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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Fertiliser Action Plan: Partnership for ensuring the availability, affordability and strategic autonomy in home-grown EU fertilisers

1. INTRODUCTION: WHY THE EUROPEAN UNION NEEDS A FERTILISER ACTION PLAN?

Fertilisers are essential to agricultural productivity, farm viability and food security. They provide key plant nutrients – nitrogen (N), phosphorus (P) and potassium (K) – critical for crop growth, plant health, yields and quality of products. Global food production is highly dependent on fertilisers.

For the second time in less than five years, the world and Europe are seeing a steep surge in mineral fertiliser prices. In 2022, the Commission presented a 'communication on ensuring availability and affordability of fertilisers'[1] (the 2022 communication) setting out immediate measures to safeguard availability and affordability. The persistence since then of high prices and structural difficulties led the Commission to announce a fertiliser action plan in the REsourceEU communication[2], to ensure the availability and affordability of domestic fertilisers and propose actions enabling transition towards recycled nutrients and other alternatives. The crisis in the Middle East has further exposed EU structural vulnerabilities in fertiliser supply.

Currently, EU fertiliser supply depends on imports for a large share of inorganic fertilisers and their raw materials (natural gas, ammonia, phosphate rock)[3]. At the same time, domestic production is heavily affected by energy prices, particularly for nitrogen fertilisers, where natural gas serves both as a feedstock and as a major energy source. In addition, the large amounts of greenhouse gas (GHG) emissions during production and the high dependence on imported fossil fuels mean that fertiliser production must decarbonise without putting food security and the financial capacity of farmers at risk.

A successful strategy for fertilisation in the EU requires industry and farmers to work hand in hand in partnership and a transparent value chain: ensuring competitiveness for both farmers and the fertiliser industry and EU strategic autonomy, while helping to achieve EU climate and environmental objectives. The recent AccelerateEU[4] communication guides the EU and member states actions to address the impact of energy prices on fertilisers and agriculture, focusing on immediate effects, within a medium term perspective. This Action plan will provide a broader set of actions to be implemented in partnership with fertilisers producers and farmers to achieve multiple reinforcing objectives related to availability and affordability, strategic autonomy and resilience, and transparency and dialogue.

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[1] Communication from the Commission, Ensuring availability and affordability of fertilisers, COM(2022) 590 final/2 of 9 November 2022, EUR-Lex - 52022DC0590(01) - EN - EUR-Lex.

[2] RESourceEU Action Plan – Accelerating our critical raw materials strategy to adapt to a new reality, COM/2025/945 final of 3 December 2025, EUR-Lex - 52025DC0945 - EN - EUR-Lex.

[3] 25% to 30% of EU consumption of nitrogen fertilisers, around 35-45% of EU consumption of potash and around 70% of EU consumption of phosphatic fertilisers come from imports; source: communication from the Commission – Ensuring availability and affordability of fertilisers.

[4] https://energy.ec.europa.eu/publications/accelerateeu-energy-union-affordable-and-secure-energy-through-accelerated-action_en.

2. CONTEXT AND CHALLENGES

2.1. Increasing costs affecting EU farming competitiveness

Fertiliser costs directly affect food production, because fertilisation is one of the highest costs for farmers[5]. The weight of fertilisers in farm accounts is particularly high for arable crop farmers[6]. In the last quarter of 2025, fertiliser costs for EU farmers were still 62% above their 2020 levels (before the previous peak price). In the first months of 2026, EU domestic fertiliser prices have increased significantly, in particular those of nitrogen fertilisers, fuelled by global demand, trade and geopolitical drivers. In April 2026 overall nitrogen fertiliser prices in the EU increased further by 40% above the level of December 2025.

The rising costs of fertilisers may force farmers to cut back on usage, with a clear risk of reduction in quality and yields. It could also reduce the area they cultivate, which would affect EU production. Moreover, it may lead farmers to prioritise short-term production by privileging nitrogen over phosphorus and potassium inputs, with potential long-term consequences for soil fertility.

2.2. The challenges faced by the industry

The EU fertiliser industry's cost structure is dominated by energy, with natural gas accounting for 70-80% of nitrogen fertiliser production costs ratio. The EU is dependent on natural gas imports, the local production of nitrogen fertilisers is not ensuring self-sufficiency. With the advent of the energy crisis, the level of self-sufficiency has also declined. This is a consequence of ammonia produced in Europe being at the high end of the global cost production curve. Phosphate and potash fertilisers mostly rely on mined feedstocks.

With persistency of high input prices, there is a risk of deindustrialisation in the EU, yet a domestic production capacity is of strategic importance to the EU: In recent years, the decline in EU ammonia production has accelerated as witnessed by the permanent closure, since 2023, of plants accounting for 9% of EU capacity. Several fertiliser facilities across Europe have been dormant or have closed down. The challenges are exacerbated by the fact that the industry is a major contributor to GHG emissions[7] and the transition to low-carbon production requires large investments, which EU companies have difficulties to mobilise when high input costs and global volatility and absence of level playing field are undermining their profitability.

The EU's strategy for decarbonisation and better nutrient circularity in farming systems aims to cut emissions, but this shift needs to overcome major hurdles. Green ammonia, which is produced using electrolysis-powered hydrogen produced from renewable energy, still needs major investment. Green ammonia faces higher production costs than fossil-fuel based alternatives, including blue ammonia - with carbon capture and storage (CCS) - and bio-based

[5] Representing in 2024 and 2025 slightly more than 7% of input costs for the EU farming sector, after a record of close to 9% in 2022; Eurostat economic accounts for agriculture (EAA) data.
[6] Farm sustainability data network (FSDN), fertiliser costs 24% of intermediate inputs and 16% of total inputs in 2023 for arable crop farmers.
[7] Nitrogen fixation is responsible for around 1.5% of EU CO_2 emissions (approx. 50-60 Mt CO_2/year).

nitrogen fertilisers. On the other hand, bio-based fertilisers face regulatory and market-entry barriers, including lengthy approval processes, regulatory bottlenecks linked to waste-derived inputs and uneven uptake between Member States.

