



SUMMARY REPORT

New Tools for Farming in the Circular Economy: Creating a Single Market for the Fertilising Products that Farmers Need?

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European Parliament, Brussels

Policy-makers and stakeholders gathered in the European Parliament to discuss the recently updated Fertilisers Regulation underlining that the creation of a single market is crucial in order to provide businesses and farmers with the variety of tools needed to achieve a circular economy.

Jan Huitema MEP welcomed the participants by highlighting the importance of the topic as well as the Fertilisers Regulation. It was said that the EU imports a great deal of fertilisers, particularly those based on phosphorous. It was also emphasised that using manure from animals to be processed as fertilisers is crucial as it does not make sense to get rid of manure and buy fertilisers elsewhere.

Eric Liégeois, Teamleader of Fertilizers Regulation revision, Consumer, Environmental and Health Technologies, DG GROW, European Commission outlined that the majority of today's fertilisers come from energy-intensive industry or use imported critical raw materials (e.g. phosphorus). It was stressed that the proposed Fertilisers Regulation aims to make fertilisers more sustainable, by promoting recycling of nutrients and boosting the market for secondary raw materials. The Regulation also aims to adapt to emerging techniques/products helping nutrient resource efficiency and increase farmers' choice while inform them clearly via the label. It was explained that the Regulation does not address the use phase which is left to Member States in order to limit quantities, impose restrictions of use, and where relevant, influence user's choice by financial instruments. Further, it does not address preferential treatment for one sourcing/technique/type as this decision is left to farmers. It was outlined that fertilisers will be made more sustainable by ensuring cleaner primary raw materials by enhancing safety requirements. Further, by implementing strict recovery rules and conformity assessment procedures on secondary raw materials this will enable the safe substitution of primary materials by recycled nutrients. It was explained that the proposal is articulated between two pillars, component materials and product function categories. It was pointed out that there is a number of emerging resource efficient materials such as compost, digestate, animal by-products, food industry by-products but also innovative product function categories that will contribute to a more sustainable use of nutrients by plants and less impact on the environment, such as agronomic additives and plant biostimulants. Feedstock using recycled nitrogen for instance is assumed to have a better carbon footprint than synthetic nitrogen. A major advantage of recycled nutrients is its domestic availability in the Union although the feedstock of mineral fertilisers (phosphate rocks or gas/oil) are overall imported. With regards to improving the nutrients use efficiency it was said that slow-release fertilisers, agronomic additives and plant



biostimulants are key tools. It was concluded by emphasising the need for collaboration in order to continue to enlarge the toolbox needed for farmers and businesses.

Harry Oldersma, Structural Funds, Consumer Policy, European Semester, Permanent Representation of the Kingdom of the Netherlands to the EU welcomed the Regulation and highlighted its importance, but also outlined some challenges. With regards to contamination it was pointed out that a lot of debate is ongoing concerning what kind of contamination should be allowed and to what level. It was also reflected upon what criteria should be used and what would be deemed acceptable by Member States. The issue of harmonisation was raised stressing the importance of flexibility but also questioning how flexible to be. Further, it was said that discussion must also be raised on how and by whom to take future decisions on the possibility of including new building blocks and categories within the Regulation. It was stressed that the devil is in the details and the need to discuss and provide consensus among all Member States is necessary, but challenging. It was highlighted that all Member States have different views, positions, and economic starting points that must be taken into account. It was said that the progress made on the Regulation is moving forward and it could be possible for the Council to put forward conclusions at the end of this year.

Paul Mullins, Vice-President of the European Biostimulants Industry Council highlighted that biostimulants stimulate plant processes to use nutrients more efficiently, make plants more vigorous to withstand harsh growing conditions. It was said that they contain diverse formulations of substances and microorganisms and showcased that they can improve the quality and quantity of biological materials as well as foster optimal use of technical materials in agriculture. It was emphasised that biostimulants can increase fertiliser use efficiency by 5-25% underlining that a 5% improvement across the EU would mean 550,000 fewer tonnes of nitrogen lost to the environment and provide cost savings to farmers of 165 million per annum. It was highlighted that the EU market has an annual growth rate of 12%. It was stated that the EU biostimulants industry is currently the world leader but it's in a precarious position due to a lack of regulation at the EU level. It was argued that the right EU regulation could provide a solid foundation for continued leadership, encourage more exports, and job creation. It was underlined that the European market for biostimulants is currently fragmented along national lines and that farmers are deprived of access to innovative tools on equal terms. It was said that industry faces increased costs and uncertainty for investment and that EBIC was created in 2011 to secure an EU single market for biostimulants. It was highlighted that research and innovation are essential for the sector, also mentioning that the investments made must be recognised. In order to foster innovation through a future-proofed regulation it was stressed that fair competition must be ensured through appropriate IP instruments. Further, more joined-up thinking is needed across policy areas. It was said that the EU is currently investing in research but not providing optimal regulatory frameworks for products to enter the market also stressing the need for alignment with new draft directive on trade secrets. It was concluded by emphasising that a single EU market is required alongside policies that foster innovation and recognise integrated farming. It was said that this is essential as it enables farmers to



produce more, better, and safer food, and will ensure that the principles of a circular economy are implemented.

