Will our next hunger crisis come strait out of Hormuz?

Talks over the full re-opening of the Strait of Hormuz remain deadlocked. This impasse carries the unnecessary risk of leaving things no better than they currently are—if anything worse.

BY MONITOR REPORTER

Since the onset of the US and Israeli war with Iran on February 8, 2026, pump prices have largely been seen through the lens of worst-case assumptions. And with good reason.

Lesser known, but not less impactful, is the rise in the price of fertiliser brought on by Iran's closure of the Strait of Hormuz. Globally, there has been an 80 percent surge in the price of fertiliser, with a 50kg bag of the same surpassing the Shs200,000 mark in Uganda.

The domestic spikes are estimated at anywhere between 15 percent and 30 percent. While failure to lift the blockade that Iran has been running in the key waterway of the Hormuz strait has inflicted the damage it was expected, an equally devastating blow has come elsewhere. This is courtesy of Russian fertiliser stocks being targeted by Ukrainian strikes in another war that marked a grim milestone of straddling four years in February. So, essentially, both wars have contrived to stop the supply of fertiliser.

Why should Ugandans care about this state of affairs?

It is easy to see why critical reactions to the consequences of fertiliser shortages have toggled between a yawn and a sneer in Uganda. Most Ugandan farms have time and again shown that they can work through the turmoil of an absence of fertiliser.

Traditionally, Ugandan farmers are known to use fertiliser rather sparingly. At last count, the average was slightly below five kilogrammes of fertiliser per hectare. This is well below the African average of slightly above 20 kilogrammes of fertiliser per hectare. The sub-Saharan Africa average stands at 17 kilogrammes of fertiliser per hectare or thereabout.

Notwithstanding, armed with the knowledge that crop yields can drop off precipitously—as much as 50 percent in the first [planting] season—when nitrogen fertiliser is not applied, Ugandan farmers have started to tap into the fertiliser market.

With a disproportionate part of Uganda's first [planting] season having panned out when the US and Israeli war with Iran was at its fiercest, an outcome of reduced crop yields is currently the sum of all fears. The first [planting] season is usually typified by long rains between mid-February and late March. The season aligns with the March-May (MAM) rains.

Experts are bracing for a brutal impact in the wake of the dearth of fertiliser. Already, in the Consumer Price Index (CPI) report for the 12 months ending in April 2026, the annual inflation rate for "Food and Non-Alcoholic Beverages" stood at 2.8 percent.

The specific sub-category of "Food Crops and Related Items" was put at 0.6 percent.



Vessels in the Strait of Hormuz, Iran, May 22, 2026. PHOTO/REUTERS

KEY FACTS ON HORMUZ

1 **Location.** The Strait of Hormuz is a narrow stretch of water located between Iran, the United Arab Emirates (UAE) and Oman. The waterway - which is about 21 miles (33 km) at its tightest point - connects the Gulf to the Gulf of Oman, making it a vital global shipping route.

2 **Users.** About 20% of the world's oil and liquefied natural gas usually passes through the Strait of Hormuz. That oil comes not only from Iran, but also Gulf states such as Iraq, Kuwait, Qatar, Saudi Arabia and the UAE. In 2025, about 20 million barrels of oil passed through the waterway per day, according to estimates from the US Energy Information Administration (EIA) - that's nearly $600bn (£447bn) worth of energy trade per year. Sea traffic has been significantly reduced since the war began.

3 **Destination for Iran's oil.** In 2022, around 82% of crude oil and other fossil fuels leaving the Strait of Hormuz were bound for Asian countries, according to EIA estimates. China alone is estimated to buy around 90% of the oil that Iran exports.



Does the second [planting] season also risk being met with crippling fertiliser shortages?

For starters, the planting season in question, which spans from mid-August to the back end of September, is marked by short rains that are indispensable to the realisation of a second crop rotation. This is before ringing in a new year.

To be clear, talks over the full reopening of the Strait of Hormuz remain deadlocked. This impasse carries the unnecessary risk of leaving things no better than they currently are—if anything worse. This, as experts forecast that an El Niño weather event will likely occur at the back end of 2026, and, perhaps unsurprisingly, negatively impact food production.

The last El Niño weather event brought one of the worst droughts to East Africa, gravely impacting the sub-region of Karamoja, whose planting window straddles from April to May.

Where does Uganda get the fertiliser that its farmers rely on?

The annual volume that the country imports is estimated at nearly 300,000 metric tonnes, with a value of about $55 million (Shs206.66 billion). NPK is a firm favourite, gobbling up to 34 percent of demand. Urea (24 percent), DAP (12 percent), and MOP (six percent) all hold sway with varying degrees.

As for the fertiliser itself, most of it comes from Russia, Saudi Arabia, Qatar, and Kenya. The presence of a country from the Persian Gulf should not come as a surprise. Anywhere between 30-35 percent of the international trade in urea and around 20-30 percent of ammonia can be traced back to the Gulf.

Shs206.66b

The value of fertilisers Uganda imports annually is $55m (Shs206.66 billion). Uganda is among the countries whose imports such as fertilisers could be passing through the Strait of Hormuz.

Elsewhere, Russia is the biggest exporter of fertiliser. But, in the here and now, it is important to note that 30 percent of the world's fertiliser trade passes through the Strait of Hormuz. This, if it needs to be stressed, is no small beer.

Does Uganda produce fertiliser?

It does. But most of it is organic rather than synthetic. Projects like the Mpigi Organic Fertiliser Plant in Kampiringisa and the Green Hydrogen Fertiliser Company stand out. Yet the stillbirth of the multimillion-dollar Sukulu fertiliser project in Tororo District tells its own story. Not a pleasant one, I'm afraid.

A legal battle over licensing rights condemned the project to a fate that has effectively left it dead in the water. The $620 million (Shs2.32 trillion) project counted fertiliser production as well as production of glass, steel, bricks and cosmetics as its components. The plant is expected to produce purely organic fertilisers on the local market with an annual target of 300,000 metric tonnes.

Is the spike in domestic prices of fertiliser singularly down to shipping bottlenecks?

No, it is not. While the Hormuz blockade has choked the supply of fertiliser, surging global energy costs have inflicted harm that has proved to be equally pernicious in its consequences. From planting to harvesting, then processing, right through to transportation, energy prices play a telling role in food production. For instance, nitrogen-based fertilisers like urea—extensively used in Uganda—count natural gas as a vital ingredient. Small wonder, the price of urea has soared by 65 percent.

The shipping bottlenecks, though, will take some beating. Kpler, which provides real-time market intelligence by putting its finger on the pulse of movement of commodities, maritime shipping, and supply chains worldwide, estimates that almost two million tonnes of fertiliser are stuck on the wrong side of the Strait of Hormuz.

A staggering number by any measure. In Uganda, it certainly has not helped matters that the government added a 2.5 percent tax on imported agrochemicals. Observers say this will further choke the supply of vital crop nutrients, exacerbating crop yields.

So, what next? What does the road ahead look like?

Obviously, it is vitally important that the traffic through the Strait of Hormuz be boosted. Lamentably, encouraging signals have been few and far between. The Trump administration's "Project Freedom" has not delivered a much-needed tonic by ending the standoff in the Gulf. This, regrettably, will not be without consequences, with a hunger crisis expected to knock sub-regions like Karamoja and Teso sideways sooner rather than later.

The drought that the sub-regions grappled with between 2020 and 2023, when an El Niño weather event reared an ugly head, was the worst experienced in 40 years. There were widespread crop failures, severe water scarcity, and acute food insecurity following the prolonged drought conditions. If lightning were to strike twice, it would be devastating. To say the least.

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