

NATIONAL FERTILIZER SUBSIDY PROGRAMME FOR 2017
INFORMATION TO STAKEHOLDERS

1.0 BACKGROUND

Ministry of Food and Agriculture hereby announces to the general public and the farming communities the selling prices of the various types of fertilizers under the 2017 National Fertilizer Subsidy Programme for the 2017 farming season with effect from 1st April, 2017 as follows:

Fertilizers

- ◆ Compound Fertilizer (NPK) - GH¢57.5 per 50kg bag
- ◆ Urea - GH¢47.5 per 50kg bag
- ◆ Organic (ACARP) - GH¢15 per 50kg bag
- ◆ Organic (YAYRA CLOVER) - GH¢32.5 per 25kg bag

The government for the first time in the history of the subsidy programme has decided to take 50% of the cost on all the various types of fertilizers. The companies that are involved in the 2017 subsidy programme are as follows:

1. Yara Ghana limited
2. Chemico Limited
3. Afcott Ghana limited
4. AMG Limited
5. Omni Energy Ghana Limited
6. Iddisal Company Limited
7. Louis Dreyfus Commodities Limited
8. ETC Ghana Limited

9. Centroid Supplies & Logistics Limited
10. RMG Ghana Limited
11. Ganorma Agro –Chemicals Limited

The companies have been allocated quotas of various fertilizer types for distribution to the regions and districts for sale to farmers through their registered sales outlets.

1.1 SUBSIDY TARGETING

To ensure maximum reach to resource poor farmers and greater efficiency and value for money, the Ministry of Food and Agriculture will continue with the targeting measures under the 2017 programme.

The following category of farmers will be the target of the subsidy programme.

1. Smallholder farmers cultivating maize, rice, sorghum, millet, soybean, cowpea and vegetables.
2. Out-grower farmers registered under recognized Nucleus Farmers/Companies will be considered. Nucleus farmers/ Companies with verifiable list of out-growers cultivating food crops will have to apply to MoFA to procure at such rates.
3. A food crop farmer whether on his/her own or as a member of an out-grower scheme shall be entitled to NOT more than the fertilizer inputs for 2 hectares, amounting to **10 bags of compound fertilizer and 5 bags Urea.**

4. Women farmers would receive priority as much as possible

These measures will ensure that small scale farmers will have access to subsidized fertilizers throughout the year.

1.2 PARTICIPATING COMPANIES

For the 2017 subsidy programme the following eight (11) fertilizer companies who took part in the bidding process have been selected to participate in the 2017 programme. The companies are

- a. AMG limited
- b. Chemico Limited
- c. Afcott Ghana limited
- d. Yara Ghana Limited
- e. Omni Energy Ghana Limited
- f. Iddisal Company Limited
- g. Louis Dreyfus Commodities Limited
- h. ETC Ghana Limited
- i. Centroid Supplies & Logistics Limited
- j. RMG Ghana Limited
- k. Ganorma Agro –Chemicals Limited

The fertilizer companies participating in the subsidy programme have been allocated quotas of various fertilizer types. These companies shall continue to import, clear the fertilizers from the port of entry, and distribute to the regions and districts for sale to farmers by their registered sales agents.

1.3 MODALITIES FOR DISTRIBUTION

The waybill system will be used in the implementation of the 2017 subsidy programme. The fertilizer companies will be required to issue waybills on all consignments issued to distributors. Distributors are required to send copies of all waybills covering fertilizers to be sold under the subsidy programme to the office of the Regional Department of Agriculture. The distributors will also be required to issue out invoices on all quantities given to retailers. The retailers are required to record daily sales to farmers on the daily records sheets. Sales records should be done only on the daily records sheets. Retailers should **only** sell subsidized inorganic/organic fertilizers to farmers with farmers' passbook. Farmers without farmers' passbook should not be allowed to purchase subsidized fertilizers. Subsidy will only be paid on the quantities of fertilizers sold to farmers and duly recorded on the relevant fertilizer forms and submitted to MoFA for verification.

1.4 CAUTION

Under no conditions should subsidised fertilizers be sold above the announced prices. Farmers and the general public are advised to report any dealer selling subsidized fertilizers above the announced prices to any Agricultural Official or to the nearest security agency. The security agencies are advised to arrest and prosecute any person or groups of persons who will smuggle subsidized fertilizers across the borders.

Table1: Prices of fertilizer and subsidy to be paid by government in 2017

| Fertilizer Type | Full Cost (GHC)/50kg | Government Subsidy (GH¢)/50kg | % Subsidy | Selling Price (GH¢)/50kg | Farmers % |
|------------------------|-----------------------------|--------------------------------------|------------------|---------------------------------|------------------|
| Compound | 115.00 | 57.50 | 50 | 57.50 | 50 |
| Urea | 95.00 | 47.50 | 50 | 47.50 | 50 |
| Organic (ACARP) | 30 | 15 | 50 | 15 | 50 |
| Organic (YAYRA GLOVER) | 65 | 32.5 | 50 | 32.5 | 50 |