REPUBLIC OF CAMEROON

Situation of Fertilizers, June 2022

Background

The war between Russia and Ukraine is affecting global supply chains and causing price increases for key food but also non-food commodities, such as fuel, fertilizers, and construction materials.

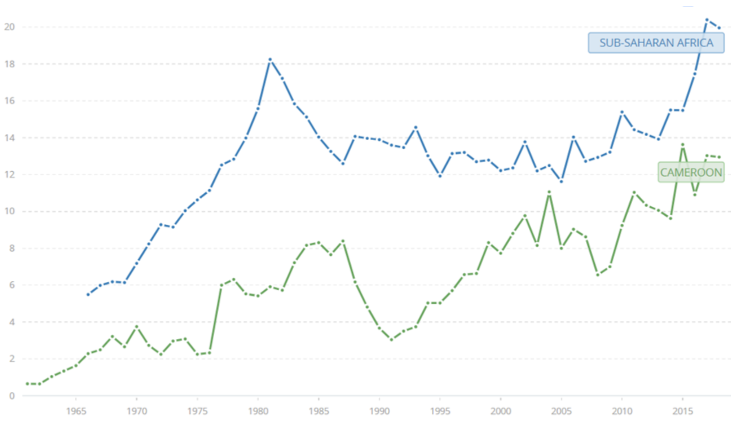

Figure 1: Fertilizer consumption (kilograms per hectare of arable land), 1961-2018 (Data: FAO; Source: https://data.worldbank.org/)

In a context of global inflationary pressures following the COVID-19 pandemic, this situation threatens to trigger a food crisis in many African countries. Beyond affecting major food imports such as wheat flour, a disruption of fertilizer availability on local markets could harm the next harvest, especially in a country that has constantly increased its consumption of fertilizers over the past decades such as Cameroon, as shown in Figure 1.

This bulletin focuses on the potential impact of fertilizer price increases, in particular NPK 20-10-10 and Urea 46%, on local production and indirectly food security and stability in Cameroon. It consists of a preliminary analysis of market monitoring data collected during the Comprehensive Food Security & Vulnerability Analysis (CFSVA) in June 2022, as well as discussions with importers and wholesalers, and covers 24 markets in 6 regions (Adamawa, East, Centre, Far North, and South).

NPK 20-10-10

In general, we observe an increase in the price of a 50 kg bag of NPK 20-10-10 fertilizer between January and June 2022 on all markets surveyed. This increase varies from 9% to 125% depending on the market. The smallest increase was observed in the markets of Sangmélima (South) and Tibati (Adamawa), while the largest increases were observed in the markets of Garoua Boulai (125%), Kribi (106%), and Obala (100%). Price variations between January (before the crisis in Ukraine) and June (during the crisis) are presented in Figure 2.

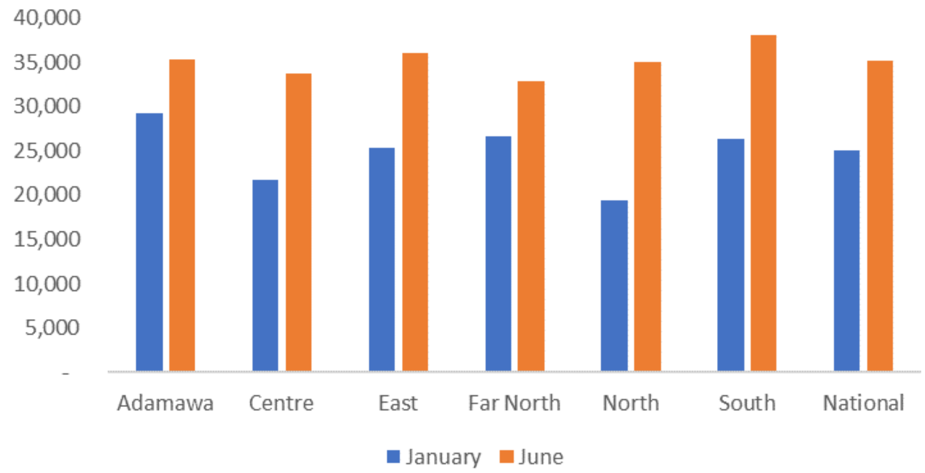

Figure 2: NPK 20-10-10 price variations by region (January-June 2022)

Urea

Compared to NPK 20-10-10, the price of urea has increased significantly between January and June 2022. This increase varies from 7% (Sangmélima) to 180% in Guider. In addition, almost all markets in the Northern region experienced an increase of over 100%. This is due to the fact that urea is practically impossible to find on the various markets. Indeed, faced with drastic price increases, some merchants have limited their stocks.

When it is available, the price of Urea is almost double or even triple than the price charged at the beginning of 2022, before the onset of the Ukraine crisis. Figure 3 shows urea price variations between January and June 2022 (NB: In Gazawa, the main suppliers are from Nigeria, while for Maroua, the prices presented are ADER fertilizer prices).