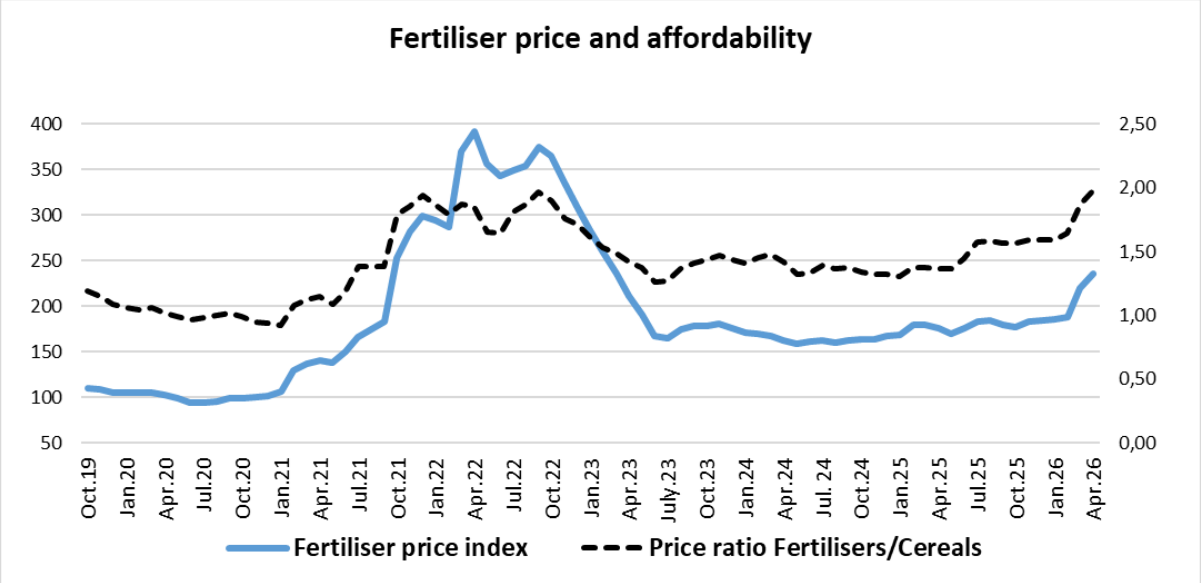
2.3. Fertiliser market volatility

- ***Global fertiliser markets have experienced substantial volatility***

Russia's illegal war of aggression against Ukraine has resulted in the disruption of fertiliser supplies, contributing to upward pressure on prices. On 20 June 2025, the Commission took appropriate tariff measures in order to tackle the Union's economic dependence on imports of all nitrogen-based fertilisers from the Russian Federation and Belarus. This measure was necessary to reduce the EU's strategic dependence on Russia.

Additionally, the recent extension of definitive anti-dumping duties on urea ammonium nitrate imports from the Russian Federation, the US and Trinidad and Tobago is further restricting supply, although it was necessary to protect the EU fertiliser industry from continued unfair competition. In December 2025, in the run-up to the introduction of the carbon border adjustment mechanism (CBAM)[8], market expectations regarding future import conditions, along with other drivers, contributed to upward movement in nitrogen fertiliser prices.

The military escalation in the Middle East since 28 February 2026 has affected a region that plays an important role in global supply, accounting for 20-30% of global exports, in particular for ammonia and urea, and through the supply of sulphur used for phosphate fertiliser production. In April 2026 average prices of nitrogen fertilisers rose sharply, by approximately 40 percentage points, compared to February 2026 (and stand at around 70% above the 2024 average). Prices of phosphatic fertilisers are also affected.



Graph 1: Evolution of fertiliser prices and ratio with cereal prices. Higher fertiliser and cereal price ratio shows lower affordability of fertilisers

[8] Carbon border adjustment mechanism – Taxation and Customs Union; the implementation of CBAM in its definitive period has taken off in 2026. The mechanism will be reviewed in a report in 2027.

Worldwide, low- and middle-income countries reliant on the global market to source their fertilisers are most affected, in particular countries in Asia, Africa and Latin America that traditionally buy nitrogen fertilisers from the Middle East. The Food and Agriculture Organization (FAO) expects that if the disruption in the Strait of Hormuz persists, risks will escalate significantly, affecting planting decisions for 2026 and beyond[9]. Several countries (China, India, Mexico, Russia, United States) have started to adopt measures to deal with the current situation: tapping into strategic reserves, imposing export restrictions, setting price ceilings for farmers or removing import barriers. **The global market balance and food security are at risk.**

- ***The need for a transparent, well-functioning and more developed EU supply chain***

The EU fertiliser market, compared to other markets, is characterised by asymmetry, fragmentation, lack of transparency and relatively concentrated production. Even where farmers jointly procure inputs within producer organisations, asymmetry of bargaining power and access to information in the chain persists. In particular, there is a lack of publicly available real-time pricing data and of general market information on the state of supply and demand.

There is no single market for fertilisers in the EU. Under the Fertilising Products Regulation, (FPR[10]), fertilisers circulate freely in the EU as CE-marked products. However, the FPR is following the model of optional harmonisation, leaving national fertiliser markets co-existing with the single market. The approach, that exists since 2003 and was renewed in 2019, is viewed positively by producers, as it allows national legislations to implement national end-of waste rules and national measures for the use of animal by-products and brings more fertilising products to farmer. However, it also restricts the capacity o to purchase fertilising products cross-border in the single market. The Single Market is even more fragmented when it comes to low-carbon mineral fertilisers and bio-based (organic) fertilisers, where the lower degree of standardisation of products, together with a complex regulatory landscape, is a further hurdle.

In 2022 the Commission set up a Fertilisers Market Observatory[11] that has increased market transparency, in particular by publishing recent and up-to-date data on the prices and trade of mineral fertilisers in the EU. The progress made is, however, insufficient to bring full clarity and predictability to farmers in their purchasing.

