



Copa and Cogeca's position on the proposal for a Regulation of the European Parliament and of the Council on the modification of customs duties applicable to imports of certain goods originating in or exported directly or indirectly from the Russian Federation and the Republic of Belarus (COM(2025)34 final)

Brussels, 21 february 2024





Introduction

The Council's response to concerns for global food insecurity following the start of the war in Ukraine, has been a policy of not applying restrictions on imports of fertilisers from Russia. However, the European Commission has adopted on 28 January 2025 a proposal to **impose tariffs on certain fertilisers from Russia and Belarus** a proposal that is irreconcilable with the European competitiveness compass. Fertilisers account for 10.5% of total intermediate consumption (€/farm) on average and represent an even greater level of expenditure for certain types of farms, for example, on field crop-specialised farms¹. European farmers and cooperatives need a secure and regular trade flow of fertilisers at competitive prices to guarantee agricultural production and food security.

Copa and Cogeca note that with the new proposal the Commission prioritises the nitrogen fertiliser industry, placing the competitiveness of European agriculture second, which risks weakening the EU's preparedness mechanisms, food security and food sovereignty.

Import tariffs alone will not be sufficient to enhance the competitiveness of European fertiliser industry. This can only be achieved by ensuring that these companies have access to affordable energy and raw materials. Otherwise, it is only a matter of time before Russia and Belarus circumvent EU import tariffs, potentially by rerouting exports through third countries.

In the same week, the proposed 16th sanctions package will not impact the majority of LNG imports from Russia, which will also benefit the nitrogen fertiliser industry.

The immediate impact of the proposal has been to see the market factor in the additional costs of Russian supplies. Moreover, European framers currently have no guarantees the disruption of supply of Russian fertilisers will not cause a fertiliser shortfall, and that this fertiliser shortfall will be offset by increased domestic production at a competitive price — a key argument raised by supporters of the Commission's proposal. **It is unacceptable that the proposal has not been accompanied by an impact assessment. This is contrary to good governance and sound rule making. The main sector to be adversely affected will be agriculture and it is essential that the legislator and industry have a complete picture of the impacts of the proposal before it is progressed.**

European farming has become increasingly dependent on imported fertilisers over the years, with this reliance growing even more in the past three years due to the reduction in fertiliser production and the complete closure of several

factories. The disruption or complete halt of fertiliser imports from Russia will not end this dependency in the short term. EU farmers will need to source fertilisers from third countries, where production is less readily available than in Russia, logistics are more complicated, and supply chains are not well established.

While we understand the legitimacy of the geopolitical reasons driving the Commission to act, **the European farmers must face the economic consequences of these decisions.**

Indeed, this proposal would place additional financial pressure on farming operations already grappling with a highly challenging economic climate. Tariffs on Russian fertilisers and their disappearance from the EU market are likely to provoke significant agricultural inflation in the EU. The consequences for agricultural production, competitiveness, and farmers' incomes would be severe.

Copa Cogeca therefore believe that there must be an alternative diversification strategy for ensuring the availability of competitively priced fertilisers for European farmers and the goal in this must amongst others be to reduce dependency in terms of fertiliser.

There should be stronger focus on how the EU could increase its own nitrogen fertiliser production and find alternative sources. The EU does have small mining of clean phosphate in Finland, while Germany, Netherlands, Spain and Poland show a small production of potash containing fertilisers. Furthermore, some Member States lack any nitrogen fertiliser producers altogether and are totally reliant on imports.

The EU needs to diversify suppliers, to boost its own production within Europe, to develop more environmentally friendly alternatives, and recognise the role of the circular economy, including on-farm solutions such as manure and digestate. Additionally, transparency within the EU market must be improved by increasing the role of the Fertiliser Market Observatory of DG AGRI.

Copa and Cogeca also believe that the access and affordability of fertilisers should be an issue for the newly established EBAF to regularly discuss and give advice on.

1. For example, on field crop-specialised farms, such as those growing cereals and oilseeds, fertilisers make up about 28.5% of total intermediate consumption (€/farm), according to 2022 FADN data.



Alternative diversification strategies

Copa and Cogeca are urging the Commission to immediately introduce additional proposals to be implemented simultaneously with any tariffs on imports from Russia and Belarus, providing alternative options for European farmers, which are outlined below.

1. Trade

Mineral fertilisers are essential when applied at the right time and in the correct application rates, based on the needs of the crops and prevailing climatic conditions.

To reduce the EU's dependency on Russian fertilisers, the EU must implement a diplomacy of open strategic autonomy for fertilisers and a long-term policy to diversify the sources of fertilisers. This should start by offering exporting third countries other than Russia and Belarus a degree of predictability, which will help foster stable trade relationships and secure alternative supply chains.

To this end, Copa and Cogeca ask the European Commission to:

- Terminate the anti-dumping measures imposed on the imports of urea, ammonium nitrate and mixtures (UAN) originating in Trinidad and Tobago and the USA by October 2025.
- Suspend conventional duties on imports of urea, UAN, DAP, MAP and NPK (codes 3102 10, 3102 80, 3105 30, 3105 40 and 3105 20) from the tariff nomenclature.

