

The fallout from Russia's invasion of Ukraine continues to disrupt different aspects of the global produce industry. There is growing concern that sanctions could affect the supply of fertilizers, and multiple container lines have dropped services at Russian ports.

On one hand, sanctions imposed on Russia and Belarus could cause disruptions in the supply of critical ingredients used in fertilizers, creating higher prices, availability issues and more uncertainty for the global food supply chain.

According to [a report in Reuters](#), the world's largest fertilizer producer, Canada's Nutrien, said this week that it is monitoring the situation and will boost potash production if it sees sustained supply problems from Russia and Belarus, the world's second and third largest producers of potash behind Canada.

Potash is the common name for a group of minerals and chemicals that contain potassium, a basic nutrient for plants and an important ingredient in fertilizers. It is also the most widely used ingredient in terms of market share, claiming an 80% share of the value of all fertilizer [ingredient exports in 2020](#), according to The Fertilizer Institute.

Sanctions imposed by the U.S. and E.U. following Russia's invasion of Ukraine could hinder exports of natural gas, potash and nitrogen, all critical fertilizer ingredients. The Russian restriction is new, while Belarus had already been restricted.

Nutrien is well positioned in a shortage and the markets have responded. Shares in the firm, which was created as a result of a merger between PotashCorp of Saskatchewan and Calgary-based Agrium Inc, have increased nearly 15% in the last five days.

The company's interim chief executive Ken Seitz [told the Wall Street Journal](#) that it can increase its potash production, but if Russian and Belarus supply were to come back on the market, it would leave Nutrien with a surplus.

Even prior to the Russian invasion of Ukraine, the cost of fertilizers [had been listed as an item of concern](#) amidst high inflation rates by a group of global produce associations.

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The impact is also leaving its mark on services offered by global container lines to Russian ports, with five of the top six firms already suspending bookings to and from Russian ports.

[According to The Maritime Executive](#), Hapag-Lloyd announced the suspension of bookings to Russia last week, followed by ONE and Maersk. MSC and CMA CGM followed suit on

Tuesday. MSC will continue partial service, which means it will continue to screen and accept bookings for “essential goods such as food, medical equipment and humanitarian goods.”

With one exception, notably the Chinese state-owned line COSCO, most East Asian carriers have not announced any changes to their services.