3. OBJECTIVES

This action plan takes previous work forward in a more pressing geopolitical, trade and circular economy policy context. Within the EU's wider objectives of competitiveness, strategic autonomy, food security, sustainability and climate neutrality, the fertiliser action plan addresses all stages of the value chain: from production by the EU fertiliser industry to final

[9] https://www.fao.org/newsroom/detail/fao-chief-economist-warns-of-severe-global-food-security-risks-from-disruption-to-strait-of-hormuz-trade-corridor/en.
[10] Regulation (EU) 2019/1009
[11] Fertilisers – Agriculture and rural development – European Commission.

use by EU farmers, considering that both are subject to international input markets dynamics. Responses need to cover the whole value chain, from supply to demand.

The action plan aims to create a Partnership between fertiliser producers and farmers, mobilising all actors at EU and national level to deliver short-term actions aimed at supporting affordability and security of supply. It is shaped within a broader medium- to long-term approach designed to support domestic production, promote more efficient and sustainable use of nutrients and to foster the transition to low-carbon and circular fertilisers.

The fertiliser action plan has **three mutually reinforcing objectives**:

1. increase the availability and affordability of fertilisers in the short term;
2. strengthen the EU's open strategic autonomy and resilience by reinforcing domestic production, diversifying supply, ensuring sustainable nutrient management and accelerating the transition to decarbonisation; and
3. strengthen transparency and dialogue across the fertiliser supply chain.

4. KEY AREAS OF ACTION

The action plan delivers on these objectives through two types of measures: short-term measures that address the sudden geopolitical disruption affecting the availability and affordability of fertilisers for European farmers and longer-term measures that drive structural transformation of the European fertiliser value chain and nutrient use.

Measures aimed at increasing short-term affordability and availability will be stepping stones to the longer-term efforts.

4.1. Improving farmers' access to affordable fertilisers: short-term actions

In the coming weeks and months, European farmers will face difficult decisions on the next sowing season for the 2027 harvest in difficult economic circumstances. This is why immediate measures are needed. To reduce the pressure on fertiliser production costs and prices and secure supply for farmers and the domestic fertiliser industry, the following short-term measures are proposed:

To secure immediate liquidity and sustain agricultural production, it is necessary to provide targeted exceptional support for the most-affected European farmers through existing crisis instruments under the common agricultural policy (CAP). **The Commission will quickly propose to mobilise the EU budget to increase the agricultural reserve for a substantial amount to provide fast relief for the farmers.**

To provide predictability and stability, and to facilitate cooperation across the value chain, the Commission will launch an EU fertilisers value chain Partnership between fertiliser producers, farmers, other stakeholders concerned and the Member States. Such partnership would seek to: (i) ensure the availability and affordability of home-grown fertilisers

for EU farmers; (ii) improve predictability for both producers and users; and (iii) support the decarbonisation of the EU fertiliser industry, taking into account the EU energy and climate objectives. Once launched, the partnership will take the form of **policy dialogue** sessions. Appropriate safeguards will be put in place to ensure compliance with EU competition rules during such sessions and as regards any outcomes.

To address the effects of the Middle East crisis on the most affected sectors, the Commission has adopted a **temporary State aid framework** on 29 April 2026[12], complement the existing State aid rules. Member States will be able to rely upon this temporary framework to support undertakings active in the primary production of agricultural products affected directly or indirectly by the crisis in the Middle East, to alleviate the consequences of exceptionally steep increases in fuel and fertiliser prices.

To provide additional short-term relief, the Commission will put forward a targeted CAP package enabling Member States to make maximum use of support available under the current CAP strategic plans. The Commission will:

- propose a measure, within the existing CAP envelope, creating liquidity support for farmers as needed, and propose making advance payments to beneficiaries more flexible to enable farmers to continue meeting their financial obligations towards banks and input suppliers in these exceptional circumstances;

- recommend that Member States develop and finance under their CAP Strategic Plans a new or adapt existing eco-scheme or an agri-environment-climate measure to improve fertilisation efficiency, stimulate sustainable use of recycled nutrients and strengthen farm resilience, including, where appropriate, by reprogramming and developing dedicated interventions;
- recommend that Member States increase funding, within existing CAP envelopes, for investment measures that support more efficient and sustainable fertiliser use (such as organic farming, precision farming, etc.).

These proposals would enable Member States to deliver rapid exceptional relief by the end of the current period (2027) and ensure that CAP funds are effectively supporting farmers in the current crisis.

The Commission will also consolidate and disseminate an information package for Member States on the tools available to farmers, and relevant knowledge resources through the EU CAP network[13] and through a specific publication on research and innovation results from Horizon Europe related to bio-based fertilisers.

Member States have the possibility under existing funds, notably cohesion funds, of supporting sustainable biogas and biomethane production, in line with the 'AccelerateEU – Energy Union – Affordable and Secure Energy through Accelerated Action'

[12] https://ec.europa.eu/commission/presscorner/detail/en/ip_26_894.
[13] EU CAP network.

communication[14], while also accelerating the implementation of relevant measures already included in their Recovery and Resilience Plans. Support may cover on-farm and cooperative projects, retrofitting of existing plants, addressing remaining bottlenecks in permits for new facilities, digestate management and the transport of sustainable feedstocks across regions. Biogas can reduce energy and nutrient dependency, generate additional income for farmers, create local value in rural areas and increase resilience through circular solutions for energy and recycled nutrients.

Furthermore, in line with the AccelerateEU communication, Member States have the possibility of designing targeted, timely and temporary measures, **including price intervention, income support schemes and tax incentives, aimed at supporting energy-intensive industries,** while preserving the incentive to save energy and reduce dependence on imported fossil fuel. This could help stabilise energy costs of fertiliser producers. It would allow them to continue producing affordable home-grown fertilisers, increase competitiveness of the sector and further deploy circular and bio-based materials as alternative feedstocks. This is in line with the Commission's planned action to map European capacities and work with industry to address short-term deployment barriers.

