



# AfricaFertilizer

Data-Driven Decisions for African Food Systems

## FERTINEWS

JANUARY 2024 EDITION





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In a bid to continually provide critical information on fertilizer to industry stakeholders across sub-Saharan Africa to drive food systems and promote food security, AfricaFertilizer has always sought opportunities to secure and disseminate highly needed information widely. One critical need of industry value chain actors is identifying solutions that exist to address fertilizer financing challenges across Africa.

The USAID-funded Feed the Future Enhancing Growth through Regional Agricultural Input Systems (EnGRAIS) project of the International Fertilizer Development Center (IFDC) convened a strategic [webinar](#), November 2023, to discuss fertilizer financing challenges in Africa, and propose some solutions to these challenges. AfricaFertilizer and its key partner, Wallace & Associates, joined 240 fertilizer sector stakeholders from more than 30 countries to deliberate on this critical subject.

In-depth discussions brought up not only challenges but also solutions and opportunities surrounding fertilizer financing in sub-Saharan Africa. Some proposed solutions for consideration included:

- The establishment of a large-capacity guarantee fund to provide risk mitigation and encourage lending to fertilizer stakeholders;
- The development of critical policies for agricultural inputs, to legislate and promote innovative financing mechanisms, such as warehousing as collateral;
- The promotion of enhanced public-private sector synergy to leverage resources and expertise to develop efficient financing solutions; and
- Increased advocacy and capacity building to empower grassroots actors with knowledge and resources to strengthen their negotiating power and improve their access to financing.

The current effort by the Feed the Future EnGRAIS project promises to address the decades-old fertilizer sector financing challenges, to release the locked-up potential of the industry. Next steps will be how to actualize these suggested solutions to strengthen the fertilizer industry to benefit all stakeholders.

### NATIONAL FERTILIZER MARKET COMMENTS – WEST AFRICA

**COTE D’IVOIRE:** With supply in excess of demand, the market is under no pressure. Fertilizer imports of the year continued to increase, reaching an all-time high of 700,000 MT. This record level represents double the annual total imported the previous year, and exceeded the estimated annual demand of 350,000 MT...

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**GHANA:** The continual decline in international market prices significantly contributed to a notable decrease in national prices during the third quarter of 2023. From the fourth quarter through January 2024, prices remained stable, with negligible changes.... [Read more](#)

**SENEGAL:** The substantial public financial contribution of FCFA 40 billion has significantly helped reduce the prices of subsidized fertilizers, bringing them down to levels comparable to those before the crisis... [Read more](#)

**NIGER:** In December, the average price of a 50 kg bag of Urea remained relatively stable, at \$30 (around FCFA 17,938), compared with previous months. In contrast, NPK 20-10-10 continued its downward trend, recording a 16% decrease from \$35 (approx. FCFA 21,000) to \$30 (approx. FCFA 17,714) in December... [Read more](#)

**NIGERIA:** Urea, NPK 20-10-10, and NPK 15-15-15 are accessible in all regions of the country. NPK

12-12-17+2MgO and NPK 27-13-13 are exclusively found in the South-South and South-East regions, while NPK 20-10-5 is only present in the Northern and South-West regions, and SSP in the North-Central and North-West regions... [Read more](#)

**TOGO:** There are no concerns about a possible shortage of fertilizers, as the supply of subsidized fertilizers guarantees adequate supply on the fertilizer market. As part of the subsidy program, the government has stepped up its orders to ensure adequate fertilizer availability throughout the crop year... [Read more](#)

## NATIONAL FERTILIZER MARKET COMMENTS – EAST AND SOUTHERN AFRICA

**ETHIOPIA:** The fall in prices on the international market has not translated into lower domestic prices. This affected the tender EABC floated for bulk purchase for the crop year 2023 in November 2022. The national fertilizer price is set once a year upon the tender awarded on the given FOB price... [Read more](#)

