

**UREA AND OTHER FERTILISERS**

s 22(1)(a)(ii)

s 22(1)(a)(ii)

***Fuel and Fertiliser Security Facility***

- The Government's \$7.5 billion Fuel and Fertiliser Security Facility (the Facility) has helped secure 340,000 tonnes across 10 shipments.
  - This includes two shipments delivered as part of the 250,000 tonnes urea agreement between Indonesia's PT Pupuk and Incitec Pivot.
- The Facility was a targeted supply security measure designed to support additional fertiliser shipments and maintain farmers' access to fertiliser during a period of heightened uncertainty and supply risk.

***Participation in the Fertiliser Security Facility***

- The Government engaged with eligible importers capable of rapidly securing, importing and distributing additional fertiliser volumes that increased supply to the Australian market.
- Importers were eligible based on established track record, strong biosecurity compliance, and the ability to rapidly source and import additional fertiliser.
- Although not all discussions resulted in the Facility underwriting transactions.

***Media reports of a potential class action***

- The Government does not comment on speculative legal matters.

## Background

### *Fuel and Fertiliser Security Facility*

- The Facility was established by the Government drawing on the National Interest Account and Export Finance Australia's (EFA) new 'Strategic Reserve' function under the Export Finance Insurance Corporation Act 1991.
- EFA assesses individual transactions, while DAFF and DISR advise whether proposed trades align with Government policy, national interest objectives and increase fertiliser supply to Australia.
- Participants are not completely shielded from risk. The contract-for-difference mechanism shares and caps exposure to price movements within agreed limits. It does not guarantee profit, remove all commercial risk, or permit windfall gains.
- The Government has paused new transactions considerations under the Facility as immediate supply risks have eased, and urea imports are tracking broadly in line with forecast seasonal demand.

s 22(1)(a)(ii)

s 22(1)(a)(ii)