To prepare for the more structural measures described below, **the Commission will explore short-term actions to facilitate the use of digestates, including the proposal and set-up of a regulatory sandbox.**

The Commission will regularly monitor developments in European and global fertiliser markets and is prepared to consider additional trade measures, where legally and economically justified and warranted by market conditions, to improve access to fertilisers from a broader range of suppliers, while also considering the situation of domestic producers, as well as of fertiliser import-dependent fragile countries. This could include expanding the scope of fertiliser products that would benefit from the temporary suspension of most-favoured nation duties already proposed by the Commission[15].

The Commission may request the activation by the Council of the Internal Market Emergency and Resilience Act[16] (IMERA) in vigilance or emergency mode, subject to market developments. This would require the designation of fertilisers and raw material needed for their production as crisis-relevant goods, enabling for example enhanced monitoring, public procurement by the Commission on behalf of the Member States, targeted information requests, priority-rated requests, faster approvals and measures to expand production capacity, while preserving the free movement of fertilisers in the single market.

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[14] Communication from the Commission, AccelerateEU – Energy Union – Affordable and Secure Energy through Accelerated Action, COM(2026) 370 final.

[15] Register of Commission Documents – COM(2026)99.

[16] Regulation (EU) 2024/2747 of the European Parliament and of the Council of 9 October 2024 establishing a framework of measures related to an internal market emergency and to the resilience of the internal market and amending Council Regulation (EC) No 2679/98 (Internal Market Emergency and Resilience Act) (Text with EEA relevance), Regulation - EU - 2024/2747 - EN - EUR-Lex, applicable as of 29 May 2026.

In case situation deteriorates further in terms of fertiliser availability and affordability, the Commission would consider other measures that could be of temporary nature.

In addition, as part of its immediate response, the Commission has already taken or announced a number of targeted steps.

- As regards **trade measures**, on 20 February 2026 the Commission adopted a proposal for a Council Regulation[17] suspending for one year the Common Customs Tariff duties on ammonia, urea and certain other nitrogen-based and mixed fertilisers from countries other than Russia and Belarus, through duty-free tariff quotas. Once adopted, the measure will strengthen the EU's agri-food sector, lowering costs for farmers and the fertilisers industry by saving an estimated EUR 60 million in import duties.
- While the carbon border adjustment mechanism (CBAM) is being phased in gradually, the Commission introduced an exception to the standard calculation rules for default values: a **flat 1% markup applied to CBAM default values for fertilisers**, which is much lower than the markups used for other CBAM goods (10%, 20% and 30% in 2026, 2027 and 2028 respectively). The Commission will review the default values by December 2027 at the latest. The Commission has also published the implementing act on the free allocation adjustment. This and other implementing and delegated acts needed for the start of the CBAM definitive period were published at the end of 2025. These rules provide the necessary clarity for importers to estimate their CBAM exposure[18]. The Commission also promotes the availability of verifiers to facilitate the declaration of actual values, which is likely to lead to a lower CBAM obligation compared to the use of default values.
- On 22 April 2026 the Commission presented its energy communication **'AccelerateEU – Energy Union – Affordable and Secure Energy through Accelerated Action'**, which aims to immediately protect vulnerable sectors from high energy prices and, in the longer term, to structurally bring down energy prices and provide relief to businesses. The communication recognises the specific situation of fertilisers and refers to the importance of circular solutions, recycled nutrients and the untapped potential of biogas and biomethane.
- The Commission supports the **calls for coordination at international level**, including in G7 and G20 fora, with a view to facilitate the rerouting of supplies, including through alternative trade corridors enhancing market transparency and ensuring the proper functioning of supply chains, keeping trade open and avoiding unjustified export restrictions on food and key agricultural inputs such as fertilisers, while strengthening global food security.

[17] Register of Commission Documents – COM(2026)99.
[18] Commission Implementing Regulation (EU) 2025/2620. For the year 2026, quarterly prices are published on the CBAM web portal.

4.2. Strengthening strategic autonomy and resilience over the medium term: reinforcing domestic production, reducing dependencies and accelerating the transition to decarbonised, low-carbon and circular fertilisers

The longer-term structural measures build on the approach already reflected in the 2022 communication, which ensures that security of supply, food security, strategic autonomy, industrial competitiveness and sustainability must be pursued together.

ACTIONS TO SUPPORT AVAILABILITY AND AFFORDABILITY

Reducing dependency on fossil fuel inputs, increasing resilience to external shocks and developing the EU domestic industry requires sufficient production capacity, more sustainable mineral fertiliser production and the scale-up of alternatives based on low-carbon, circular, recycled and bio-based nutrient sources.

4.2.1. Industry, supply and preparedness

Through the EU fertiliser value chain Partnership, the Commission will step up the dialogue to identify opportunities to strengthen and expand production capacity, address energy-related constraints, secure access to key feedstocks and raw materials, remove operational bottlenecks and improve competitiveness.

The Commission and the European External Action Service will pay particular attention in their engagement with partner countries to promote the diversification, for both the EU and its partner countries, of the supply of ammonia, urea and other relevant fertilisers and inputs, consistent with the Union's trade policy and sanctions regime, while preserving a resilient domestic production base. To diversify supply, the Commission will explore investment in partner countries, through mutually beneficial partnerships, among others under the Global Gateway[19] and Team Europe[20] approach, involving the production of ammonia and bio based organic fertilisers to serve local, regional and EU markets along identified corridors with reliable transport, logistic and storage facilities. In the case of greenammonia, potential or ongoing Team Europe investment projects on renewable hydrogen production in third countries, such as in Namibia or Paraguay, are good examples as is the potential for cooperation with Ukraine on biomethane**.** Enhanced cooperation with our partners is therefore key using all workstream available such as comprehensive partnerships, as well as regional and multilateral fora. With the southern Neighbourhood and Gulf partners in particular the Pact for the Mediterranean can also create tangible, short-term opportunities.

The Commission will assess and, on that basis, address and reduce risks in the EU's access to potash and phosphate as well as phosphorous and potassic fertilisers, including through maintaining or boosting domestic production capacity, ensuring import diversification, addressing modernisation needs and environmental considerations, by making the appropriate regulatory changes if necessary.

[19] Global Gateway - European Commission.
[20] Team Europe Initiatives - International Partnerships - European Commission.

