

Gulf War Threatening Major Shocks for Fertilizer Supply in Eastern Africa

 www.afap-partnership.org



AFAP STATEMENT

Gulf War Threatening Major Shocks for Fertilizer Supply in Eastern Africa

The African Fertilizer and Agribusiness Partnership (AFAP) is closely monitoring the emerging risks to global fertilizer supply chains following the escalating geopolitical tensions in the Gulf region.

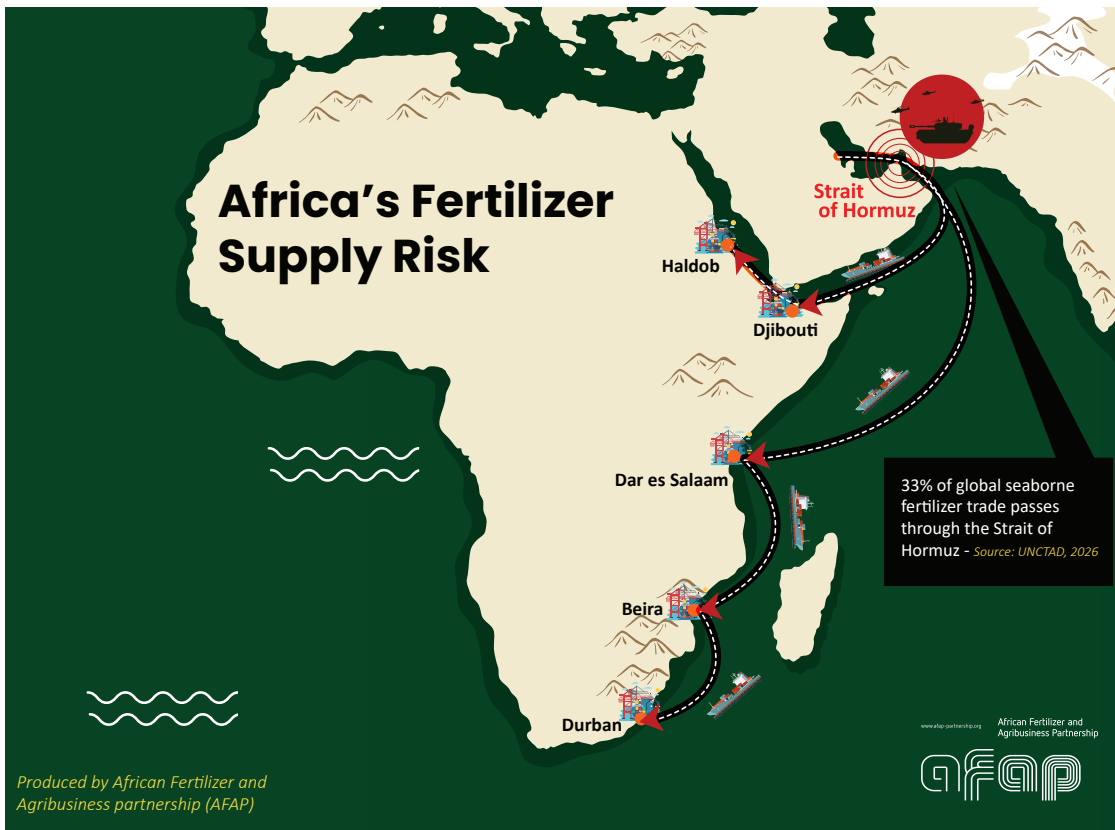
Recent developments have raised concerns about the stability of fertilizer markets and the potential implications for agricultural production in the coming planting seasons, particularly in import-dependent regions such as sub-Saharan Africa.

According to UNCTAD (March 2026), approximately one-third of global seaborne fertilizer trade — equivalent to around 16 million tonnes — passes through the Strait of Hormuz.

This strategic maritime corridor is critical for the movement of fertilizers from major Middle Eastern producers to global markets. The Middle East remains the leading exporter of Urea.

Any disruption to this route could significantly affect fertilizer availability and price stability in the months ahead.

For Africa's smallholder farmers, who already face tight production margins and limited access to affordable inputs, such disruptions could have far-reaching consequences.



The Strait of Hormuz is a critical artery for global fertilizer trade, and any disruption to shipping through this corridor could have direct implications for Africa's fertilizer supply chains. Fertilizers originating from the Gulf region are typically routed to key African gateway ports such as Durban and Richards Bay (South Africa), Beira (Mozambique), Dar es Salaam (Tanzania), Djibouti, and Port Harcourt/Lagos in West Africa, before being transported inland to supply major agricultural production zones. These ports serve as essential entry points for fertilizer destined for landlocked countries such as Zambia, Zimbabwe, Malawi, Uganda, Rwanda, Burundi, Ethiopia, and parts of the Sahel. Disruptions in Gulf supply routes would therefore not only affect coastal markets but could also create cascading delays and shortages across inland Africa, where fertilizers must travel long distances through regional transport corridors. In such contexts, even minor delays at ports or shipping routes can translate into missed planting windows, higher transport costs, and reduced fertilizer availability for smallholder farmers who depend on timely access to inputs ahead of the planting season.

