

Domestic Suppliers May be the Key to Battling Global Fertilizer Shortages

Manufacturers of fertilizer in the United States—accustomed to supplying solely domestic accounts—are starting to explore growing international demand. To effectively reach locations around the world, those manufacturers must step outside of their supply chain comfort zones.

A global shortage of fertilizer has been developing over the last year or so, and the situation is only deteriorating. As of this August, the fertilizer market seems to be approaching a serious breaking point. This is because the crux of the issue, conflict between Russia and Ukraine and the subsequent disruption of the Nord Stream pipelines, is not cooling off.

Fertilizer production relies heavily on natural gas that is normally supplied by Russia through the Nord Stream pipelines. Countries in Northern and Eastern Europe, essentially the epicenter of the supply blockage, are being forced to look elsewhere for either chemicals needed to make fertilizer or the finished product itself. Developing countries dependent on European supply lines have even less access to fertilizer.

LLS representatives have already begun making connections between these nontraditional spikes of supply and demand. Suppliers that are used to domestic distribution are jumping into the deep end that is the current international logistics landscape. They're being quickly brought up to speed on how quickly conditions can change, and the importance of monitoring congestion, staying informed, and developing supply chain plans well in advance.

Agriculture's dependence on seasons and weather patterns adds another level of urgency. Farmers need reliable delivery schedules and shipping timelines. If shippers can't partner with an expert that can deliver, then no amount of quality fertilizer from the Americas is going to make a dent in the larger issue.