



Knowledge grows

# Explosives Precursors Regulation

Regulation (EU) 2019/1148



# Explosives Precursors Regulation

## Background and rationale for the Regulation:

Chemicals are too easily available for illicit manufacture of explosives and have been used in several terrorist attacks across Europe

Regulation (EU) 2019/1148 (“**Regulation**”) came into force on 1 February 2021 and aims to:



Establish rules concerning the **making available, introduction, possession and use** of substances or mixtures that **could be misused for the illicit manufacture of explosives**

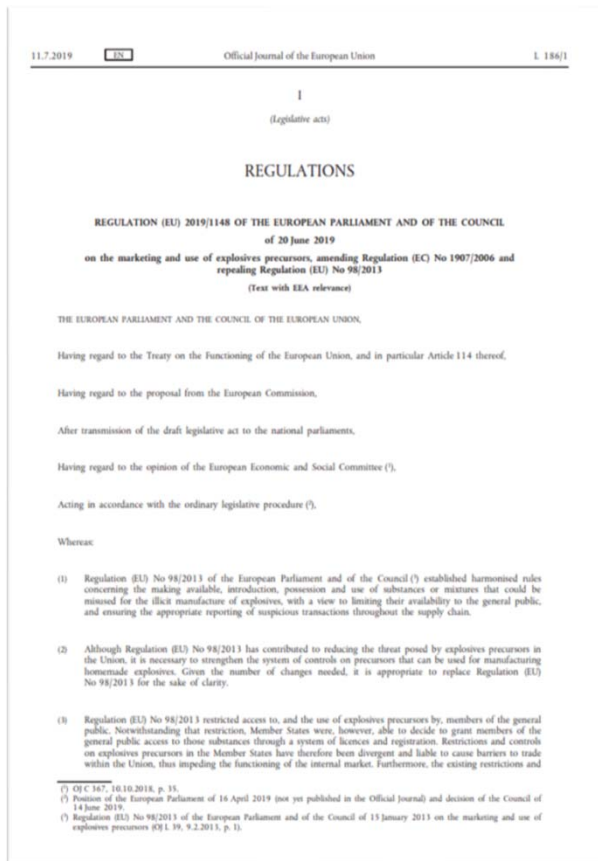


**Limit** their availability to the general public and ensure restricted precursors do not get in wrong hands



Ensure appropriate **reporting of suspicious transactions throughout the supply chain.**

# Explosives Precursors Regulation



## Main changes versus old regulation

- Harmonized enforcement across Europe
- Reduction of licenses for the general public
- Better awareness in the supply chain that some products can be used in the illicit manufacture of explosives and measures needed to be taken to restrict access
- Mandatory confirmation in the whole supply chain that each party is responsible for compliance requirements via signed customer statements, to be retained by the supplier and updated annually

# What is classified as Explosives Precursors?

## Annex I: Restricted Explosives Precursors

Substances which shall not be made available to, or introduced, possessed or used by, members of the general public on their own, or in mixtures or substances including them, except if the concentration is equal to or lower than the limit values

Restricted Explosives Precursors	Examples of relevant Yara products
Nitric acid: 3% w/w	Concentrated Nitric Acid
Ammonium nitrate: 16% w/w of nitrogen in relation to ammonium nitrate (corresponds to 45,7 % ammonium nitrate)	Chafer Nuram 35+S, YaraBela Extran, YaraBela CAN, many std of YaraMila
Sulphuric Acid: 15 % w/w	Concentrated Sulphuric Acid

# What is classified as Explosives Precursors?

## Annex II: Reportable Explosives Precursors

Substances on their own or in mixtures for which suspicious transactions and significant disappearances and thefts shall be reported

Reportable Explosives Precursors	Examples of relevant Yara products
Potassium nitrate	YaraTera Krista K, Unika Plus
Sodium nitrate	Nutriox Sx
Calcium nitrate (CAS RN 10124-37-5)	NitCAL 99, Calcium Nitrate 19,8/50 CAO
Calcium ammonium nitrate (CAS RN 15245-12-2)	YaraLiva Calcinit, YaraLiva Tropicote, NitCal, DipCal

# Definitions used in the Regulation

“Economic Operator”	“Professional User”
<p><i>Any natural or legal person or public entity which make regulated explosives precursors available on the market, either offline or online, including on online marketplaces.</i></p>	<p><i>Any natural or legal person or public entity that has a demonstrable need for a restricted explosives precursor for purposes connected with its trade, business, or profession, including agricultural activity, conducted either on a full-time or part-time basis and not necessarily related to the size of the area of land on which that agricultural activity is conducted, provided that such purposes do not include making that restricted explosives precursor available to another person.</i></p>
<p><b>Typically:</b> A distributor</p>	<p><b>Typically:</b> End-user for business purposes</p>

# How the change affects Yara and our direct customers

Yara is legally required to collect and verify certain information about customers of explosives precursor products and their intended use of these products, as well as the employees authorized to represent such customers.