The Commission will assess stockpiling and other preparedness options for key fertilisers and inputs, including seasonal or minimum stocks and, where appropriate, joint procurement or other instruments to increase resilience to external shocks and to stabilise price volatility. This work will contribute to relevant exchanges on EU material preparedness in the EU stockpiling network created under the EU stockpiling strategy[21], other Preparedness Union key actions, the IMERA toolbox and the collection of data on stocks under the market transparency measures proposed below. It will take full account of subsidiarity, storage and safety constraints, possible effects on prices and on import-dependent fragile third countries, and consistency with horizontal preparedness instruments.

4.2.2. Circularity, market integration and decarbonisation

There is clear potential to improve nutrient efficiency and strengthen circularity in EU farming. Closing the loop in nutrients use while maintaining domestic production is both achievable and beneficial, offering cost savings, reduced pollution risks, improved resource efficiency and security of supplies.

The Commission will support the development and uptake of organic fertilisers and alternatives to conventional inorganic fertilisers, in particular bio-based fertilisers, through nutrient recycling, phosphorus and nitrogen recovery, biomethane and biogas pathways, digestate valorisation, valorisation of algae biomass, microbial solutions and other innovative technologies. This work will build on the bioeconomy strategy[22], the implementation of the Urban Wastewater Treatment Directive[23] and relevant circular economy initiatives aimed at facilitating the production and safe use of recovered nutrients, and to valorise residues, waste, byproducts across value chains including agriculture, forestry, aquaculture and fisheries. Relevant measures are also being assessed in view of the forthcoming Circular Economy Act.

Bio-based fertilisers have been identified as one of the lead markets as substitutes for traditional mineral fertilisers in the recent bioeconomy strategy. The Commission will examine options for providing clear definitions for them. Together with removing regulatory or market barriers, laying down such a definition will be a necessary first step for the measures described below, which aim to create lead markets for such products. To accelerate the shift from fossil-based fertilising products to circular and bio-based alternatives, the Commission will propose measures to increase the competitiveness and uptake of bio-based fertilising products, including plant bio-stimulants, taking into account the recommendations of the Critical Chemicals Alliance.

In the Biotech Act II proposal, the Commission will prepare measures to create lead markets for bio-based fertilising products. The purpose of creating lead markets of this type

[21] Stockpiling – European Civil Protection and Humanitarian Aid Operations.
[22] A Strategic Framework for a Competitive and Sustainable EU Bioeconomy, COM(2025) 960 final, EUR-Lex - 52025DC0960 - EN - EUR-Lex.
[23] Directive (EU) 2024/3019 of the European Parliament and of the Council of 27 November 2024 concerning urban wastewater treatment (recast) (Text with EEA relevance), Directive - EU - 2024/3019 - EN - EUR-Lex.

is to strengthen the business cases of such production processes and to make the products concerned more affordable over time. **This will include minimum low-carbon and/or bio-based content blending requirements and/or other demand-side mechanisms, such as voluntary and mandatory labelling schemes.**

Concerning bio-based fertilisers of animal origin, the Commission will review bottlenecks to the creation of such lead markets that could be caused by EU legislation. In the context of the evaluation of the **Waste Framework Directive**[24]**, the Commission will assess measures to simplify the management of animal and other by-products, including those intended for use in a biogas or composting plant, and of the agricultural use of anaerobically digested or composted manure, in particular whether they could be excluded from its scope**. The Commission will also examine how the provisions of the Animal By-Products Regulation could be further improved to facilitate the marketing and use of bio-based fertilisers of animal origin. The Commission will also continue its work on the further development of Regulation (EU) 2019/1009 (the EU Fertilising Products Regulation) to allow the use of a wider range of bio-based materials in EU fertilising products, thereby fostering innovation and circularity of products for the single market.

The Commission is working to promote the uptake of low-carbon products. In this context, the **Critical Chemicals Alliance is assessing policy options to create lead markets for low-carbon products, including nitrogen fertilisers**, in order to strengthen the business case for investment in low-carbon production. The Commission will consider the recommendations of the alliance on measures to strengthen demand for low-carbon products, including fertilisers.

The Commission will also enable Member States to use, where appropriate, State aid instruments to support farmers to use and uptake bio-based (organic) and low-carbon fertilisers, such as existing possibilities under the Guidelines for State aid in the agricultural and forestry sectors and in rural areas[25] and the Agricultural Block Exemption Regulation[26].

The EU market for fertilising products coexists with national fertiliser regimes. The EU Fertilising Products Regulation relies on the principle of optional harmonisation, providing for an incentive of free circulation, across the EU, of CE-marked fertilising products complying with the criteria set out in the Regulation. While products complying with the EU Fertilising Products Regulation may be CE-marked and circulate freely in the single market, manufacturers may also decide to market their fertilising products under national rules instead. Given the long-standing EU framework for inorganic fertilisers, full harmonisation of the inorganic fertilisers rules should be explored, to reap the fullest benefit of the single market, and allowing producers to place their products on the market of several Member States under a single regime, thus increasing the circulation of these products across the Union. The

[24] Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (Text with EEA relevance), EUR-Lex - 02008L0098-20251016 - EN - EUR-Lex.
[25] Communication from the Commission Guidelines for State aid in the agricultural and forestry sectors and in rural areas (OJ C 485, 21.12.2022, p. 1, EUR-Lex - 02022XC1221(01)-20240305 - EN - EUR-Lex).
[26] Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ L 327, 21.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg/2022/2472/oj).

Commission will assess the feasibility of a fully integrated Single Market for inorganic fertilisers, possibly through an amendment of the Fertilising Products Regulation.

For products not covered by the harmonised rules, manufacturers rely on the principle of mutual recognition for making them available on other Member States' markets. The Commission is evaluating Regulation (EU) 2019/515[27] on the mutual recognition of goods lawfully marketed in another Member State which includes an assessment of the Regulation's effectiveness in strengthening the functioning of the internal market for non-harmonised and partially harmonised goods, such as national fertilising products. Based on the findings of this evaluation, the Commission will consider follow-up measures.

