

Hearing on “Pressure Cooker: Competition in the Seed & Fertilizer Industries”
Senator Grassley, Chairman
Answers for the Record: Mr. Corey Rosenbusch – The Fertilizer Institute (TFI)

1. Should Congress require disclosure or similar “sunshine” rules,” such as in the healthcare industry, so growers can determine when dealer incentives may be influencing product recommendations?

A: The relationship between the retail dealer’s agronomist and growers is built on trust and on a shared objective of sustainable productivity, rather than short term sales. There is little incentive for retailers to push products that don’t contribute to that goal.

2. As of October 28, 2025, what is the prevailing price per metric ton of monoammonium phosphate (MAP) in the United States compared with Brazil, and what are the principal causes of any price differential(s)?

A: As of October 28th 2025, the price of MAP per metric ton was \$680/mt in Brazil and \$790/mt in the United States.

Over the last 5-yrs, the USA has been anywhere from a \$40-150/mt premium vs Brazil in October because:

- *Brazilian agriculture is moving out of peak season, and demand is declining accordingly. As a result, the price directionally declines coming off seasonal peaks.*
- *By contrast, seasonal demand in the USA is increasing for the fall application season.*
- *Compared to the USA, Brazil’s imports include a greater share of relatively low-priced imports from China and other countries that tend to exert downward pressure on prices for MAP and other types of phosphate fertilizers in the country.*

Senate Judiciary Committee Hearing
“Pressure Cooker: Competition Issues in the Seed & Fertilizer Industries”
Corey Rosenbusch
Answers for the Record

QUESTIONS FROM SENATOR BOOKER

1. In your testimony, you noted that China's export restraints disrupted global markets and drove up costs for farmers here in the United States and around the world. From your perspective, what domestic steps can we take to counter or cushion the impact of foreign trade policies like these?

A: While the U.S. has robust domestic fertilizer manufacturing and production, the United States is a net fertilizer importer and relies on both domestic production and imports during busy spring planting and fall application periods. Our members compete fiercely with each other and hundreds of global competitors in a robust, global fertilizer market.

China has a powerful position in the global fertilizer market. It is the world's largest consumer of all three macronutrients (nitrogen, phosphate, and potassium) and the world's largest producer of nitrogen and phosphate. China's state-supported, non-market driven buildup of substantial capacity and its subsequent government mandated export restraints have been highly disruptive to the global market, raising costs for farmers in the United States and worldwide, while chilling the growth of market-based capacity expansions outside of China.

Similarly, Russia, which has built up its fertilizer industry through a combination of domestic resources and non-market actions, including subsidies on upstream natural gas used in nitrogen product, has also recently imposed export restraints including a recent ban on sulfur.

Strengthening the domestic supply of fertilizers is the best strategy for countering China. Specific policies to advance U.S. fertilizer supply are:

- **Appointment of a full-time USDA Fertilizer Economist** to monitor market dynamics, improve transparency, and provide accurate, timely information to farmers and policymakers.
- **Advancement of national policy to expand domestic fertilizer production**, led by the Secretary of Agriculture and coordinated across federal agencies.
- **Streamlining of federal permitting and regulatory reviews** to accelerate construction and modernization of fertilizer plants, mines, and infrastructure.

- **Encouraging energy policies that maintain affordable and reliable natural gas supplies**, the key feedstock for nitrogen fertilizer, to safeguard U.S. production and competitiveness.
- **Promoting a more open, fair, predictable, and transparent trading environment** that empowers the continued growth of a resilient, competitive, and sustainable fertilizer industry for our farmer customers.
- **Accelerating innovation and emerging fertilizer technologies**, including advanced nutrient formulations and enhanced efficiency fertilizers consistent with the 4R Nutrient Stewardship framework.
- **Further encouraging grower adoption of 4R Nutrient Stewardship practices** (applying the right source, rate, time, and place) to support farmers getting the most out of every fertilizer dollar.
- **Identifying productive science-backed streams for recycled production materials from mined sources.**

2. What impacts have President Trump's new tariff policies had on your association's members?

- a. In the short term, how have these tariffs affected your members' operations, costs, and competitiveness?
- b. Looking ahead, what long-term consequences do you anticipate these policies will have for your industry and its global position?