Alice Cerutti, Vice-President, European Council of Young Farmers underlined the important role that farmers play in ensuring sustainable food production. It was pointed out however that it is about more than just producing food as it also entails protecting biodiversity and ensuring a sustainable environment. There are win-win solutions to be found but farmers need tools stressing that innovation is one important way to help guide farmers. The need for knowledge transfer was also emphasised as well as the need for a platform to help young farmers apply the technologies available. The importance of precision farming was raised stressing that in order for farmers to move forward, exchange of best practices as well as knowledge transfer is pivotal. If applying precision farming through new technologies is going to lead to additional costs it was said that subsidiaries may be needed. It was explained that in Italy subsidies are available for the use of composts, but the problem is ensuring the safety of the materials. It was underlined that consumer trust is a big issue and that farmers need to see how such materials would benefit them in the long term. The importance of ensuring reliability through labelling was stressed in order to ensure that the products used are both safe for farms and consumers. It was emphasised that farmers are always the first to participate and encourage open farms and welcoming consumers to see how they are operated in order to bring farmers and consumers closer together.

Claude Alabouvette, Scientific Advisor, AGRENE explained that among the different categories of plant growth substances microorganism (bacteria and fungi) are among the most promising. It was said that they can promote growth, increase yields, and help plants resist abiotic stresses. It was explained that they have diverse modes of action and can for instance improve the assimilation of nitrogen, solubilisation of elements such as phosphorus, effect root growth and ramification, as well as enhance iron availability. It was said that there are plenty of microorganisms found in the soil, but by increasing the population density of them locally further benefits can be distributed. It was argued that farmers do want to use biostimulants, which can help reduce the use of mineral fertilisers and improve both soil and plant health. It was stressed that the absence of an EU regulation limits the use of plant growth promoters and even though the Fertiliser Regulation intends to create a single market there is no consensus regarding microorganisms as they pose various problems. It was highlighted that in contrast to natural substances microorganism are living and are able to multiply producing many secondary metabolites as well as exchange genetic information to other living organisms. They are therefore considered to be more difficult to manage than chemical substances. It was also pointed out that they are not only growth stimulators but also plant protection products and therefore fall under regulation 1107/2009, which is not adapted to microorganisms. Further, their properties are strain specific stressing that identification at the strain level should be required as the classical concept of species does not apply to bacteria. It was further said that once identity of the strain has been set and the risks assessed, efficacy should be demonstrated highlighting the need to discuss what criteria this should be based on. It was said that the microbial world is largely ignored, but provides a unique market that requires



harmonisation in order to promote and protect innovation. In order to further the use of biostimulants it was said that more experiments and field demonstrations are needed across Europe pointing out that farmer's organisations must cooperate to define the best agronomic practices needed for successful application while at the same time industry must improve formulation to adapt to farmer's use and machinery. It was concluded by stating that a single market is needed for both the end users and the producers of microbial biostimulants stimulating innovation while avoiding risks.

The debate with the audience further reiterated the importance of the regulation also asking what role Parliament will play in its adoption. It was said that the regulation aims to be implemented from the first of January 2018 and as co-legislators the Parliament will be very active on this. It was highlighted that the Parliament is in the process of examining the various competencies of the Committees that will be involved also mentioning that even though IMCO will take the lead, AGRI and ENVI have shown great interest in the file. The benefits of biostimulants were raised also asking about their cost effectiveness and the importance of producing locally and minimising transport emissions. It was explained that biostimulants as a category aim to work with other crop inputs as part of an integrated approach to farming. It was stated that 12% market growth along with repeat business are indicators that show that farmers see the value of applying biostimulants. With regards to the assertion that recycled products have a lower carbon footprint it was explained that new studies are being launched on this. Further, by substituting at least a part of the energy intensive mineral fertilisers with recycled nitrogen the assumption is that CO₂ emissions could be reduced. The performance improvement of the fertilisers industry was recognised, but also underlining that it is still every energy-intensive. It was also said that a holistic view is needed on nutrient use efficiency combining fertilisers with biostimulants, manure, and inhibitors. With regards to farmers needing more information it was outlined that it must be ensured that the products are safe and that farmers also need to be provided with assistance on when to use new technologies. Transparency, traceability, and labelling were further reiterated also underlining that these are essential factors when communicating to society that farmers are working hard to produce sustainable food. The example of Ireland was raised, which have an ongoing initiative to certify farmers and ensure transparency. It was highlighted that this added value should be recognised by consumers and the efforts made by farmers. It was highlighted that agriculture is often seen as a problem but it is in fact a modern and innovative sector. The potential for innovation was reiterated by all participants highlighting the need for innovative-friendly policies. It was said that the market for biostimulants is limited due to non existing regulation expressing that the updated regulation could help provide investments. It was pointed out that other barriers exist as well such as research and the importance of taking into account local needs. It was stressed that the Commission has put a lot of effort into this proposal and that the Parliament and Council must discuss it timely to ensure that it fulfils its needs.

Jan Huitema MEP concluded by underlining that the agricultural sector offers great potential when it comes to the creation of innovation-friendly policies. It was also said that discussions on the draft regulation should not be rushed as this could in the end block its



potential to enable innovation. Further, appreciation was shown towards the Commission, which has shown willingness to cooperate, and both the Council and Parliament will have a leading role in seeing the Regulation through to adoption.

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