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The European Union upholds anti-dumping tariffs on Russian ammonium nitrate for another five years

Following a 15-month long review, the European Commission has decided to uphold anti-dumping tariffs on import of Russian ammonium nitrate, a decision of significance to EU producers.

As a result, the import duties on ammonium nitrate, one of the most popular fertilizers in Europe, will amount to EUR 47/tonne over the next five years. The decision serves to defend the European market, and thus the Polish chemical industry, against harmful imports.

On September 23rd 2014, the European Commission passed an implementing regulation on this matter. The decision is a response to a petition filed in March 2013 by Fertilizers Europe, a European association of fertilizer manufacturers. The organisation represents a majority of EU ammonium nitrate manufacturers. Grupa Azoty is a member of Fertilizers Europe. Marek Kapłucha and Andrzej Skolmowski, Vice-Presidents of the Grupa Azoty Management Board, hold positions on the Board of the association.

Throughout the proceedings of the Commission, which lasted almost two years, the petitioners strongly emphasized that the expiry of anti-dumping measures would create a genuine risk of price dumping practices, which would be detrimental to the EU industry as a whole. The industry representatives argued that the protection against Russian dumping is needed as long as Russia sells gas at low prices to Russian producers and at high prices to EU manufacturers.

"As a result of Russia's dual-pricing policy, setting different prices for domestic and foreign manufacturers, production costs borne by Russian producers are lower. We object to unfair competition and we are active in the area of European legislation. The decision to uphold anti-dumping tariffs is first of all a responsible one", commented Marek Kapłucha, Vice-President of the Grupa Azoty Management Board and Vice-President of Fertilizers Europe. "It is relevant to the Polish fertilizer industry and directly to the Azoty Group, which employs over 13,500 people. We are really satisfied that our arguments have convinced the European Commission to maintain the anti-dumping tariffs on ammonium nitrate", added Marek Kapłucha.

Also Ukraine has imposed tariffs on Russian ammonium nitrate for the period of five years.