

(English version)

**Question for written answer E-004383/25
to the Commission
Maria Grapini (S&D)
(6 November 2025)**

Subject: Question about impact of the ETS system and the CBAM on the fertiliser industry in central and eastern Europe

EU law, the ETS and the CBAM have had a major impact on industrial operators in central and eastern Europe, in particular. The fertiliser industry is a strategic sector for the EU's food security, as it provides essential inputs for European agriculture.

However, the sector is characterised by high energy intensity for the transition to low emissions. In this context, the current trajectory towards phase-out of free allocation by 2034 is putting the competitiveness of the European fertiliser sector at risk and may cause production to be relocated to regions without fuel costs (third countries).

Is the Commission considering a postponement until 1 January 2030 (rather than 2026), with full phase-out to be achieved after 2034, on a trajectory linked to the availability of feasible decarbonisation technologies, such as e-ammonia, CCS/CCU and low-emission hydrogen, and the EU's food security goals?

Submitted: 6.11.2025

**Answer given by Mr Hoekstra on behalf of the European Commission
(10 February 2026)**

Following the adoption of the proposal ⁽¹⁾ for the 2040 climate target, the Commission is preparing a review of the Emission Trading System (ETS) Directive, the proposal being scheduled for the third quarter 2026.

The Commission is analysing the impact of a number of elements, including potential measures to prevent the risk of carbon leakage, as well as measures for supporting the decarbonisation of industry via the Innovation Fund or the Industrial Decarbonisation Bank.

As part of this process, the Commission will take fully into account the provisions relevant to carbon leakage in the final amendment to the Climate Law.

In addition, the Chemicals Industry Action Plan ⁽²⁾ outlines further action that the Commission is taking to modernise and strengthen the competitiveness of the chemicals sector, including a Critical Chemicals Alliance to address risks of production capacity closures, simplification options via the 'omnibus' packages, and action to support low-carbon fertilisers produced from renewable or low-carbon hydrogen or bio-based chemicals, including digestate from biogas production, as a source of organic nitrogen, potassium and phosphorus.

Lastly, the Commission is monitoring the availability and affordability of fertilisers in the EU through the Fertilisers Market Observatory. In the first half of 2026 the Commission will propose an action plan for fertilisers ⁽³⁾.

As regards the carbon border adjustment mechanism (CBAM), the Commission's approach is to find a good balance between preventing the risk of carbon leakage by ensuring equivalent carbon prices between domestic and imported fertilisers and to maintain prices for imported fertilisers affordable.

⁽¹⁾ European Climate law amendment proposal: https://climate.ec.europa.eu/document/download/e1b5a957-c6b9-4cb2-a247-bd28bf675db6_en.

⁽²⁾ A European Chemicals Industry Action Plan. COM(2025) 530 final.

⁽³⁾ RESourceEU Action Plan- COM(2025) 945 final: https://single-market-economy.ec.europa.eu/document/download/01c448d6-dc93-40d7-9afe-4c2af448d00c_en.