

Yara and ATOME PLC sign Heads of Terms for sale of renewable Calcium Ammonium Nitrate (CAN) fertilizer

19 August 2024 | News

Yara would market and sell this fertilizer as part of the YaraBela product line



Yara would market and sell this fertilizer as part of the YaraBela product line

Yara, a global crop nutrition leader, and ATOME PLC, a leading developer of international green fertilizer projects, sign Heads of Terms for offtake from ATOME's renewable CAN project in Villeta, Paraguay.

The Heads of Terms covers the long-term supply of all of the Calcium Ammonium Nitrate from ATOME's renewable production facility in Villeta, Paraguay. Yara would market and sell this fertilizer as part of the YaraBela product line. The 145 MW fertilizer project will produce and export fertilizers derived from baseload renewable power from 2027.

The Front-End Engineering and Design (FEED) study was completed in the first half of 2024, and ATOME PLC targets to reach Final Investment Decision this year. Once completed, Villeta will produce up to 264,000 tons per year of Calcium Ammonium Nitrate fertilizer, expected to displace significant emissions in the sector.

"The entry into this strategic relationship with global crop nutrition leader Yara is a significant milestone for ATOME on the path to realize our flagship Villeta Project which will be one of the largest renewable fertilizer production facilities in the Western Hemisphere. Proving significant off-taker interest for our renewable product gives a clear path to the finalization of funding, FID and the commencement of work onsite at Villeta" said Olivier Mussat, CEO of ATOME.

ATOME can now accelerate the development of its project pipeline, including the 300MW Yguazu project in Paraguay and the 120MW Costa Rica projects.

"Decarbonizing the food systems is at the forefront of our strategy. Many of the food companies active in South America have committed to decarbonization targets and our collaboration with them reveals that the decarbonization of the production of fertilizers combined with the use of agronomical best practices can significantly reduce the crops' carbon footprint. Signing the Heads of Terms for the Villeta project is a first step to open the opportunity to further expand our portfolio with fertilizers

produced with renewable energy in the Americas. The fertilizers from Villeta will become part of a new portfolio called Yara Climate Choice, including fertilizers based upon renewable energy and carbon, capture and storage. The project's in-land location could open logistical advantages for some of our growing markets in Mercosur," said Chrystal Monthean, EVP Americas at Yara.