

34TH ANNUAL AERA CONFERENCE

SESSION ON REIMAGINING INDIA'S FERTILIZER POLICY LANDSCAPE: FROM PRICE MANAGEMENT TO AGRICULTURAL VALUE CHAINS TRANSFORMATION

14 OCTOBER 2026 | 11:30 AM – 13:00 PM
PONDICHERRY UNIVERSITY, PUDUCHERRY

CONCEPT NOTE

Background and Rationale

India's fertilizer policy has traditionally focused on ensuring **availability and affordability through price controls, subsidies and public procurement**. While this approach has protected farmers from sudden international price increases, recent global disruptions—including the Russia–Ukraine war and the West Asia crisis—have highlighted the vulnerability of India's fertilizer system to global energy prices, import dependence, shipping disruptions and geopolitical risks.

The challenge is therefore no longer only **to keep fertilizers affordable in the current season**, but how to build a fertilizer system that is **resilient to repeated external shocks, responsive to markets and aligned with farmer profitability, soil health and environmental sustainability**. Fertilizer security is closely linked with energy security, agri-food system transformation, food prices and fiscal sustainability.

At the same time, India needs to move from a narrow focus on individual fertilizer products towards **nutrient security and efficient nutrient management**. Promoting balanced fertilizer use requires appropriate incentives, credible alternatives, better soil-health information and assurance that productivity and farm incomes will not be compromised. Additionally, the impact of retention pricing and the selective deregulation could be explored.

Purpose of the Policy Dialogue

The Policy Dialogue will bring together policymakers, researchers, fertilizer industry representatives, market and value-chain actors, farmers and other stakeholders to deliberate on **how India can transition from a predominantly price-management approach towards a more resilient, market-responsive and sustainable fertilizer and nutrient management system**.

Key Questions for Discussion

- How can declining fertilizer productivity and optimization of use be achieved in India?
- What does repurposing fertilizer subsidy in India entail?
- What demand and supply side interventions can be considered in policy for optimal use of fertilizers?
- How can India reduce its vulnerability to **global fertilizer, energy and geopolitical shocks**?
- How can fertilizer markets be made more **efficient, competitive and responsive to farmers' and sustainability needs**?
- What is the appropriate balance between **domestic production, imports, strategic stocks and market diversification**?
- What market and policy incentives are needed to promote **alternative and more sustainable sources of nutrients**?
- Can and should India develop an integrated **fertilizer-risk monitoring and early-warning system** linking global markets, energy prices, imports, inventories and crop-wise demand?

Expected Outcomes

The dialogue will seek to develop a forward-looking policy framework for India's fertilizer and nutrient security, with particular emphasis on:

- reducing vulnerability to external shocks;
- improving the functioning of fertilizer markets and value chains;
- strengthening nutrient-use efficiency and balanced fertilization;
- aligning fertilizer policy with farmer profitability and food-system outcomes; and
- developing mechanisms for anticipating and managing future fertilizer and nutrient supply risks.
- Attached effects on water use?
- Improvements in food safety and quality attribute?