of phosphate manufacturing in the EU. The knowledge on this technology within European companies should be fostered and supported through a research program possibly funded by the EU.
- If the EU Commission proposal is not improved during the legislative debate, some risks have been identified:
 - It would create more room for national fertilizers with higher or no limits on cadmium.
 - It would lead to a fragmented EU internal market, which would be in contradiction with the goal of harmonization of the EU Commission.
 - It would have a negative effect on the price of the finished phosphate fertilizers and thus on the international competitiveness of European farmers.

Additives

- The breakout session came to the conclusion that it was necessary to include a more flexible definition of additives within the new Regulation.
- There is a need to clarify how additives should be labelled, and that confusion might arise from the new category of “product blends” proposed by the EU Commission. This category does not correspond to the realities of the globally traded commodities of fertilizers.
- It would be helpful for farmers to define the environmental effects as a standard, for instance in order to mitigate N₂O emissions.

Labelling

- The experience in the European feed sector has shown that a modernization of the labelling for feed has led to a meaningful B-to-B exchange of information. The breakout group also agreed on the need to explore the use of modern labelling tools (like QR Codes).
- There was a broad agreement that the industry has to better understand which information farmers would like to receive before discussing with the competent authorities on labelling requirements.
- It has to be clarified how to deal with product claims and under whom competence those should be supported by scientific evidence.

Recycling

- The question is not whether the fertilizer industry has a moral obligation to contribute to recycling or not. The industry embarks and will continue to embark on recycling if the economic and logistic conditions are right.
- Some factors have been identified to further develop recycling – trust between the different players being a pre-condition:
 - Better organization of waste collection,
 - Creation of long-term contracts between the different players,
 - Creation of nutrient platforms like the one in the Netherlands to facilitate exchange of best practices.
- Recycling can be seen as more competition for the mineral fertilizer industry, but it is also a new market opportunity. Obviously it is easier for some mineral fertilizers (like phosphate) than for others like ammonium nitrate where for chemical reasons safety is a big concern.
- The start of the work of the EU Commission on recovery rules has been seen as very timely, and the industry is willing to contribute positively to it.