**RWANDA:** fertilizer prices in the open market remained stable. In most regions, DAP was priced at RWF 62,600 (\$50.7) per 50kg bag, Urea at RWF 48,250 (\$39), and NPK 17:17:17 at RWF 63,300 (\$51.5)... [Read more](#)

**KENYA:** In the fourth quarter of 2023, local commercial fertilizer prices in the country remained high compared to pre-COVID-19 pandemic and Russia-Ukraine conflict levels, with slight fluctuations from month to month... [Read more](#)

**MALAWI:** On the commercial market, retail prices for Urea are on average MWK84,500 in the northern region, MWK83,000 in the central region, and MWK84,000 in the southern region. Meanwhile in the northern region, retail prices for NPK are on average MWK85,000, MWK83,000 in the central region, and MWK84,000 in the southern region... [Read more](#)

**MOZAMBIQUE:** In the fourth quarter of 2023, the retail price for NPK 23-10-5+3S+1Zn fertilizer remained the same, at an average of 2760.00MZN/50Kg (\$43.20). Throughout the period from October to December 2023, there was a fluctuation in the price of NPK 12-24-12, ranging from 0.5% to 1.5%. Similarly, Urea experienced a variation in price, ranging from 0.53% to 0.90%... [Read more](#)

**TANZANIA:** On September 1, 2023, the government released indicative prices for various fertilizers, establishing uniform costs for all farmers nationwide participating in the 2023–2024 fertilizer subsidy scheme. This approach aims to enhance agricultural productivity, ensure food sufficiency, and provide raw materials for the industrial sector by reducing fertilizer prices and promoting increased fertilizer usage among farmers... [Read more](#)

**ZAMBIA:** Fertilizer prices in Q4 of 2023 increased by 10% in Kwacha terms from October through to December 2023. However, the significant depreciation of the Kwacha against the US Dollar in the same period has meant that despite a reduction in US Dollar pricing, it has had no impact on local pricing... [Read more](#)

## AVERAGE FERTILIZER MARKET PRICES IN SELECTED COUNTRIES (US\$/TON)

	Fertilizer	Type (US\$/Ton)	Oct '23	Nov '23	Dec '23	% Change Nov-Dec		
International Price	Urea (prilled bulk fob Black Sea)	FOB	341	298	254	-15%	↘	Low Decrease
	Urea (granular bulk fob Nigeria)	FOB	379	329	285	-13%	↘	Low Decrease
	DAP (bulk fob Morocco)	FOB	601	598	582	-3%	↘	Low Decrease
	NPK 15-15-15 (fob Morocco)	FOB	437	446	433	-3%	↘	Low Decrease
<b>Country</b>								
Cote d'Ivoire	Urea	Com	779	754.4	761.8	1%	↗	Low Increase
	PK 0-23-19 + 6.5S + 5MgO + 10CaO	Com	757	711	718	1%	↗	Low Increase
	NPK 15-15-15	Com	797	763.2	770.8	1%	↗	Low Increase
Ghana	Urea	Com	692	681	677.2	-1%	↘	Low Decrease
	NPK 23-10-5	Com	749	733.2	729.6	0%	↘	Low Decrease
	NPK 20-10-10	Com	636	675.2	664.2	-2%	↘	Low Decrease
Niger	Urea	Com	650	592.2	596.8	1%	↗	Low Increase
Nigeria	Urea	Com	508	586.8	574.4	-2%	↘	Low Decrease
	NPK 15-15-15	Com	697	668	655.4	-2%	↘	Low Decrease
	NPK 20-10-10	Com	632	610.2	598.8	-2%	↘	Low Decrease
Senegal	Urea	Com	859	870.6	865	-1%	↘	Low Decrease
	NPK 15-15-15	Com	767	753.6	775.6	3%	↗	Low Increase
	NPK 10-10-20	Com	708	713.8	698.6	-2%	↘	Low Decrease
Kenya	Urea	Com	622	610.6	575	-6%	↘	Low Decrease
	Diammonium Phosphate	Com	701	702.4	744	6%	↗	Low Increase
	NPK 17-17-17	Com	692	695	704.6	1%	↗	Low Increase
Mozambique	Urea	Com	998	992.2	994.4	0%	↗	Low Increase
	NPK 12-24-12	Com	995	978.4	980.8	0%	↗	Low Increase
	NPK 23-10-5 +3S + 1Zn	Com	883	882.2	882.8	0%	↗	Low Increase
Zambia	Urea	Com	767	747.4		-100%	↘	High Decrease
	NPK 10-20-10 + 6S	Com	761	751.8		-100%	↘	High Decrease

