

Secretary of State Department
for Business, Energy and
Industrial Strategy
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London
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competition@beis.gov.uk

29 November 2021

By email

Dear Sirs

Notification to the Department for Business Energy and Industrial Strategy pursuant to The Competition Act 1998 (Carbon Dioxide) (Public Policy Exclusion) Order 2021 (the “Order”)

1. CF Fertilisers UK Limited (“CFF”) owns and operates manufacturing facilities at Billingham, United Kingdom and Ince, United Kingdom for the production of ammonia and other nitrogen products. On 15 September 2021, CFF announced the halt of operations at both its Ince and Billingham manufacturing facilities due to negative profitability driven by the high cost of natural gas, which is a key input product in the production of ammonia. The halt of operations at these facilities impacted the availability of certain products in the United Kingdom, including carbon dioxide, which is a byproduct of ammonia production.
2. On 24 September 2021 and subsequently, the Department for Business Energy and Industrial Strategy (“BEIS”), on behalf of the UK government, convened meetings to discuss the implications of the halt in operations, including ammonia production, on the output of CO₂. Air Liquide and CFF attended these meetings along with CFF’s other CO₂ customers, BOC and Nippon Gases.
3. The UK government asked CFF and each of its three CO₂ customers to enter into negotiations to ensure continuity of supply for CO₂ production at Billingham. The resulting new contracts were intended to ensure that continued operations at the Billingham site would be economically viable without further UK government support.
4. Air Liquide therefore agreed to negotiate with CFF and subsequently entered into a new supply contract for the supply of CO₂ with CFF (the “**Supply Agreement**”) under an expedited timeframe in order to mitigate any disruption to the supply of CO₂. The Supply Agreement ensured the continued supply of CO₂ to Air Liquide at Billingham.
5. Pursuant to Article 5 of the Order, Air Liquide hereby notifies the Secretary of State of the Supply Agreement entered into with CFF on 11 October 2021 with commencement date of 13 October 2021.



Yours faithfully

Air Liquide UK Limited