A: Because we represent companies throughout the entire value chain, including fertilizer manufacturers, importers, and retailers, trade policy does not uniformly impact all our members or the three key macronutrients.

Fertilizer production is highly capital-intensive. Every year, U.S. fertilizer producers are investing billions of dollars to maintain and upgrade their facilities; that investment has helped foster the reliability and strong capacity utilization of the U.S. industry and has, in many cases, expanded U.S. production over nameplate capacity, all of which is making more fertilizer available to America's farmers. Over the past decade, billions of dollars have also been invested to expand U.S. fertilizer production capacity, including in Iowa and Louisiana.

While the U.S. has robust domestic fertilizer manufacturing and production, it is a net fertilizer importer in the aggregate. There are, however, differences across the three macronutrients.

- *With its access to affordable natural gas used as the primary feedstock, the United States is the fourth largest nitrogen producing nation. The largest nitrogen producers -- China (31%), India 10%), and Russia (8%) – have each engaged in significant non-market activities to build their industries.*

- *With its geologic deposits, the United States is the fifth largest producer of phosphate, after China (43%), Morocco (13%), Russia (9%), and Saudi Arabia (8%). China, Morocco, and Russia have each engaged in significant non-market activities to build their industries.*
- *While the United States has some domestic production of potash, it imported most of its domestic potash supply in 2024, as it has for decades. Only 15 countries produce potash, which is mined from geologic deposits, but Canada (33%), Russia (19%) and Belarus (15%) are the dominant producers.*

In 2025, overall U.S. domestic fertilizer supply has experienced a significant decline in U.S. imports across all three macronutrients. Imports of phosphorous and potassium were already down in the first quarter of 2025 relative to the same period in 2024. Imports in Q1 2025, relative to Q1 2024, were down 20% for phosphorous and 7% for potassium. In contrast, imports of nitrogen over the same period, Q1 2025, relative to Q1 2024, were up 12%, with Russian nitrogen imports, that do not face any tariffs and are produced with subsidized, low-cost gas, representing the predominate share of U.S. nitrogen imports.

Global fertilizer supply encompasses many parts of the world, but each nutrient has a unique vulnerability to supply shocks. Geopolitical events such as ongoing global conflicts in the Middle East and Europe; government controls; subsidies, and other policies impact production, exports and consumption; and the evolving nature of global trade policy are impacting the global market (and prices) for fertilizers.

Since the beginning of 2025, billions of dollars of fertilizer industry investment in new U.S. greenfield production have also been announced with new production capacity coming online by 2029. Additional production expansions are in earlier stages of development but are facing legal challenges as they move through the permitting process.

These major investments are made for the long term, with U.S. production sites operating for decades because of the level of maintenance and improvements. The investment and commitment to strong and safe operations by the fertilizer industry means that U.S. farmers have access to more critical crop nutrients in a timely manner.

Our recommendations for immediate and long-term policy actions to enhance domestic fertilizer production and improve supply chain reliability for U.S. farmers are outlined in our answer to the first question and on our website.

3. Labor shortages continue to be a significant challenge for U.S. farmers.
 - a. Can you describe the primary causes of these shortages and how they are specifically affecting your members' operations, productivity, and costs?

b. From your perspective, what strategies or policy changes could help address these workforce gaps and support agricultural production?

A: While we are aware of farmers' ongoing labor challenges, characterizing the problem and potential solutions is outside our area of expertise, which is the fertilizer industry. While not a shortage, it is worth noting that in TFI's most recent Industry Trends survey, conducted in 2023, members identified an insufficiency of skilled labor as a top challenge for U.S. companies in the fertilizer industry. This labor market challenge can lead to reduced operational efficiency and lower production, which leads to higher costs and ultimately reduces U.S. competitiveness.

Addressing the skilled labor shortage is crucial for the fertilizer industry, many others like it and ultimately the U.S. economy at large to ensure U.S. economic stability and growth. A suite of solutions that include but are not limited to vocational training and apprenticeship programs, partnerships between industry and educational institutions and policies that support the growth of skilled trades and provide incentives for training.