For phosphate fertilisers, the Commission's evaluation of Regulation (EU) 2019/1009 will include a **review of the cadmium limit values** set out in the Regulation. This review will consider the feasibility of reducing these limit values to a lower appropriate level, taking into account available technologies and scientific evidence rearding health and environmental impacts, as well as the availability and affordability of fertilisers and security of supply.

The Commission will also support further work **on phosphorus and nitrogen recovery from organic waste streams,** including wastewater and sludge of industrial and urban origin, bio-waste, digestate and other waste. The Commission will assess the need to **set nutrient recycling targets**, while remaining realistic on what can be achieved.

4.2.3. Carbon pricing and industrial support

The EU's emissions trading system[28] has brought down emissions and encouraged investments in industrial decarbonisation. To supplement the system, CBAM ensures that EU industry is not exposed to the risk of carbon leakage. It is crucial to maintain this approach, as it has ensured that climate and industrial policy go hand in hand. The Commission will improve the mechanism further, including by working with the European Parliament and the Council on its proposals to tackle possible CBAM circumvention risks so that it also effectively supports the EU fertiliser sector and thereby reduces import dependency of the EU agriculture sector as a whole.

Making EU farmers part of the business case for domestically produced fertilisers, **by providing the organic raw materials for increased production of bio-based (organic) fertilisers, will reduce dependencies and vulnerabilities, stimulate demand, while increasing affordability, availability and predictability.**

By July 2026 the Commission will adopt a legislative proposal to revise the EU emissions trading system (ETS). In the framework of the ETS review, the Commission will consider the best possible ways to support the business case for industrial decarbonisation in all ETS sectors, taking into consideration also the specific situation of the fertiliser value chain. Without pre-empting the review, options will be assessed to ensure that any additional flexibility for industry

[27] Regulation (EU) 2019/515 of the European Parliament and of the Council of 19 March 2019 on the mutual recognition of goods lawfully marketed in another Member State and repealing Regulation (EC) No 764/2008 (Text with EEA relevance)

[28] EU Emissions Trading System (EU ETS) – Climate Action – European Commission.

is conditional on increased decarbonised homegrown production, and additionally on supporting the production of bio-based (organic) and circular fertilisers, and on securing availability and affordability of home-grown fertilisers in Europe. In this context, the specific challenges and additional costs faced by farmers in the outermost regions when acquiring fertilisers from continental EU our importing them from third countries, will be taken into account.

Furthermore, as announced in AccelerateEU, **the Commission will assist Member States that wish to explore the use of revenues from the EU ETS for targeted measures that mobilise and accelerate investments in, inter alia, industrial decarbonisation and circular downstream applications.** This could include investments aimed at decarbonising fertiliser production, as well as circular solutions, such as an increased uptake of recycled nutrients. The Commission continues to encourage Member States to explore such ETS revenue allocations.

4.2.4. Funding for research, innovation and modernisation

Investments in innovation and industrial scale-up of decarbonised fertiliser production processes are essential. Such investments should continue to be eligible for support under the Innovation Fund[29] and the European Hydrogen Bank and should also be eligible for support under the proposed Industrial Decarbonisation Bank, in accordance with the terms of future funding opportunities. Fertiliser projects are, however, not sufficiently represented in the projects awarded, compared to other energy-intensive sectors. The Commission will continue to engage with the fertiliser industry, provide information on relevant funding opportunities, including for high-quality decarbonisation projects, to improve the sector's access to funding for decarbonisation projects.

The Commission will rely on existing programmes, including Horizon Europe, and the Circular Bio-based Europe Joint Undertaking [30], while exploring the contribution of the competitiveness coordination tool (CCT)[31] and future funding programmes proposed under the next multiannual financial framework. Under CBE JU the Commission is engaging with the industry by funding flagship projects for the deployment of bio-based fertilisers. Under the public-private partnership, the Commission is setting up the European Bioeconomy Investment Deployment Group[32] announced in the Bioeconomy Strategy to mobilise coordinated investment to scale-up for instance bio-based fertilisers.

In the context of the upcoming ETS review and revision of the energy union package, the Commission will assess the possibility to mobilise from 2028 the Innovation Fund and the broader industrial decarbonisation framework to support projects with clear European added value. The **future European Competitiveness Fund**[33] can also contribute to this objective,

[29] Innovation Fund – Climate Action – European Commission.
[30] Home | Circular Bio-based Europe Joint Undertaking (CBE JU).
[31] Competitiveness compass – European Commission.
[32] European Bioeconomy Investment Deployment Group: building the financial backbone of Europe's bio-based future | Circular Bio-based Europe Joint Undertaking (CBE JU).
[33] Growth – European Competitiveness Fund: helping Europe invest smarter, compete stronger and respond faster to geopolitical challenges.

notably via its decarbonisation window. The Commission is working on **two possible CCT pilots** on more modern and low carbon ammonia and bio-based fertiliser pathways.

The Commission stands ready to support Member States to use, where appropriate, State aid instruments including the Clean Industrial Deal State Aid Framework (CISAF)[34], Important Projects of Common European Interest (IPCEI), the Climate, Energy and Environmental Aid Guidelines (CEEAG)[35], the General Block Exemption Regulation and the framework for State aid for research and development and innovation[36]. The Commission continuously monitors market developments to ensure that its State aid rules are fit for purpose, including for the creation of lead markets for bio-based (organic) fertilisers and low-carbon fertilisersand the transport of nutrients.

CAP and Cohesion policy mobilised for availability and affordability of fertilisers

Farmers in EU regions, including remote and outermost regions, can benefit from **Cohesion policy actions** which can strengthen the fertiliser value chain in several ways, with an attention to territorial specific needs, as Cohesion Policy can support:

- the development of facilities for wastewater collection and treatment and for separate collection and treatment of municipal biowaste, including through anaerobic digestion. This can strongly scale up sludge and biowaste valorisation, nutrient recovery and increase the strategic autonomy of European fertiliser production.
- deployment of alternatives to conventional fertilisers, in particular organic and bio-based fertilisers notably from the treatment and valorisation of sewage sludge and municipal biowaste, from biogas production and phosphorus and nitrogen recovery;
- growth and competitiveness of SMEs in the fertiliser sector, including skills and R&I;

Building on the **Mid-term review of Cohesion policy**, the Commission actively encourages Member States to make use of these opportunities to support investments and measures linked to the fertiliser sector and related activities, with the support of technical assistance platforms and relevant networks[37].