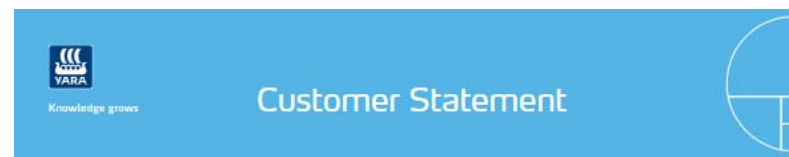
To this effect, Yara requires all customers of explosives precursor products to complete a so-called Customer Statement. In practice, this means:

1. Before any sale, Yara needs to assure that our direct customer is either a legitimate “**economic operator**” or a “**professional user**”.
2. Yara needs to **confirm the identity** of the natural person who is representing the direct customer ordering and receiving the products containing restricted explosive precursors.
3. Customer statements need to be **renewed every year** by our customers.
4. Customer statements need to be **retained for 18 months** by Yara and made available for inspection by relevant authorities.

# Verification of Customer Statements

Yara is legally obliged to:

1. Require direct customers to fill in a Customer Statement
2. Check whether the person purchasing the goods is authorized to purchase restricted explosives precursors on behalf of their company or institution
3. Verify the identity document of the person representing the customer
4. Assess whether the intended use is consistent with the trade, business or professions of the prospective customer
5. Check that the product being purchased matches information on the Customer Statement



Concerning the specific use(s) of restricted explosives precursors as referred to in Regulation (EU) 2019/1148

Statement Number:	Valid from:	Valid to: (see 12 below)
1. Customer number		
2. Customer name		
3. Customer identification number (VAT/Tax/EORI or other identification number)		
4. Customer office address		
5. Customer sites	See page 2	
6. Name and job title of authorized Customer representative (As authorized by company documents, power of attorney, or similar)*	Name	job title*
7. Number and issuing authority of personal ID document* (Not required if ID is verified digitally)		
8. Customer is acting in the capacity of*	<input type="radio"/> Economic Operator (typically a distributor) <input type="radio"/> Professional User (business end-user) <input type="radio"/> Member of the general public (private person)	
9. Short description of trade/business activity of Customer (As described in the company certificate or other company document)*		
10. I hereby declare that the commercial products and the substances or mixtures that they contain shall be used only for the intended use(s) listed on pages 3-4, which is in any case legitimate and not for any illicit manufacture of explosives.		
11. If the Customer is identified as an "Economic Operator" in the Regulation (typically a distributor), the Customer is itself responsible for complying with the restrictions established in Regulation (EU) 2019/1148, and will only sell or deliver products to other customers if they sign legally equivalent customer statements. This applies also where Yara performs the delivery service directly to the Customer's customers on Customer's behalf.		
12. As a starting point, this customer statement is valid for 12 months. However, if a transaction deviates significantly from previous transactions, a new customer statement must be completed. Examples of "significant deviations" are changes in the quantity of the product purchased, intended use, office address, delivery address or contact details of the customer, delivery method or payment method.		
13. I hereby confirm that I am authorized to both represent the Customer and to purchase restricted explosives precursors on its behalf.		
Signature:	Date:	



# ID verification procedure

- The Regulation requires that Yara verifies the “proof of identity” of the individuals representing customers
- Verification of ID documents can be done in three different ways:
  1. Verify ID documents personally by Yara employees
  2. Verify scanned copies sent by email
  3. Verify ID documents electronically by using a digital trust provider
- Verification of ID documents will as a starting point be done **electronically** by Yara’s European Customer Service team, as this is considered the most safe and efficient manner of verification
- Yara’s European Customer Service team will use DocuSign to send Customer Statements and verify ID documents
- Please visit the [DocuSign Trust Center](#) to access to the latest DocuSign security, compliance, legal, privacy, and system performance information

## World-class protection

DocuSign has implemented rigorous policies, processes and training to meet the privacy, security and compliance requirements of some of the most stringent certifications around the world.

