

CRU: Chinese Ferrochrome Smelters Receive Signal to Raise Production

18 July 2017 | News

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A huge amount of potential demand is waiting to be unlocked in West Africa, but a number of obstacles need to be overcome before local farmers are in a position to increase fertilizer application rates. In 2017, there are signs that real steps are afoot to diminish some of these obstacles with possible upside potential for regional fertilizer consumption growth.

Crop yields in West Africa are exceedingly low by international standards. The large majority of farms are owned by smallholders: often single families growing food crops for subsistence and occasionally cash crops to sell at market. These farms tend to be rain-fed, with insufficient water management and little or no irrigation; seeds used are often of poor quality; farming techniques are outdated and inefficient. Perhaps most significantly, these farms use little, if any, fertilizer. CRU Consulting estimates that fertilizer application rates in West Africa averaged only a tenth of those in Western Europe in 2016.