**Legend:** FOB—Free On Board, Com—Commercial Market Prices, Sub—Subsidized Prices. All prices have been converted to US\$/Ton with the prevailing exchange rate for the month. For more prices, visit our [website](#).

**Key:** ↔ No change, ↘ Low decrease (0-25%), ↙ Medium decrease (25-50%), ↘ High decrease (>50%)  
↗ Low increase (0-25%), ↗ Medium increase (25-50%), ↗ high increase (>50%)

**Egypt:** Liquidation of October tons was continued by producers, with buyers being found for small lots to be shipped in November. Approximately 27,000 tons of granular urea were sold by Mopco between \$400-403 per ton fob for November shipment in several small lots. Additionally, 50,000 tons were sold by Fertiglobe at \$405 per ton fob to Montage Oil to fulfill its commitment to Ethiopia. The market remained active as traders' price ideas for cargoes to be shipped to Europe, Turkey, and Latin America by producers. Abu Qir sold 50,000-55,000 tons of granular urea in separate lots to traders for shipment to Turkey and Latin America. Furthermore, a 47,000 ton prilled urea cargo was sold between \$375-380 per ton fob to Ameropa by Abu Qir to cover part of its Indian commitment. Fertiglobe also sold 20,000-25,000 tons of granular urea to a European market at levels equivalent to \$403-406 per ton fob Damietta.

**Nigeria:** November cargoes were offered by producers between \$375-385 per ton fob, but no trades were concluded. It is reported that gas supply to the plants is running well, with most plants operating near to full capacity. Producers were approached with approximate netbacks from shipments to Brazil and Turkey but declined to sell at this level in the open market.

Bids were sought by Dangote for a 30,000-ton granular urea cargo to load in November and were sold to a trader at around \$360 per ton fob. The producer was experiencing gas supply issues, which have reduced its production capacity to around 50%. Indorama also sought to sell a spot cargo, indicating \$370-380 per ton fob to buyers, and rejected the counterbid from IPL at \$404 per ton cfr east coast India, which would have netted back well.

**Ethiopia:** In Ethiopia's tender to purchase 562,000 tons of granular urea, the lowest offers were made by Fertiglobe and ETG, with various lots priced between \$375 and \$397.28 per ton fob Egypt/Middle East. Fertiglobe, offering urea from its UAE plant, had the lowest offer in lot 1 at \$375 per ton fob UAE, while ETG, offering based on Egypt/Saudi Arabia/China, had the lowest offers in the other 10 lots. Offers at \$375 per ton fob were also made by Indorama in lots 1-2, but freight costs were significantly higher from Nigeria compared to the Middle East.

Two lots of granular urea, each ranging from 50,000 to 52,000 tons, were purchased by EABC. Participants have been asked by EABC to adjust their offers lower for lots 1, 4, 5, and 6 under its 14 November tender to buy up to 562,000 tons.

**South Africa:** The domestic MAP price was increased by 2.5% to ZAR11,244 per ton (\$589 per ton) ex-works by Foskor this week. Demand for MAP is strong, but availability remains tight. Import price indications are at \$560-565 per ton cfr.

**Morocco:** No new DAP/MAP sales were reported by OCP. It is indicated by buyers that DAP availability from OCP was limited until at least the first half of December. Official confirmation from OCP was still pending. Additionally, Furthermore, the sale of 9,000 tons of DAP to western Europe at the equivalent of \$600-630 per ton fob, loading November-December, was reported by OCP.

