

30/08/2022

Low-Carbon Fertilizers – EU Regulatory Context

Overview of EU Regulatory Drivers and Enablers
of the transition towards low –carbon fertilizers

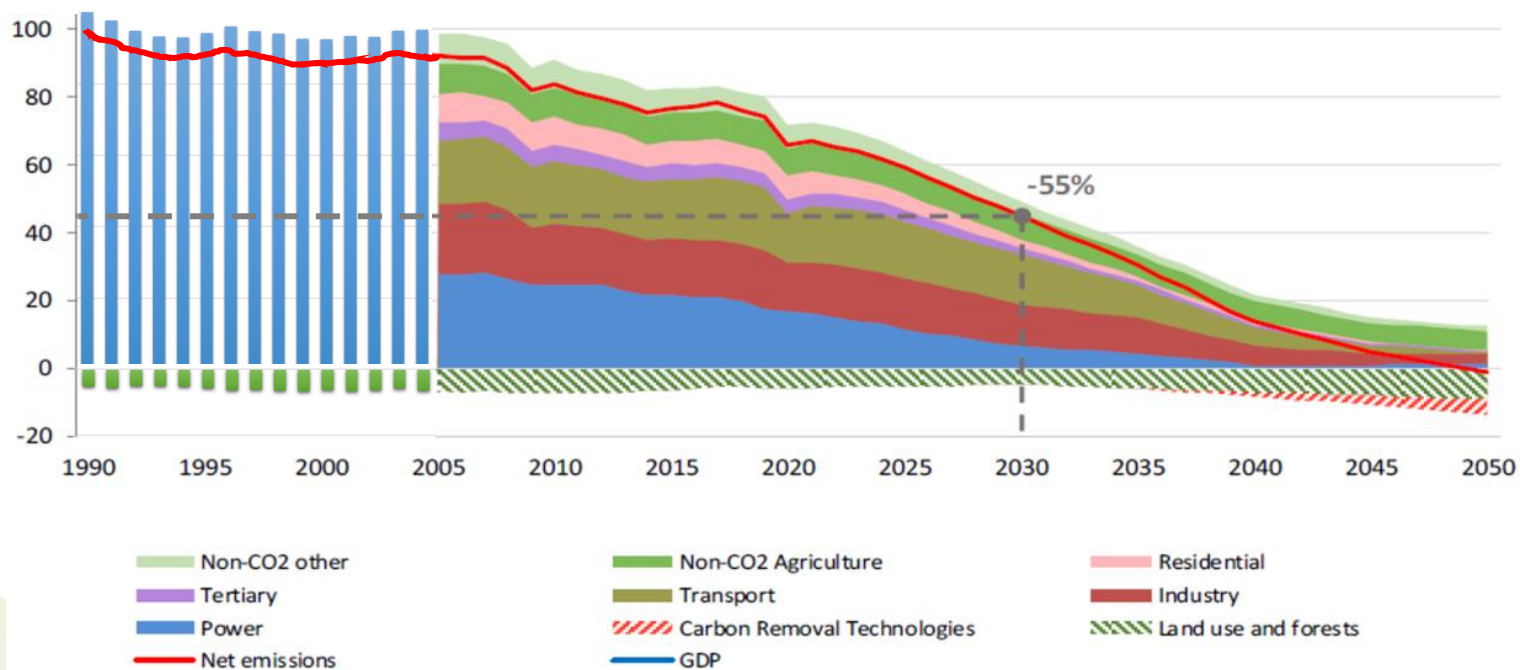
By Theo Paquet

Green Ammonia Officer



**Fertilizers
Europe**

EU and Climate Neutrality



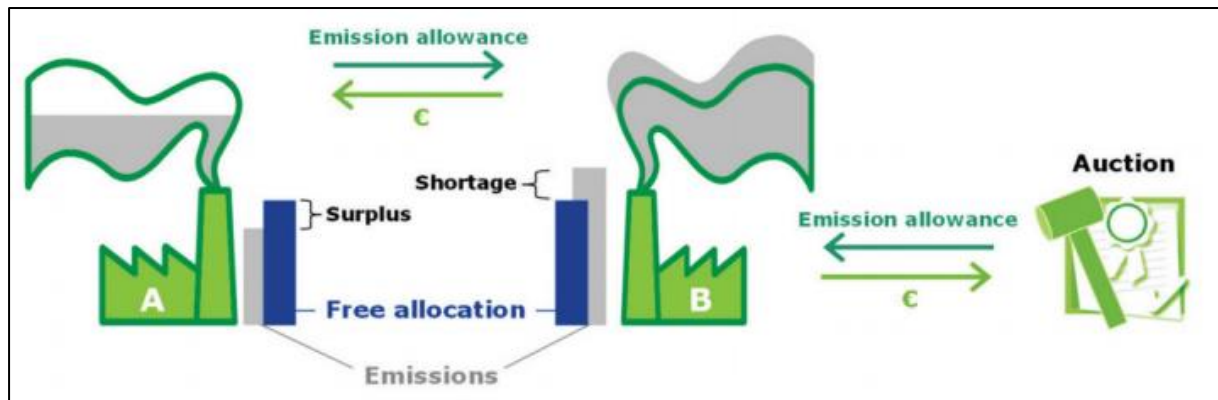


1.

Regulatory Drivers

What EU policy are in place or being developed to drive the decarbonization of the EU fertilizer industry?

CARBON MARKETS are big drivers for emission reduction



**To be paid
via
auctioning**

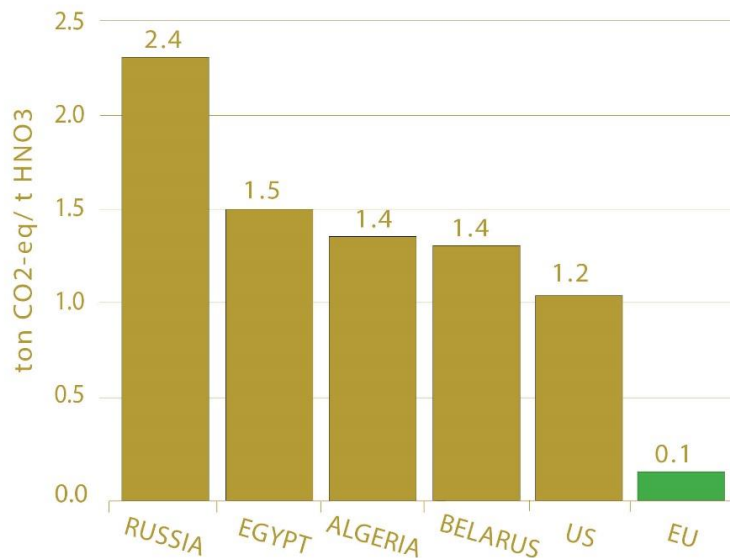
Benchmark

**Free
Allocations**

