The COVID-19 pandemic, dramatic shifts in supply and demand, natural disasters and market concentration have caused major supply chain disruptions, including in food and agriculture. These disruptions have created shortages of farm inputs, causing farm input costs to spike. Disruptions in processing facilities have also created bottlenecks, causing food prices to rise.

Fertilizer and agriculture chemical prices have skyrocketed in the last year. Nitrogen, phosphate and glyphosate prices have all more than doubled in the last 12 months. These issues have been exacerbated by the Department of Commerce’s recent decision to impose countervailing duties on phosphate fertilizers from Morocco and Russia. These countervailing duties, which were imposed at the request of two major fertilizer producers, are expected to increase U.S. costs of production while potentially lowering production costs in other parts of the world.

North Dakota also faces unique supply chain challenges, because of our reliance on rail transportation. Most of North Dakota’s shippers are captive to a single railroad. With a lack of rail competition and few alternative shipping options, North Dakota producers face high basis costs.

NDFU urges swift action to address supply chain challenges, including:

- Investigations into supply chain disruptions and strong enforcement against companies found to engage in price gouging;
- Initiatives to address the nation’s trucker shortage and provide hours of service waivers where appropriate;
- Efforts to increase rail competition, limits on rail rates and streamlined rate review processes;
- Elimination of import barriers that are intended to increase the market share of dominant firms;
- Investigate a potential remedy; and
- Investments in fertilizer and propane infrastructure in North Dakota.