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Australia strengthens fertiliser security with first Indonesian urea shipment

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Additional urea imports secured through the Fuel and Fertiliser Security Facility are expected to provide greater certainty for growers ahead of key planting seasons



Australia has received the first shipment of urea under a government-backed supply agreement with Indonesia, marking a significant step in strengthening fertiliser availability and supporting agricultural production amid ongoing global geopolitical uncertainty.

The vessel, carrying 47,250 tonnes of urea, arrived in Brisbane as part of a broader 250,000-tonne supply arrangement between fertiliser producer Incitec Pivot and Indonesia's state-owned fertiliser company PT Pupuk Indonesia. The agreement has been facilitated through close cooperation between the Australian and Indonesian governments as part of efforts to safeguard critical agricultural inputs.

The shipment forms part of the Australian Government's broader strategy to mitigate potential disruptions to fertiliser supply arising from instability in the Middle East and volatility in global commodity markets. By securing additional fertiliser volumes, the government aims to provide farmers with greater certainty during planting and crop management decisions while reinforcing national food production capacity.

Australia's agricultural sector is projected to generate more than A$98 billion in production value during the 2026–27 financial year, highlighting the importance of reliable access to essential farm inputs such as fertilisers and fuel. The newly arrived cargo contributes to a larger initiative under the government's A$7.5 billion Fuel and Fertiliser Security Facility, through which approximately 340,000 tonnes of additional urea have been secured for domestic agriculture.

The partnership also reflects the growing strategic importance of Australia–Indonesia agricultural cooperation. Indonesia remains Australia's fifth-largest agricultural export destination, with bilateral agricultural trade valued at approximately A$6.2 billion in 2025. The fertiliser arrangement is expected to support food security objectives in both countries while strengthening supply chain resilience across the Indo-Pacific region.

Additional urea shipments secured under the programme are scheduled to arrive in the coming weeks, further bolstering supplies for Australian farmers ahead of key production cycles.

Industry stakeholders have highlighted the importance of diversified fertiliser sourcing and international collaboration in maintaining agricultural productivity during periods of global market uncertainty. The latest shipment is expected to play a critical role in ensuring stable fertiliser availability for Australian growers while supporting broader regional food security goals.