EU Fertilizer industry's excellent record in decreasing industrial emissions

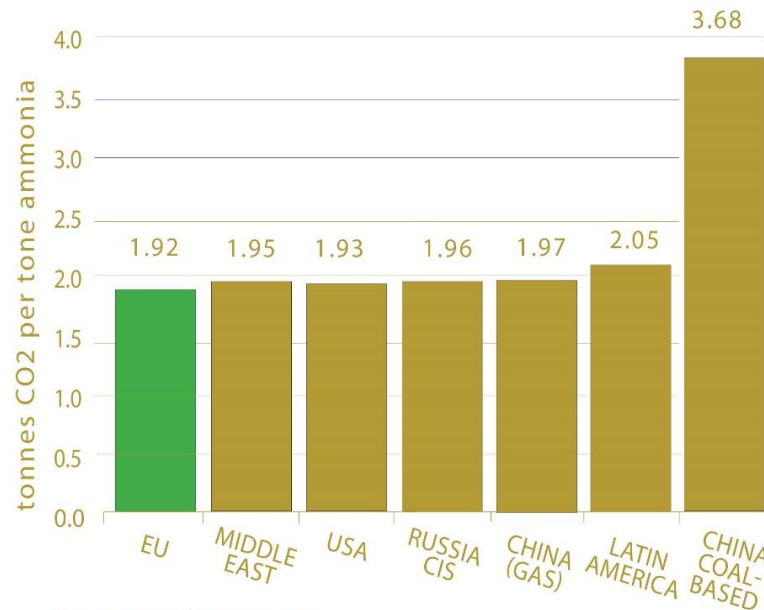


EU fertilizer industry's excellent record in decreasing nitric acid GHG emissions



Source: Fertilizers Europe

Ammonia efficiency industry reaching technical limits



Source: Fertilizers Europe

Paradigm Shift – Binding renewable hydrogen targets



2030 TARGETS

40GW of renewable hydrogen electrolyzers in the EU



10 million tonnes of renewable hydrogen produced in the EU



REVISED RENEWABLE ENERGY DIRECTIVE

The revised Renewable Energy Directive promotes the use of renewable hydrogen:

