Ref. Ares(2022)5884745 - 23/08/2022

From: STAWOWY Joanna (CAB-WOJCIECHOWSKI)

Sent: lundi 16 mai 2022 16:41

To: [redacted] (CAB-WOJCIECHOWSKI)

Subject: FW: Meeting at CAB level with YARA (fertiliser producer) :: read-out, 13 May 2022

Dear [redacted]

Please register in aRES and give as INFO to me and [redacted]

Thank you,

Joanna

From: [redacted] (AGRI) <Oliver.SITAR@ec.europa.eu>
Sent: Friday, May 13, 2022 5:08 PM
To: STAWOWY Joanna (CAB-WOJCIECHOWSKI) <[redacted]@ec.europa.eu>
Subject: Meeting at CAB level with YARA (fertiliser producer) :: read-out, 13 May 2022

Joanna,

In case useful, below my read-out of the meeting.

[redacted]

Participants:

J. Stawowy, CAB AGRI
[redacted]

Substance:

- Generally speaking, Yara stands by Commission's Green Deal and **F2F** targets: -20% fertiliser, -50% nutrient loss
- **closing down production** end of last year was due to 'negative margin' situation
- re **potash** (EU sources 20% from RU and 20% from BY), they say developing new mines takes time

- « AdFarm » tool by Yara helps farmers with **nutrient management** on the farm. is free tool. ~10-12% higher nutrient efficiency is the result. Yara works pro-actively for interoperability with FaST tool.
- **UA** got 40% of last year's fertilisers from Yara this year
- As regards recent new **target prices for fertilisers**, farmers' uptake has been good. Before there had been low to zero demand.
- On good **earning figures**, Yara says that those were Q1 figures. Was peculiar Q. Secondly, they will invest the profit into future proof technologies (such as green ammonia).
- **Biostimulants** are substances that enhance a plant's capability to take up N. Increasingly important. Yara invested in this.
- On **Renure**, Yara's reaction a bit reserved. Volatilisation into air at time of application an issue, they say.
- **actions pursued**:
    - diversify resources
    - reduce dependence on RU
- **policy actions desired**:
    - **rationing** under ENER's SoS regulation: if EU approach, Yara stands ready to discuss. Commission guidelines on prioritisation would be good thing. They in touch anyway a lot with authorities in MS. they got assurances they would be priority customer as very gas-dependent. then again, in MS like DE there's a lot of competition for 'pole position'. there might not be enough gas for all the priority sectors under certain scenarios. They hint at very little storage capacity for AdBlue[1].
    - would be good that pilot projects for **green ammonia** such as Yara's would get in under the 'European Innovation Fund'. They tried couple of times but to no avail. Idea is to earmark money for that **R&D** area.
    - more clarity on the sanctions regime against RU needed.

[1] Diesel exhaust fluid (DEF; also known as AUS 32 and marketed as AdBlue) is a liquid used to reduce the amount of air pollution created by a diesel engine. Specifically, DEF is an aqueous urea solution made with 32.5% urea and 67.5% deionized water. For illustration, as of December 2021, a shortage of DEF in South Korea was continuing and brought havoc to its economy.