Potential Implications for Smallholder Farmers

Rising Fertilizer Costs	Supply constraints, increased shipping costs, and uncertainty in global markets are likely to push fertilizer prices higher, making it increasingly difficult for many farmers to access the inputs they need.
Agricultural Inflation	Higher fertilizer prices often translate into increased production costs across farming systems, placing additional pressure on farmers and food supply chains.
Potential Supply Shortages	Disruptions in supply chains may lead to limited availability in some markets. In such circumstances, larger commercial operations often secure supply first, leaving smallholder farmers at greater risk of delayed or reduced access.
Reduced Fertilizer Use and Lower Yields	When fertilizers become expensive or difficult to obtain, farmers frequently reduce application rates. This leads to nutrient-deficient soils and lower yields for staple crops such as maize, rice, and wheat.
Rising Food Prices	Lower agricultural output can tighten food supplies and contribute to higher market prices, affecting both rural and urban consumers.
Food Security Risks	Countries heavily dependent on fertilizer imports may face increasing pressure on food systems if supply disruptions persist during critical planting periods.

Lessons from Previous Global Fertilizer Disruptions

Recent history illustrates how quickly fertilizer markets can respond to geopolitical and economic shocks.

During the COVID-19 pandemic and the Russia-Ukraine conflict, fertilizer markets experienced unprecedented volatility.

Between 2019 and early 2022, global fertilizer prices increased by more than 260 percent, driven largely by energy price spikes, export restrictions, and logistical disruptions.

Although markets eventually stabilized, fertilizer prices remain well above pre-pandemic levels. These events underscore the importance of early coordination and proactive market responses to protect farmers from sudden supply shocks.



Recent global crises have demonstrated how quickly fertilizer markets react to geopolitical and supply chain disruptions. Prior to the COVID-19 pandemic in 2019, global urea prices averaged roughly \$220–\$250 per metric ton, reflecting relatively stable markets. During the pandemic (2020–2021), supply chain disruptions and rising energy costs pushed prices upward to around \$250–\$400 per ton. The Russia–Ukraine war in 2022 triggered the most severe fertilizer shock in recent history, with prices peaking between \$925 and \$1,050 per ton, representing increases of more than 260% above pre-COVID levels (World Bank Commodity Price Data). Although prices moderated in subsequent years, they remained elevated during the 2023–2024 Middle East tensions, averaging \$350–\$500 per ton. Current geopolitical developments in the Gulf region are again exerting pressure on fertilizer markets, with urea prices rising to around \$580 per ton in early 2026, underscoring the continued vulnerability of global fertilizer supply chains to geopolitical instability (World Bank; Trading Economics fertilizer benchmarks).

Strengthening Coordination and Preparedness

In response to the evolving situation, AFAP is working closely with partners across the agricultural ecosystem to assess potential impacts on fertilizer availability and smallholder farmer operations.

One initiative currently under discussion is the establishment of a Global Fertilizer Crisis Response Committee, led by the International Fertilizer Development Center (IFDC) and supported by a coalition of global institutions, private sector actors, and development partners.

AFAP welcomes this initiative and stands ready to contribute to the coordination efforts required to stabilize supply chains and support timely farmer access to fertilizers ahead of critical planting seasons.

Strengthening Coordination and Preparedness

AFAP has previously coordinated responses to fertilizer market disruptions. In 2023, AFAP played a leading role in launching the Sustain Africa Initiative, which brought together stakeholders to address fertilizer access challenges affecting African farmers.

Building on this experience, AFAP will continue to work with governments, regional organizations, development partners, and the private sector to:

- *Monitor fertilizer market developments*
- *Strengthen fertilizer market intelligence*
- *Support coordinated procurement mechanisms*
- *Promote efficient fertilizer distribution systems*
- *Protect smallholder farmer access to essential inputs*

Strengthening Coordination and Preparedness

AFAP has been implementing initiatives to gauge the potential for the uptake/adoption of green ammonia and microbial biofertilizers on the continent in order to ameliorate exposure to global shocks. These initiatives have the potential to reduce the current high levels of dependency on a few geographically concentrated producers of fertilizers. They require additional support to increase adoption of these new technologies by smallholder farmers.

Strengthening Coordination and Preparedness

Ensuring reliable fertilizer supply chains is essential to maintaining agricultural productivity and strengthening food security across Africa

AFAP remains committed to supporting collaborative solutions that help ensure farmers have timely, affordable access to fertilizers and other critical agricultural inputs.

By working together across governments, development institutions, and the private sector, the global community can help mitigate emerging risks and safeguard agricultural production in the seasons ahead.

www.afap-partnership.org African Fertilizer and Agribusiness Partnership



People.Partnerships.Productivity.Pro Prosperity

SOUTH AFRICA
(Operational Head Office)
1st Floor, 359 Rivonia Boulevard
Rivonia, 2196
South Africa

✉ info@afap-partnership.org

☎ +27 87 012 5630