



CF Fertilisers UK Limited
Head Office Building
Ince, Cheshire CH2 4LB

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

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 CFF attended meetings convened by the Department for Business Energy and Industrial Strategy ("**BEIS**") on behalf of the UK government to discuss the implications of the halt in operations, including ammonia production, on the output of CO₂. CFF's three CO₂ customers, Air Liquide, BOC and Nippon Gases, also attended the meetings.
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 from 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. CFF therefore agreed to negotiate separately with each of Air Liquide, BOC and Nippon Gases and subsequently entered into new supply contracts for the supply of CO₂ with each of Air Liquide, BOC and Nippon Gases (the "**Supply Agreements**") under an expedited timeframe in order to mitigate any disruption to the supply of CO₂. The Supply Agreements ensured the continued supply of CO₂ to Air Liquide, BOC and Nippon Gases at Billingham.
5. Pursuant to paragraph 5 of the Competition Act 1998 (Carbon Dioxide) (Public Policy Exclusion) Order 2021, CFF hereby notifies the Secretary of State of the Supply Agreements:
 - (a) with Air Liquide UK Limited entered into on 11 October 2021 with commencement date of 13 October 2021,
 - (b) with BOC Limited entered into on 11 October 2021 with commencement date of 13 October 2021; and
 - (c) with Nippon Gases UK Ltd entered into on 11 October 2021 with commencement date of 13 October 2021.