



RESOLUTION:

Removal of all tariffs and duties (including MFN and anti-dumping duties) on the import of fertilisers into the EU

Adopted at the YEPP Council Meeting in Roeselare, 05.05.2018

Recognizing that:

- The fertilizer market in the European Union is relatively concentrated and consequently, fertilizer prices are relatively high.¹
- Gas accounts for 70-80% of the cost of production of calcium ammonium nitrate (CAN) and ammonium nitrate (AN).
- Wholesale gas prices have fallen by 50% since 2013 – driven by weaker global demand for energy, an increase in supply of US shale gas and better access to Liquefied Natural Gas (LNG) in Europe, as well as lower oil-indexed gas prices².
- Fertilizers, together with soil improvers, represent 26% of total variable production costs for the average cereal farmer in the European Union³.

Acknowledging that:

- A lack of competition in Europe's protected fertiliser market enables leading manufacturers to manipulate prices, particularly for CAN and AN, regardless of price movements in main raw materials.
- The protection we currently provide to EU nitrogen manufacturers through the imposition of anti-dumping duties and customs tariffs by the EC sees European farmers pay a premium of €50/t to €60/t for AN and CAN⁴.

¹ Bouët, Antoine and Laborde Debucquet, David. 2016. Effects of import duty elimination on the EU Fertilizer Market. Washington, D.C.: International Food Policy Research Institute (IFPRI). <http://ebrary.ifpri.org/cdm/ref/collection/p15738coll2/id/130203>

² Report from the Commission to the European Parliament, the Council, The European Economic and Social Committee and The Committee of the Regions. 2016, Brussels. Energy prices and costs in Europe <https://ec.europa.eu/energy/en/data-analysis/market-analysis>

³ Thelle, M.H., Sundén, D., Jeppesen, T., Stefansdotter, A., and C. von Utfall Danielsson, 2013. Economic assessment of a suspension of EU import duties on fertilisers, Copenhagen Economics, Copenhagen and Stockholm.

⁴ McCullough, Darragh. 2017 Farmers are being 'held to ransom' by fertiliser industry' <https://www.independent.ie/business/farming/dairy/farmers-are-being-held-to-ransom-by-fertiliser-industry-35371701.html>

- EU grain producers are at a significant disadvantage as their main competitors have access to cheaper fertiliser.
- The findings of the IFPRI which state that the long-term impact of abolishment of duties on fertilisers would lead to a net 481 Million EUR in welfare gains and more than 17,245 jobs created in the European Union⁵.

YEPP calls on:

- The EU Commission to abolish all tariffs and duties on non-EU fertilisers imports to restore competitiveness to the fertiliser market within the Single Market.

⁵ Bouët, Antoine and Laborde Debucquet, David. 2016. Effects of import duty elimination on the EU Fertilizer Market. Washington, D.C.: International Food Policy Research Institute (IFPRI). <http://ebrary.ifpri.org/cdm/ref/collection/p15738coll2/id/130203>