- Extending the **EU-wide certification system** for renewable fuels to include hydrogen
- Decarbonising industry and heavy-duty and long-distance transport, with concrete targets



TRANSPORT



2.6% for renewable fuels of non-biological origin

INDUSTRY



50% renewable share in hydrogen consumption

Current political context

Renewable/Low carbon hydrogen

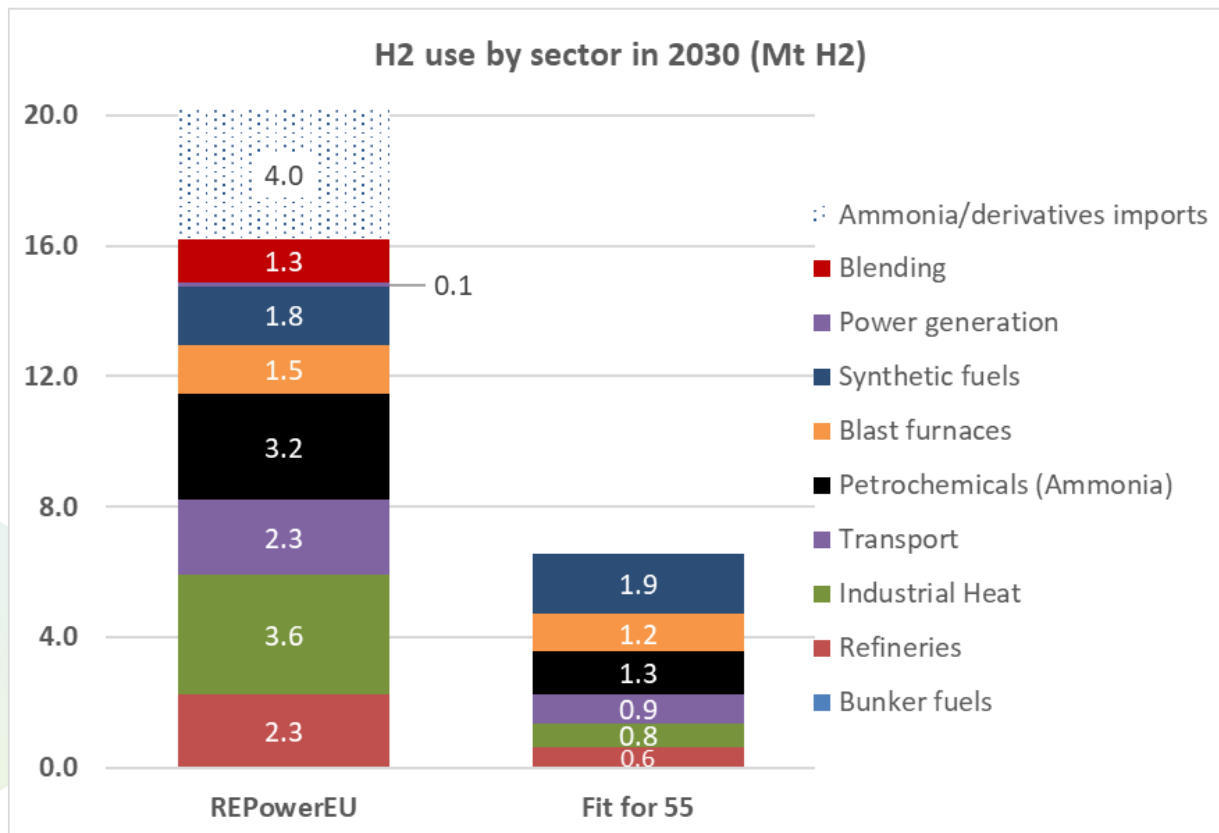


Renewable/Low carbon ammonia

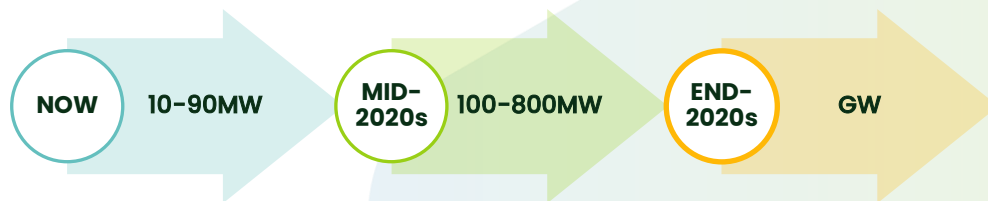
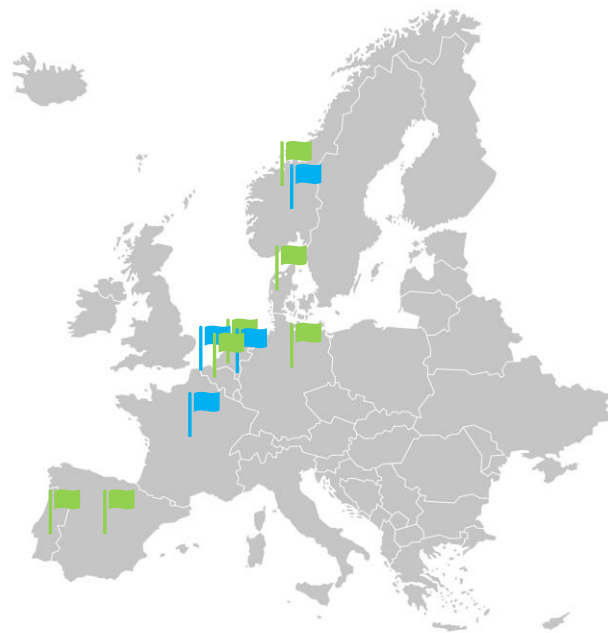
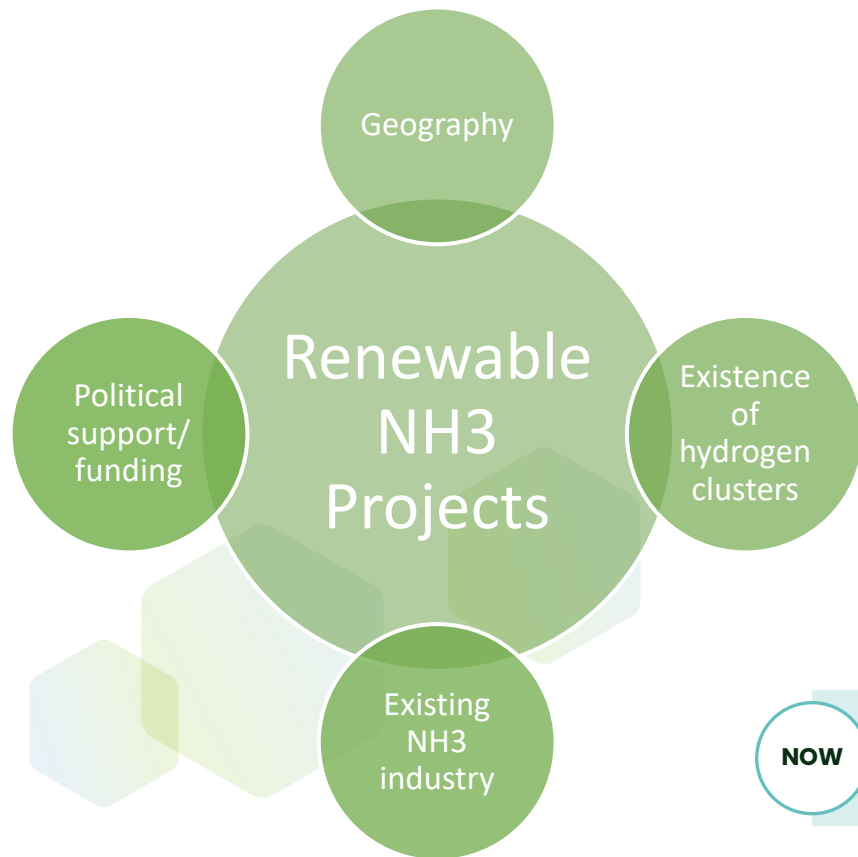