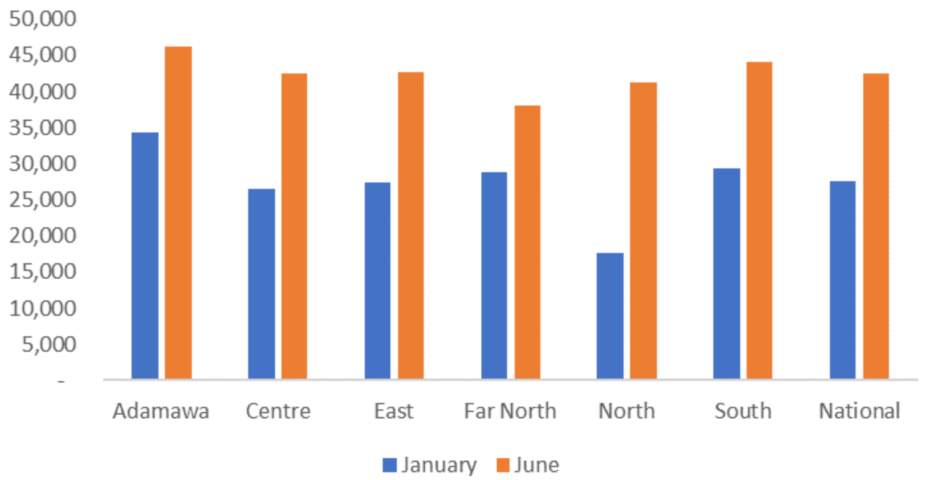

Figure 3: Urea (46%) price variations by region (January-June 2022)

Potential consequences on food security in Cameroon

The increase in fertilizer prices is due to the increase in the price of gas on the international market on one hand, and the price of potassium chloride (KCL) on the other. Indeed, African fertilizer producing countries, such as Morocco and Nigeria, import gas from Ukraine and Russia to supply their factories, which is necessary for the manufacture of the nitrogen contained in urea and the synthesis of potassium to produce NPK.

Faced with the embargo against Russia and the inability of Ukraine to produce gas, the available quantity is not sufficient for everyone. Therefore, the price of gas has increased dramatically, resulting in the current increase in fertilizers prices. For example, a ton of fertilizer was traded between 240,000 and 280,000 FCFA at the port of Douala in January 2022 while it is currently traded between 700,000 and 750,000 FCFA.

This sharp increase could have a negative impact on the progress of the current and future agricultural season, with a decrease expected in local production of cereals and maize in particular during the next harvest (end-September to October) and even next year's harvest. This, coupled to climatic issues such as rain scarcity, observed in the northern part of Cameroon, but also limited cereal imports due to the Russian-Ukrainian crisis, and rising transportation costs, could have a devastating impact on the food security of Cameroon's most vulnerable households and even lead to violent conflicts. There is thus an urgent need to monitor these parameters closely.

Annex

Region	Market	Price per 50kg (FCFA, 20-10-10)		% Increase
		Jan-22	Jun-22	
SOUTH	Abang minko	28,000	42,000	50
	Kribi	17,000	35,000	106
	Sangmelima	34,000	37,000	9
CENTRE	Mokolo	26,000	35,000	35
	Mfoundi	26,000	34,000	31
	Obala	16,000	32,000	100
	Ngoumou	19,000	34,000	79
NORTH	Garoua	20,000	35,000	75
	Gashiga	20,000	35,000	75
	Guider	18,000	35,000	94
ADAMAWA	Tibati	33,000	36,000	9
	Meiganga	28,000	35,000	25
	Banyo	28,000	35,000	25
	Vina	28,000	35,000	25
EAST	Marché central de Bertoua	25,000	32,500	30
	Marché de Mandjou	22,000	34,000	55
	Marché de Batouri	20,000	30,000	50
	Marché de Yokadouma	30,000	35,000	17
	Marché de Bétaré-Oya	35,000	40,000	14
	Marché de Garoua-Boulaï	20,000	45,000	125
FAR NORTH	Yagoua	25,000	32,000	28
	Kousseri	31,500	37,500	19
	Maroua	25,000	34,000	36
	Gazawa	25,000	28,000	12
National Average		**24,979**	**35,125**	**41**

Figure 4: Price of NPK 20-10-10 on local markets

Region	Market	Price per 50kg (FCFA, Urea)		% Increase
		Jan-22	Jun-22	
SOUTH	Abang minko	28,000	42,000	50
	Kribi	18,000	45,000	150
	Sangmelima	42,000	45,000	7
CENTRE	Mokolo	29,000	41,000	41
	Mfoundi	29,000	40,000	38
	Obala	28,000	45,000	61
	Ngoumou	20,000	44,000	120
NORTH	Garoua	18,000	37,000	106
	Gashiga	20,000	45,000	125
	Guider	15,000	42,000	180
ADAMAWA	Tibati	37,000	46,000	24
	Meiganga	30,000	46,000	53
	Banyo	35,000	48,000	37
	Vina	35,000	45,000	29
EAST	Marché central de Bertoua	28,000	46,000	64
	Marché de Mandjou	28,000	45,000	61
	Marché de Batouri	20,000	30,000	50
	Marché de Yokadouma	26,000	40,000	54
	Marché de Bétaré-Oya	40,000	45,000	13
	Marché de Garoua-Boulaï	22,000	50,000	127
FAR NORTH	Yagoua	29,000	35,000	21
	Kousseri	35,000	40,000	14
	Maroua	25,000	40,000	60
	Gazawa	26,000	37,000	42
National Average		**27,625**	**42,458**	**54**

Figure 5: Price of Urea, 46%, on local markets

Contact

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All VAM data and reports can be accessed here: https://dataviz.vam.wfp.org/

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