2. Automatic and effective safeguard mechanism – art. 2 §2 COM(2025)34 final

The proposal of the Commission on the modification of import tariffs on certain fertilisers from Russia and Belarus (art. 2.2 COM(2025)0034 final) includes a temporary suspension of customs duties for other third countries, which is not legally binding and does not guarantee any protection of European farming.

An automatic and effective safeguard mechanism is necessary to trigger the suspension of trade defence measures against Russia and Belarus, with clear and precise modalities. For example,

- A maximum deadline of X working days between the identification of price exceedances and the actual suspension of sanctions.
- Establishment of an early warning system to anticipate price exceedances.

- Monthly publication of price indicators for improved responsiveness and transparency.
- Obligation for the Commission to immediately inform all Member States and economic operators about the suspension of sanctions.
- Suspension to be maintained for at least 3 months after prices fall below the reference thresholds to avoid a yo-yo effect.
- Annual evaluation of the mechanism's effectiveness, with a report provided to the Member States.

To protect farmers from uncontrolled increases in fertiliser prices, Copa and Cogeca request to introduce a continuous and automatic monitoring system to trigger the interruption of sanctions as soon as the prices exceed certain reference values. The suspension should, therefore, be triggered automatically when the prices exceed the reference prices defined in art. 2.2 of the proposed regulation COM(2025)0034 final.

3. Compensation mechanism and risk-management tool

The Commission should **use revenue from import taxes on fertilisers and agricultural goods from Russia and Belarus to exclusively subsidise the purchases of fertilisers by farmers beyond these reference value prices.** The system must be administratively simple for farmers, and the distribution must be direct, fast, and automatic.

Additionally, the Commission should study a risk-management tool across the entire supply chain.

4. Nitrates directive

European agriculture relies on both mineral and organic fertilisers, and farmers must have flexibility through derogations to nitrates directive to prioritise nutrient resources within the farming sector.

To enhance European agricultural competitiveness and mitigate the impact of this proposal, optimising the use of livestock manure aligns perfectly with the goals of strategic autonomy, energy reduction, and the objectives of a circular and bio-based economy. It is crucial to introduce more flexibility in utilizing the resources within the European farming sector. Granting derogations from the Nitrates Directive is a practical solution, ensuring that farmers have the necessary leeway to adjust practices while still maintaining environmental standards.

- Derogate the nitrates directive to use more livestock manure on grassland among other crops, which is neutral in term of water protection

against nitrates pollution. Copa and Cogeca ask for structural derogation, based on the multiple benefits of the measure².

- Derogate the nitrates directive to use processed livestock manure (RENURE - REcovered Nitrogen from manURE and certain digestates) beyond 170 Kg N/hectare. It is still considered animal manure, although the chemical characteristics are the same as chemical fertilisers. These techniques also have the potential to lower emissions and improve precision fertilisation.



Copa and Cogeca's positions – key requests and red lines on the Commission's proposal

Copa and Cogeca plan to work with the negotiators to amend the Commission's initial proposal for a Regulation of the European Parliament and of the Council on the modification of customs duties applicable to imports of certain goods originating in or exported directly or indirectly from the Russian Federation and the Republic of Belarus (COM(2025)34 final) along the red lines outlined below.

1. Removal of fertilising products containing P from the scope - art. 1 §2 b)

The European Union lacks domestic sources of mineral phosphates and phosphoric fertilisers, making it heavily dependent on imports from African countries and Russia. Additionally, the Regulation (EU) 2019/1009, which sets a maximum cadmium limit of 60 mg/kg P₂O₅, exacerbates this dependency by favouring Russian-origin rock, which contains low levels of cadmium naturally. The European Commission's proposal is likely to further reduce the diversification of phosphate suppliers, increasing reliance on a limited range of sources from African countries. Furthermore, these sources may not comply with the EU's cadmium limit. Therefore, Copa and Cogeca ask to remove CN 310520 (N, P, K), CN310530 (DAP), CN 310540 (MAP, MAP and DAP in mixture), CN 310551 (N, P), CN 310559 (N, P) and CN310590 from the scope of article 1§ 2.b of the proposed regulation.

2. Level of the taxes - art. 1 §2 a) b) and c)

Anti-dumping measures are currently in place against UAN and AN imports from Russia, at least until autumn 2025. **When the proposed regulation comes into force, Copa and Cogeca urge that the proposed trade defence regulation should not be cumulative with anti-dumping duties on UAN and AN.**

The proposed levels of the import duties up to a level of 100% ad valorem equivalent do not take into account the implementation of CBAM from 2026.

In the name of simplification, Copa and Cogeca ask no more duplicate payment systems are built. CBAM is now moving from the statistical phase to payments. In the same context, it would be justified to abandon either of the two CBAMs or this new Russia-Belarus tariff.