## INTERNATIONAL FERTILIZER MARKET PRICES (FOB US\$/TON)

Monthly Average	Oct '23	Nov '23	Dec '23	1 Month % Change
Urea (prilled bulk fob Black Sea)	341	298	254	-15%
Urea (granular, Middle East-all), fob bulk	381	331	307	-7%
Urea (granular bulk fob Nigeria)	379	329	285	-13%
Ammonia (fob North Africa)	591	600	548	-9%
DAP (bulk fob Morocco)	601	598	582	-3%
DAP (bulk fob Russia Baltic/Black Sea)	549	554	546	-1%
DAP (bulk fob Saudi Arabia) [KSA]	588	573	595	4%
MAP (Morocco), fob bulk	580	583	575	-1%
TSP (bulk fob Morocco)	421	428	413	-3%
Potash standard MOP (bulk fob Jordan)	375	345	333	-4%
Potash Granular MOP bulk fob Baltic/Black Sea	299	291	257	-12%
SOP (standard, NW Europe) € Fob bulk	495	521	575	10%
NPK 15-15-15 (fob Morocco)	437	446	433	-3%

Source: [Argus Media](#)

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## AFRICAFERTILIZER IN THE NEWS

### SENEGAL: PETROSEN TO BUILD \$1.54 BILLION UREA PLANT



In **Senegal**, Petrosen Trading and Services, a subsidiary of Petrosen Holding, the state's technical arm in the hydrocarbons sector, is engaged in the construction of a urea plant. At a cost of \$1.54 billion, it will be housed at the port of Ndayane and will have a capacity of 1.2 million tons per year. It is part of the ambition to develop gas reserves.

The objective is first to make up for Senegal's fertilizer deficit, which imports 80,000 tons per year. Through this project, the country aims not only to cover its needs, but Operational Office for the Monitoring of the Emerging Senegal Plan (Bos/PSE). This structure of the Ministry of the Economy, Planning and Cooperation will carry out the economic impact studies of the project...[Read more](#)

**UGANDA: AFRICA FERTILIZER FINANCING MECHANISM TO BOOST FARMERS' ACCESS TO FERTILIZERS WITH NEARLY \$2.9 MILLION IN CREDIT GUARANTEES AND GRANT FUNDING.**



The Board of Directors of the African Development Bank Group has approved a project to provide 60,000 metric tons of fertilizer to 400,000 smallholder farmers in Uganda.

Under the Fertilizer Financing for Sustainable Agriculture Management project, the Africa Fertilizer Financing Mechanism will provide \$2 million in partial trade credit guarantees and a grant of \$877,842 grant to the African Fertilizer and Agribusiness Partnership... [Read more](#)

**MOZAMBIQUE: AFRICA FERTILIZER FINANCING MECHANISM EXTENDS \$2 MILLION GUARANTEE AND \$877,980 GRANT TO IMPROVE FARMERS' ACCESS TO FERTILIZERS**



The [Africa Fertilizer Financing Mechanism](#) will extend a \$2 million partial trade credit guarantee and an \$877,980 grant to the African Fertilizer Agribusiness Partnership(link is external) to support the distribution of 60,000 metric tons of fertilizer to 300,000 smallholder farmers in Mozambique's Tete, Manica, Sofala and Gaza provinces.

The emergence of large rice, maize, and soybeans out-grower schemes, including in these provinces, has increased the demand and usage of fertilizers for production. Mozambique is, therefore, a growing market, and with the right approach, developing the market over the medium to long term is possible.... [Read more](#)