The **CAP** can provide relief in many ways to farmers:

- Support schemes to improve fertilisation efficiency and use organic fertilisation where possible as substitute to synthetic fertilisers;
- Investments in precision farming material or for nutrient recycling such as digestors;
- Advisory services for nutrient management plans at farm level.

[34] Communication from the Commission, Framework for State aid measures to support the Clean Industrial Deal (Clean Industrial Deal State Aid Framework), C/2025/3602.

[35] Communication from the Commission, Guidelines on State aid for climate, environmental protection and energy 2022, C/2022/481, EUR-Lex - 52022XC0218(03) - EN - EUR-Lex.

[36] Communication from the Commission, Framework for State aid for research and development and innovation, 2022/C 414/01, C/2022/7388, EUR-Lex - 52022XC1028(03) - EN - EUR-Lex.

[37] Such as Cohesion for Transitions (C4T) community of practice or the European Network of Environmental and Managing Authorities (ENEA-MA)

The targeted **CAP package** proposed will boost these possibilities and put forward additional means to support farmers, notably a new liquidity support measure.

ACTIONS TO SUPPORT FARMERS

4.2.5. Better nutrient management

For farmers, availability and affordability of fertilisers are key. The transition also requires better matching between nutrient supply and nutrient needs, both within the EU and at farm level, through more efficient use of nutrients on farms. **The Commission will therefore promote the movement of nutrients from regions with structural surpluses to regions with nutrient needs within the single market**, while taking account of environmental constraints, and will invite Member States to do the same. This will be reflected in the livestock strategy in line with the vision for agriculture and food[38], taking into account processing capacity, regional nutrient needs and the different relevant actions under that plan to promote transport or reduce regulatory bottlenecks. It may involve existing expert groups, networks and platforms to facilitate matching between operators in surplus and deficit regions.

4.2.6. Support for nutrient-efficient farming practices

Nutrient-efficient farming practices, which increase the efficiency of nutrient use and on-farm resilience, must be enhanced and deployed at larger scale. This includes efficient fertilisation, precision fertilisation, including using digital tools, satellite data and drones, nutrient management planning, agronomic innovation and nature-based solutions, including organic farming and agroecological practices.

At farm level, the current CAP already supports investments in precision agriculture and improvements in nutrient management. These efforts should be continued within the future CAP[39], as part of the national and regional partnership plans[40]. Horizon Europe[41], the Mission Soil and its network of living labs and the future ECF will also support competitiveness, research and innovation actions in the field of agriculture. The development of tools and frameworks such as the on-farm sustainability compass[42] or the assistance toolbox for

[38] A Vision for Agriculture and Food – Shaping together an attractive farming and agri-food sector for future generations, COM(2025) 75 final of 19 February 2025, EUR-Lex - 52025DC0075 - EN - EUR-Lex.

[39] Proposal for a Regulation of the European Parliament and of the Council establishing the conditions for the implementation of the Union support to the Common Agriculture Policy for the period from 2028 to 2034, COM(2025) 560 final, EUR-Lex - 52025PC0560 - EN.

[40] European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security – European Commission.

[41] Horizon Europe – the EU's funding programme for research and innovation.

[42] The aim of the on-farm sustainability compass, as announced in the vision for agriculture and food, is to reduce compliance complexity by allowing farmers who choose to participate to monitor and record sustainability data only once and by facilitating data sharing with public bodies and private companies. It would also help decision-making on the adoption of environmental and climate actions to improve performance at farm level.

nutrients[43] will provide useful references for farmers to enhance nutrient use efficiency and reduce nutrient losses.

To help farmers use nutrients more sustainably and cost-effectively, the Commission calls on Member States to extend their **farm advisory services** to cover sustainable management of nutrients and include wide-scale deployment of on-farm nutrient management and monitoring schemes, such as the farm sustainability tool (FaST) for nutrients.

The Commission will issue CAP national recommendations (as well as other relevant documents) to support Member States in the preparation of their future National and Regional Partnership Plans for 2028-2034, as proposed by the Commission. These recommendations may cover support for improvements in nutrient efficiency, and for agricultural practices that preserve and improve natural soil fertility and reduce dependency on mineral fertilisers, such as organic farming, crop rotation and diversification, nitrogen-fixing crops, soil green cover, etc. Support will aim to foster these practices while helping to make food prices affordable for consumers.

The Commission will support Member States in designing relevant CAP measures on enhanced nutrient management within the future CAP, as proposed. For example, Member States could design a specific efficiency **transition scheme** focused on nutrients as part of the agri-environmental and climate actions. This transition scheme could include, for instance: (i) carrying-out of nutrient balances; (ii) targets on nitrogen surplus and/or replacement of synthetic fertilisers; (iii) training; (iv) change of crops / crop diversification; and (v) investments in sensors and machinery for precision farming.

The Commission will also promote the cultivation of nitrogen-fixing crops as part of the forthcoming protein plan announced in the vision for agriculture and food.

4.2.7. Regulatory enablers and complementary income opportunities

RENURE (REcovered Nitrogen from manURE) materials allow farmers in Nitrate Vulnerable Zones to replace more mineral fertilisers without undermining water protection, thanks to the recent amendment to of the EU Nitrates Directive[44]. Member States can already build this new option into their respective Nitrates Directive Action Programmes.

The Commission is working on extending this possibility to digestates, given their higher efficiency than raw manure, such as certain types of liquid digestates, where the potential to meet the quality criteria is promising, by extending the RENURE Act, with appropriate environmental safeguards. Preparatory work in that direction is already underway, with the aim of providing solutions on the ground by the next growing season.

[43] In its water resilience strategy, the Commission announced that it would launch in 2026-2027 an assistance toolbox for Member States to support actions to reduce nutrient pollution, including through enhanced modelling, interactive maps and exchanges of best practices.