Low carbon fertilizers

Paradigm Shift – Binding renewable hydrogen targets



EU aims to take the lead in the new global hydrogen economy

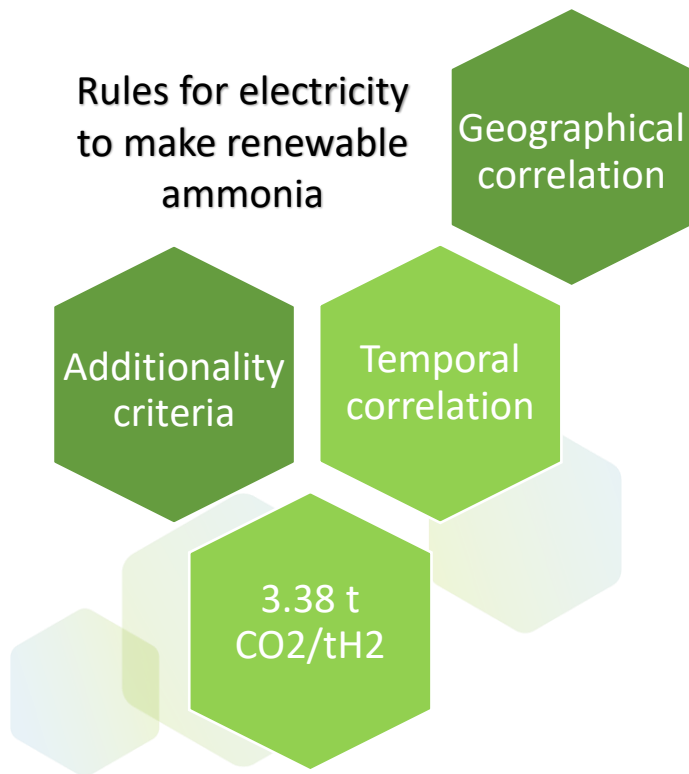




2.

Regulatory Enablers

Renewable Hydrogen/Ammonia Criteria



< 3 t CO₂/tH₂

OR... voluntary schemes

Thank you

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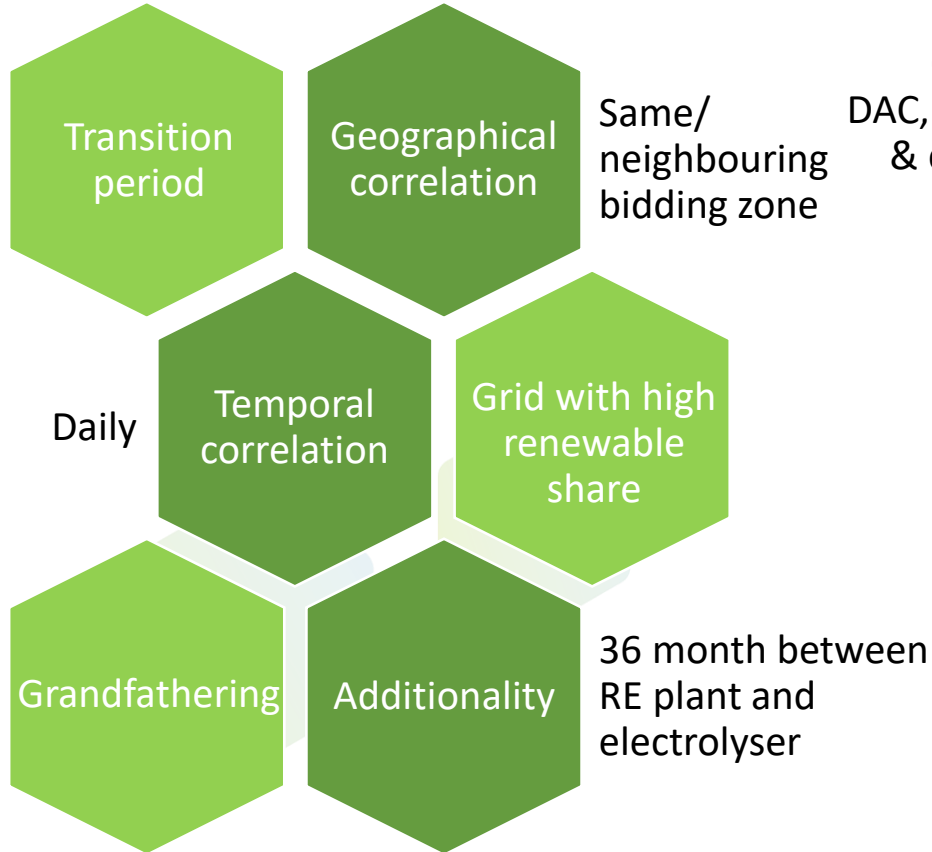


Fertilizers Europe

Renewable Hydrogen/Ammonia Criteria



Additionality



D.A. 28

3.38 t CO₂/tH₂

CO₂ from ETS,
DAC, or production
& combustion of
biofuels or
biomass

Captured CO₂

H₂ GHG
threshold

GHG footprint
of electricity

If fully renewable → 0; **OR**
Average footprint of MS or
more specific look at
marginal price of electricity.
Include upstream emissions

OR... voluntary schemes

EU Sustainable Taxonomy

