

**To:** ASENIUS Maria (CAB-MALMSTROM); EICHHORN Nele (CAB-MALMSTROM);  
RATSO Signe (TRADE); [Art. 4.1(b)] (TRADE); [Art. 4.1(b)]  
(TRADE); [Art. 4.1(b)] (TRADE); [Art. 4.1(b)] (TRADE);  
[Art. 4.1(b)] (TRADE); [Art. 4.1(b)] (TRADE); [Art. 4.1(b)] (TRADE);  
[Art. 4.1(b)] (TRADE)

**Cc:** CEBALLOS BARON Miguel (CAB-MALMSTROM); [REDACTED] (CAB-  
MALMSTROM)

**Subject:** Meeting DHoC Miguel Ceballos Baron with Fertilizers Europe - 7 March 2016

**Attachments:** [REDACTED]

[Outside the scope of the request]

Meeting of Deputy Head of CAB Miguel Ceballos Baron with Fertilizers Europe – 7 March 2016, 11.00-11.45

Fertilizers Europe: Jacob Hansen, Director General; Sean Mackle, Director Trade & Economic Policy

COM: Miguel Ceballos Baron, DHOc; [Art. 4.1(b)] DG TRADE G.3

*Fertilizers Europe (FE) represents exclusively companies with production in the EU (which includes the Russian company EuroChem which has production facilities in Antwerp). Eastern European members of FE constitute an important part of the membership. The members of FE produce 70% of their output within the EU. FE is a strong supporter of our trade policy, regarding both our offensive (FTA) agenda and TDI-related matters.*

The meeting was focused on the following topics:

(1) Ongoing revision of the EU Fertilizer Regulation 2003/2003.

FE briefed on the ongoing revision process to finalize a compromise package. The key trade-related issue is the planned limit value for cadmium in phosphate-based fertilizers. Currently, there's no EU limit value in place but the revision of the EU Fertilizer Regulation will introduce one. The compromise package which is currently still being finalized foresees a 60 mg/kg limit value upon entry into force, with a reduction to 40 mg/kg after 3 years and to 20 mg/kg after 12 years. Especially the lower limit values (40 and 20) that would be applied later on could lead to major issues for the import of phosphate rock from Northern Africa, namely Morocco and Tunisia – these countries export a lot of phosphate rock with rather high cadmium content to the EU; there are also significant imports of phosphate rock from Russia with a much lower cadmium content, thus the EU could become more dependent on Russian imports. 90% of phosphate rock – which is an important raw material in the production of fertilizers – has to be imported from third countries, the EU produces only around 10% domestically (with Finland as the main source). Some imports are also coming in from the US.

Cadmium limit values vary greatly, with some MS and third countries having adopted rather low limit values, while in the US the threshold is set at the level of US States. FE can live with the 60 mg/kg limit and possibly also with the 40 mg/kg after three years, but the 20 mg/kg could be challenging, despite possible further technological progress in de-cadmiation technologies; the EU has tried to assist Morocco and Tunisia in applying such technologies, but this has been difficult and it has not

been tested on an industrial scale yet. The company OCP, the major Moroccan, largely state-owned phosphate rock producer and exporter, is lobbying heavily even against the 60 mg/kg limit value and would prefer the continuation of the status quo, i.e. no EU limit value at all.

(2)

[Outside the scope of the request]

(3)

[Outside the scope of the request]