### Privacy

We secure and protect not only your agreements but also the critical business and personal information that you entrust to us.

**Confidentiality:** DocuSign manages customer data as a data processor on the customer’s behalf and in accordance with their informed consent. We use and access customer data only to the extent necessary to perform services, and we require all third-party subprocessors to adhere to the same privacy and security obligations as DocuSign.

**Privacy rights:** We recognize the privacy rights of our prospects, customers and partners and comply with global privacy regulations, including the European Union’s **General Data Protection Regulation** (GDPR), the California Consumer Privacy Act (CCPA) and other privacy laws and regulations based on same privacy principles as GDPR.

**Privacy management:** We continually review rapidly evolving global privacy requirements to enhance and evolve DocuSign’s data protection program. We also perform regular internal audits of our privacy practices and require mandatory privacy training by all DocuSign personnel.

### Security

We make significant investments in our security and operations and maintain a comprehensive and robust approach across our platform, processes and people.

**Platform:** DocuSign’s advanced platform architecture and security operations are designed to maximize security for data at rest and in transit, and each component of our trusted platform undergoes stringent security review.

- Geo-diverse, ISO-certified, SOC-audited data centers
- 24/7/365 onsite security
- Endpoint security
- AES 256-bit encryption (at rest)
- PKI technology
- Malware protection

**Processes:** DocuSign’s expansive protection program – including environment monitoring, security reviews and external penetration testing – allows us to adjust our security posture and protect customer data across our services.

- 24/7 incident response
- Processes, policies and reviews
- SDLC security



**World-class protection**  
Strong security mechanisms and robust operational processes allow us to meet or exceed the highest international security standards and protect your documents and data.



**Global reach and acceptance**  
DocuSign eSignature is lawful in most civil and common law jurisdictions for most agreement types and employed by hundreds of millions of users worldwide, including the European Union.



**High availability**  
A robust infrastructure delivering consistent high availability provides assurance that our service is there whenever you need it.

# Other requirements: Safe handling and storage

All companies that are in possession of explosives precursor products need to assess internal procedures for **safe handling and storage**, in order to limit as far as practically possible any losses or thefts of such products.

Yara is also requiring **external service providers of transportation and warehousing** to implement safe handling procedures.

The Regulation makes these **recommendations** for companies to consider.

## Storage

- Restrict access to the areas where regulated explosives precursors are stored (e.g. no access for shop assistants, interns, customers, visitors etc.).
- Restrict access around the property, e.g. by installing gates around the property.
- Illuminate areas of vulnerability around the property.
- Lock doors, ground floor windows and any other easily accessible windows as much as possible.
- Install an intruder alarm.
- Use video surveillance.
- Check periodically the stock to identify disappearances or thefts

## To reduce the risk during transport

- Use measures against thefts like physical barriers (cages) during transport.
- Use of padlocks and safety devices that keep the truck inviolable during transport.
- Select a trustworthy transportation provider.
- Avoid unnecessary or lengthy stops during the journey.

## To be able to identify thefts and disappearances

- Establishing detailed records on purchases, selling and stock keeping of explosives precursors and mixtures.
- Control inventory- periodically checking the stock to identify disappearances.
- Keep records of visitors where controlled chemicals are manufactured or stored
- Keeping records for at least 18 months.

# Other requirements: Reporting of suspicious transactions

## Reporting requirements to relevant national authorities

- Suspicious transactions or behaviors need to be reported within 24 hours
- Significant disappearances and thefts of regulated explosives precursors need to be reported within 24 hours

Suspicious transactions, indicators of suspicious behavior include, for example when a customer:

- ✓ Appears unclear about the intended use of the regulated explosives precursors
- ✓ Appears unfamiliar with the intended use of the regulated explosives precursors or cannot plausibly explain it
- ✓ Intends to buy regulated explosives precursors in quantities, combinations or concentrations uncommon for legitimate use
- ✓ Is unwilling to provide proof of identity, place of residence or, where appropriate, status as professional user or economic operator
- ✓ Insists on using unusual methods of payment, including large amounts of cash
- ✓ Requests packaging or delivery methods that deviate from what would be ordinary, advised, or expected