3. Fixing higher quota rates – art. 1 §2 c)

The Commission proposes to start with a total import quota of 2.7 million tonnes from 1/7/2025 to 30/6/2026, which is 1 million tonnes (-27%) below the level of imports in 2024.

Before the war, the EU nitrogen fertiliser industry was operating with 4.5 million tonnes of import of nitrogen fertiliser from Russia and Belarus. Since 2021, several production facilities in the EU have closed completely.

Copa and Cogeca propose to fix the quota based on the reference period pre-war 2017-2021, see annex 1. **Copa and Cogeca propose to fix the following quota rates:**

- **3.375 million tonnes, (= 75 % X 4.5) from 1 July 2026 to 30 June 2027**
- **2.250 million tonnes and (~=66% X 3.375) from 1 July 2027 to 30 June 2028**
- **1.485 million tonnes. (=66 % X 2.250) from 1 July 2028 to 30 June 2029**

4. Price monitoring – art. 2 § 1

This proposed regulation provides the bases for enhancing the EU Fertiliser Market Observatory and increased transparency of the fertiliser market. The price monitoring must remain in place at least for the duration of this proposed regulation.

Copa and Cogeca request to amend art. 2 § 1 in order that absolute fertiliser prices in Member States be provided monthly and to include a list of reference fertilisers in the annex of that Regulation for which prices should be collected to reflect the true prices on the European market.

Copa and Cogeca propose the list of reference fertilisers to monitor prices: Ammonium nitrate (AN), 33.5% N, Calcium ammonium nitrate (CAN), 26-27% N, Urea 46% N, Urea ammonium nitrate solution (UAN), 28-32% N, Ammonia anhydrous.

The Commission must inform the Member States of the monitoring results every month starting from the entry into force of the proposed regulation.

5. Lasting impact of import taxes – art. 3

Anti-dumping measures have been in place against ammonium nitrate (AN) imports from Russia³ for about 30 years and have never been lifted. They apply until mid-December 2025. Copa and Cogeca fear that the Commission's proposal could be implemented for a very long period, even after any potential ceasefire. **That is why Copa and Cogeca are requesting that the proposed regulation be limited and must be reviewed every year. But at the same time the EU must develop its own strategic autonomy when it comes to competitively priced fertiliser availability.**

6. A one-year delay in the implementation and phasing-in period -art. 3

Starting the implementation on 1 July 2025 is a very too short a period to allow EU fertiliser market to adapt the new conditions. **Therefore, Copa and Cogeca ask to delay the entry into force by one year after the publication in the Official Journal.** Copa and Cogeca support a transitional period of implementation to avoid market disturbance. **Copa and Cogeca would support a longer phasing-in period.**



Additional request

An impact assessment is missing!

The reasoning behind the duty figures in the proposal is based on an examination of the conditions that led to the implementation of anti-dumping measures on UAN imports from Russia in 2019. The Commission observes that the price of UAN did not increase when the measure was put in place and that access to UAN was not disrupted. On this basis, the Commission proposes taxing all nitrogen-based fertilisers, whereas many conditions have changed since 2019: the rise in gas prices in Europe, the reduction of the EU nitrogen fertiliser production and the complete closure of several factories in the EU, the reduction of fertiliser consumption, the greater geopolitical tensions, the full implementation of CBAM from 1/1/2026, and the scientific link between nitrogen application and yield, quantity is well-established⁴.

European agriculture contributes to global food security. A reduction in the European agriculture output will have a negative economic effect on EU rural areas. Since Russia has increased its fertiliser exports to other third countries this could be seen as a problem since there are no guarantees that these third countries can contribute to an increased global food security given the major geopolitical uncertainties and the effects of climate change.

Copa and Cogeca therefore call on the Commission to conduct a proper impact assessment.

4. Quantifying the impact of an abrupt reduction in mineral nitrogen fertilization on crop yield in the European Union, Federica Pacifico a,*, Giulia Ronchetti b, Frank Dentener a, Marijn van der Velde a, Maurits van den Berg a, Emanuele Lugato a a European Commission, Joint Research Centre (JRC), 21027 Ispra, Italy b Arcadia SIT srl, Vigevano, Italy, Science of The Total Environment Volume 954, 1 December 2024, 176692





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Copa and Cogeca are two European organisations, established respectively in 1958 and 1959, managed by a joint secretariat since 1962, representing national associations of farmers and agricultural cooperatives.

Together, we serve as the leading voice of the farming community at EU level. European agriculture, forestry, and aquaculture are remarkably diverse, forming a strategic asset capable of meeting the needs of half a billion Europeans while addressing many of the EU's current and future challenges.

To ensure this diversity is properly represented, Copa and Cogeca advocate for all agricultural models, types of production, and farms and cooperatives of all sizes. Our structures are grounded in democratic principles, supported by elected representatives and the work of over forty dedicated working parties.

Our mission is to secure a viable, innovative, sustainable and competitive EU agriculture that fulfills Europe's strategic needs—as enshrined in EU treaties starting with food security.

We farm for Europe, and we trust Europe to sustain our future!

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