### Overall Market Risk

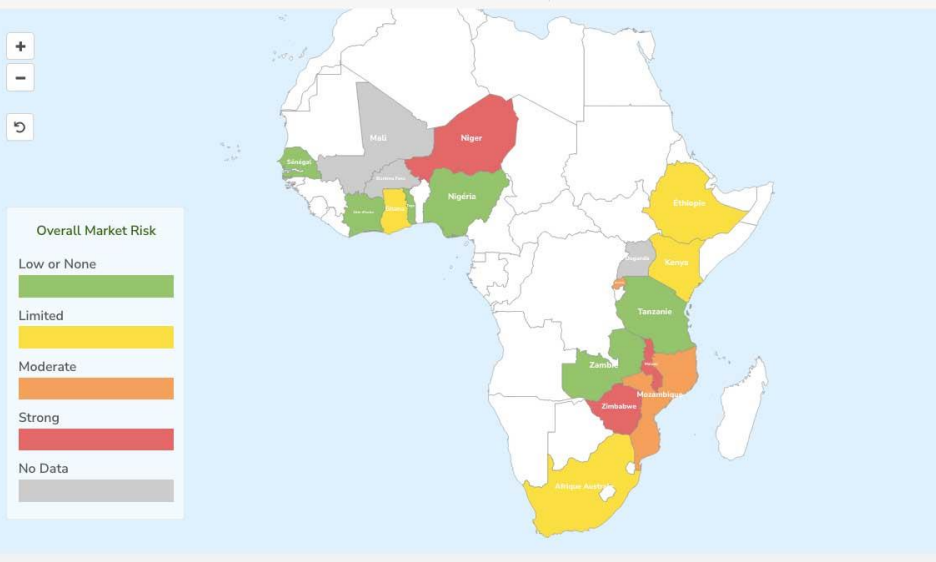
- Overall Market Risk
- Exposure to Ukraine/Russia Crisis
- Sector Responses

### Affordability and Availability

- Fertilizer Price Trends
- Fertilizer Availability
- Fertilizer Allocations

### Fertilizer Distribution

- Ports and Logistics
- Transit and Borders



#### Regional Highlights

##### West Africa

**Overall market risk:** Demand for fertilizers in West African countries has seen a decline, primarily as a result of the conclusion of the main farming season. Consequently, fertilizer prices have experienced a general decrease throughout the region. It is anticipated that these prices will continue to decline in tandem with the decreasing international prices. Fortunately, there have been no reports of fertilizer shortages, and fertilizers remain readily available in all the countries under review, including Niger. This consistent availability in Niger is facilitated by the continuous flow of products through parallel routes. Furthermore, there is an unrestricted movement and supply of fertilizers from one country to another, except for Niger. Niger has faced sanctions imposed by ECOWAS following a coup d'état, which has disrupted the normal flow of goods and supplies.

Despite the overall decrease in prices, the West African region is still experiencing somewhat higher prices compared to previous years. However, on a general scale, prices have remained relatively stable in most countries, and there have been no reports of unavailability.

**Cote d'Ivoire:** The fertilizer market in Ivory Coast has maintained a state of stability, with no significant pressure on supply. This stability is attributed to a supply that adapts to the level of demand. The situation has been further influenced by a decline in demand following the recent conclusion of the main crop year. Importers in Ivory Coast have been proactive throughout the year, mobilizing an impressive quantity of fertilizer. In fact, the tonnage of fertilizer mobilized this year has exceeded the

## IN PARTNERSHIP WITH



## INFORMATION & DATA ANALYSIS PRODUCTS

**Fertilizer Factsheet 2023 SENEGAL**

**2023 Register of Fertilizer Manufacturing & Processing Facilities in Sub-Saharan Africa** (7th Edition)

**Overview of Fertilizer Statistics Senegal 2018 - 2022**

**Annual Import Volumes by Country**

Country	Total Imported (MT)
Senegal	488,415
Zambia	451,019
Tanzania	314,413
Malawi	181,543
Chad	158,991
Burkina Faso	94,975
Senegal	84,183
Mozambique	64,965
Ivory Coast	64,965
Niger	39,364
Nigeria	34,613

For detailed information on the fertilizer situation in Africa, including the impact of rising world fertilizer prices and availability, please visit <https://africafertilizer.org/>  
Provide us with your feedback through [info@africafertilizer.org](mailto:info@africafertilizer.org)