

Voluntary Report – Voluntary - Public Distribution

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Report Name: Russia's Invasion of Ukraine - Impact on Fertilizer Supply and Use in India's Agricultural Sector

Country: India

Post: New Delhi

Report Category: Agricultural Situation, Agriculture in the Economy, Agriculture in the News, Grain and Feed, Climate Change/Global Warming/Food Security

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Report Highlights:

Black Sea regional producers Ukraine and Russia are significant suppliers to India of nitrogen and potassic fertilizers utilized in agricultural production. FAS New Delhi sources indicate that a short supply of potassic fertilizers is unlikely to affect agricultural production prospects in the upcoming crop year in the major food grain belt of northwest India and the Indo Gangetic plains. However, select crops in India's western and southern regions can be affected by short supplies as a drop in potassic fertilizer applications will impact the stress tolerance and quality performance of some crops. Fertilizer prices are expected to increase in the upcoming season.

GENERAL INFORMATION

India imports roughly a third of its nitrogen fertilizer (N equivalent) along with up to half of its phosphate fertilizer (P₂O₅ equivalent). The country also imports 100 percent of its potassic fertilizers (K₂O equivalent). Black Sea regional producers Ukraine and Russia are significant suppliers to India of nitrogen and potassic fertilizers utilized in agricultural production.

Russia's War on Ukraine, Impact on India's Fertilizer Availability: FAS New Delhi (Post) sources inform us that India will likely be able to weather the possible disruption of agricultural fertilizer supplies from Ukraine and Russia (including herein also Belarus) in the short-term, that is through the upcoming *kharif* season. While India will likely be able to make do with urea and nitrogen-phosphate-potassium (NPK) fertilizer supplies already on hand, it will nonetheless feel a significant supply squeeze for potassic fertilizers (mainly for diammonium phosphate).

Indian agriculture will compensate for nitrogen fertilizer import shortfalls from Ukraine and Russia with domestic supplies and by increasing imports from other supplier origins. Indian agriculture, however, will feel the pain of the war-induced supply shortfall most directly regarding the potassic fertilizers as Ukraine and Russia normally supply upwards of 50 percent of India's import volume.

India's Agricultural Areas to Experience Fertilizer Induced Production Disruptions: Post sources indicate that a short supply of potassic fertilizers is unlikely to affect agricultural production prospects in the major food grain belt of northwest India and the Indo Gangetic plains in the immediate crop year. However, an inadequate supply of these fertilizers could likely affect select crops in India's western and southern regions. Any drop in fertilizer applications will impact the stress tolerance and quality performance of crops in these regions.

Fertilizer prices are expected to increase in the upcoming season, which will likely affect overall fertilizer consumption in the upcoming season. Prolongation of Russia's invasion of Ukraine will further disrupt global supplies, affecting India's ability to adequately fertilize the next *rabi* (winter planted) crops, which include the major staples: wheat and pulses.

Attachments:

No Attachments.