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**To:** [CAB TIMMERMANS CONTACT](#)  
**Cc:** [CAB GENTILONI CONTACT](#); [THOMAS Gerassimos \(TAXUD\)](#); [PETRICCIONE Mauro Raffaele \(CLIMA\)](#); [REDACTED]  
[COLOMBANI Antoine \(CAB-TIMMERMANS\)](#)  
**Subject:** Letter to EVP Timmermans on CBAM model - ETS reform  
**Date:** vendredi 11 juin 2021 11:01:03  
**Attachments:** [image001.jpg](#)  
[image002.png](#)  
[Letter\\_Timmermans.pdf](#)

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Enclosed, please find letter to EVP Timmermans to prepare meeting 15 June.

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11 June 2021

Executive Vice-President  
Frans Timmermans  
European Commission  
Rue de la Loi 200  
1049 Brussels

Via e-mail

**Concerning preparation of our meeting on 15 June 10h30 on the decarbonisation of the economy and the necessary accompanying measures in form of CBAM model/ETS reform**

Dear Executive Vice-President Timmermans,

Fertilizers Europe is looking forward to an open and frank discussion about green ammonia, but especially CBAM and ETS reform. The fertilizer industry accepts the objectives of the European Green Deal and are happy to contribute to its fulfilment given a supportive European framework.

In this context, it should be underlined that within our membership there is concern about the design of the CBAM, compounded by the leaked document last week. We are deeply concerned about the continuation of free allowances within the CBAM (internal and external competitiveness) and the scope of CBAM as it must include major finished fertilizer products to be effective.

In our letter to you of 26 May we highlighted the three conditions without which the fertilizer sector cannot accept to be part of the test sectors for CBAM. Following a Board meeting this week, we would like to pose the following questions to you during our meeting:

1. During preparatory discussion with the Commission services we were told that CBAM would not be imposed on unwilling sectors. How and when should a sector indicate its willingness to be part of CBAM?
2. What will be the difference in levels of free allowances for sectors inside and outside the CBAM. Short term, medium term and long term?
3. Given announced policy of reduction of free allowances, how does the EU want to support export competitiveness, both for sectors inside and outside the CBAM?

4. The leaked draft shows a woefully inadequate list of finished fertilizer products to be included in the CBAM. Will the Commission expand this list to cover all nitrogen fertilizers in CN chapter 31 and selected other chemical products with high nitrogen content?
5. Value chains are important and so it is important to know whether the impact assessment cover the effects of CBAM on sectors like farming?
6. The fertilizer industry has the potential to switch feedstock and produce green/blue ammonia. On top of abundant and competitively prices green electricity, this necessitates major industry investments. What policies apart from funds do the Commission foresee to support this transformation?

Looking forward to our meeting next week, I remain

Yours sincerely



Copy: Commissioner for Economy Paolo Gentiloni  
Mr. Gerassimos Thomas, DG TAXUD  
Mr. Mauro Petriccione, DG CLIMA