[44] Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources Directive - 91/676 - EN - EUR-Lex

The Commission will also shortly publish the evaluation of the Nitrates Directive, which looks into identifying effective best practices and simplification potential. It will follow up on that evaluation by clarifying how to implement rules affecting farm viability, such as **calendar farming**, **record-keeping and fertilisation planning for small farms**, in order to help Member States implement the Directive more proportionately and in accordance with climatic conditions.

In addition, the Commission will publish its four-yearly report on implementation of the Nitrates Directive.

Furthermore, as part of the EU water resilience strategy, an assistance toolbox will soon help Member States take a coherent and efficient approach to nutrient management, taking into account all nutrient inputs and outputs at water basin level.

Farming practices which increase soil organic matter and reduce soil emissions benefit soil fertility in the long term and help reduce fertiliser use. By setting out EU quality criteria and laying down monitoring and reporting processes, the **Carbon Removals and Carbon Farming (CRCF) Regulation**[45] aims to facilitate voluntary investment in carbon farming and provide farmers with supplementary income. The Commission is currently preparing certification methodologies for carbon removal and soil emission reduction in agriculture and agroforestry.

The Commission will explore **how to ensure closer convergence between CRCF framework and the fertiliser plan, by creating pathways that would enable ETS revenue and carbon farming to reward more efficient use of fertilisers by farmers**, including recycled nutrients and low-carbon fertilisers. This would create a business model for carbon farming with stable and robust market prospects for agricultural carbon credits, which could generate structural and long-term market demand and represent a significant additional stream of revenue for the farmers.

To accelerate scale-up, the Commission will consider **launching an EU-wide call for CRCF projects that would reward farmers for more efficient fertiliser use and compensate them for the additional costs of bio-based (organic) and low-carbon fertilisers**. To enhance a public-private partnership approach and attract private companies' investments in CRCF projects, further support from MS or a contribution from the future ECF could be considered. To increase the attractiveness of CRCF, the upcoming **revision of the CRCF methodology** should adjust the scope and additionality to effectively allow the carbon credit market to favour better nutrient management and upscaled use of bio-based (organic) and low-carbon fertilisers.

ACTIONS TO SUPPORT PREDICTABILITY

[45] Regulation (EU) 2024/3012.

4.3. Strengthening transparency, dialogue and policy evidence across the fertiliser supply chain

A well-functioning fertiliser market requires better information, stronger market intelligence and a structured dialogue between policymakers and stakeholders across the value chain. Successive shocks in the fertiliser market have shown the value of up-to-date data on prices, freight, energy costs, imports, production outages, stocks and capacity use. They have also highlighted the need for clearer evidence on how the costs – along with EU policies affecting them – are passed on to farmers. Increasing market transparency, in line with competition rules, enhancing dialogue with stakeholders and developing analytical tools can promote both immediate response and better long-term policy design.

For those reasons, the Commission organised a high-level dialogue on fertilisers on 13 April 2026, bringing together the fertiliser industry, farmers and other relevant stakeholders in the chain. Such **policy dialogues**, extended to Member States, will continue to be organised in support of the Partnership to discuss the regulatory and financial constraints affecting the supply, production, marketing and use of fertilisers, with particular focus on bio-based and recycled fertilising products, low-carbon fertilisers and the barriers obstructing farmers' uptake decisions.

The Commission will also work to increase fertiliser market transparency and early-warning capacity. This will include work to ensure the availability of up-to-date and reliable information for the main fertilising products by Member State on production volumes and production capacity, sales prices, and stocks , with a view to improve the functioning of the internal market, while fully respecting EU Competition rules, business confidentiality and the need to minimise the administrative burden on both companies and public authorities. In particular, if information gathered through other means remains insufficient, the Commission will propose to **include in the Fertilising Products Regulation** or any other appropriate Act, **a proportionate framework for systematic collection of market information**. Increased market transparency, possibly through independent price benchmarks, will provide a stronger basis for futures markets and other hedging instruments, helping stakeholders across the fertiliser supply chain to manage exposure to price volatility.

The Fertilisers Market Observatory will serve as the main platform for market intelligence, price data exchange and evidence gathering. Its role will be strengthened by improving the collection of data on market functioning, prices and stocks. It will feed into preparedness actions, implementation and follow-up under this action plan.

The Commission will continue to monitor competition in the EU fertiliser market and to apply competition law instruments where appropriate. It will remain vigilant for any indications of anticompetitive agreements or practices in the fertiliser sector.

A stronger evidence base is also needed on the impact of the fertiliser regulatory framework on farmers. The Commission will therefore carry out an **in-depth evaluation of how CBAM and ETS-related costs are passed on in the fertiliser prices** paid by farmers and ultimately on food prices. It will improve the evidence base on farm-level price developments more broadly.

At global level, the EU will continue to engage in international cooperation frameworks, such as the **Agricultural Market Information System (AMIS)** promoting market transparency and coordination in global agri-food markets. The Commission remains committed to providing the AMIS secretariat with all data and support necessary to monitor fertiliser markets.

Conclusion

This communication lists impactful actions to address the current escalation in fertiliser prices and secure supplies for the years ahead. It aims to support farmers and food security in the short term and sets out medium-term actions to accelerate the emergence of a market for decarbonised and affordable home-grown bio-fertilisers and to secure domestic production capacity. It does so by using a variety of tools: regulatory, financial, market incentives and carbon pricing. The purpose is to strengthen the value chain of fertilisers and nutrient management, where European producers of fertilising products and European farmers are working together in a partnership stand to gain from more resilience, more predictability and, ultimately, more value created in Europe.

Measures set out in this communication will be taken forward as indicated in the timetable, and the Commission will rely on Parliament and the Council, Member States, industry and farming stakeholders to implement the measures in practice. It will use the Fertilisers Market Observatory, continuous dialogue and the relevant analytical and sectoral processes to support implementation, preparedness, evidence gathering and monitoring.

Implementing this action plan will make the EU better prepared for future shocks and strengthen its position to contribute to global agri-food systems.