

33rd IFA Enlarged Council Meeting



Doha, Qatar

27-29 November 2007

قطر

**SPEECH OF
HE ABDULLAH BIN HAMAD AL-ATTIYA
DEPUTY PRIME MINISTER
& MINISTER OF ENERGY AND INDUSTRY
AT THE INAUGURAL SESSION**

(content as provided for distribution in Doha)

**All the papers and presentations prepared for the 33rd
Enlarged Council Meeting in Doha will be compiled on
a cd-rom to be released in January 2008.**

**Speech of
He Abdullah Bin Hamad Al-Attiya
Deputy Prime Minister
& Minister of Energy And Industry
at the Inaugural Session**

In the name of Allah, the Compassionate, the Merciful

President of IFA Council,
IFA Director-General,
Members of IFA Council,
Distinguished Guests,

Assalamu Alaikum wa Rahmatullah:

In the name of the State of Qatar, I extend a warm welcome to you all, wishing everyone a nice stay in Qatar and hoping that IFA's Enlarged Council Meeting will be convened successfully. Certainly, this meeting is a bright embodiment of international cooperation, underscoring the need for joint action by all peoples of the world in pursuit of progress and prosperity of mankind.

The N: P: K nutrient consumption ratio in the region during 2006/07 was 2.58: 1: 0.37 as compared to 2.66: 1: 0.41 during 2005/06. The NPK ratios in all the countries during 2006/07 compared to 2005/06 are given in table 3.

Ladies and Gentlemen

It is universally agreed that development is the ultimate goal nations aspire to, and that food security is one of the priorities of the development process. Needless to say, improving agricultural processes and increasing land output are crucial to food security.

Despite the world's huge breakthroughs in increasing the production of crops and the consequent state of food security enjoyed by several countries that were one day threatened by the specter of famine and food shortages, the issue of securing food to meet growing demand, in light of the population explosion seen in many parts of the world is still a matter of grave concern, and one of the major challenges facing humanity, as food shortage tends to hamper economic growth and limit countries' capacity to address the problems of underdevelopment and the resulting instability that plague not only the countries concerned but the international community as well.

To meet these challenges, comprehensive economic and development policy makers had to accord due importance to this fact and work jointly on finding the best ways to maximize the use of the world's limited cultivable land to achieve global food security and help improve the economic and social standards of the world's least developed and undernourished populations.

Ladies and Gentlemen

Your meeting today offers a good opportunity to share experience and deepen the concept of international collaboration, which will have positive ramifications on the development of the fertilizer industry. It is imperative that we strengthen the ties of cooperation between us since this vital industry has its international dimension, be that at the industrial and commercial

levels or in terms of its dependence on certain primary materials/natural resources and also in terms of its contribution towards narrowing the global food gap.

Various indicators suggest that the fertilizer industry will expand significantly over the coming years, in light of a rapid growth in the world population at a whopping rate of nearly 100 million annually, which by far exceeds the present rate of growth in food production capacities. This is further compounded by the evident deterioration in soil fertility, the scarcity of arable land and the difficulty of expanding it without posing serious threats to the environment. It can therefore be seen that the world can meet this challenge only through advanced technical packages for the enhancement of land productivity. This would certainly entail heavier dependence on the various types of fertilisers and hence spur demand for them over the coming decades.

Another reason that favours expansion in the fertilizer industry is the world increasing drawing on alternative forms of energy, particularly biofuel, which is obtained from agricultural crops. In USA for instance the government call for the production of 35 billion gallons of Ethanol by 2017, which would equal about 15% of the USA liquid transportation fuel. However, growing these crops would require larger quantities of fertilizers to boost yields and meet the rising demand for biofuel in different parts of the world. The fertilizer industry would therefore have to expand in response to this additional demand.

With the forecast increase in global demand for fertilizers in the coming decades the Arab world gains a special significance on account of its potential role as a large supplier of fertilizers to the world market thanks to the abundance in several Arab countries of the primary materials and inputs necessary for the fertilizer industry.

In this regard, Qatar has taken vast strides to maintain its position as a leading producer and exporter of fertiliser. We have embarked on practical steps to set up a fifth production line, namely the QAFCO-5 expansion project. The project facilities will include 2 ammonia plants with a total daily production capacity of 4,600 tpd (2,300 tpd each), and a urea plant with a production capacity of 3,850 tpd. The project will also include a number of support facilities. QAFCO-5 is set to be the world's largest ammonia urea plant in terms of production capacity and cost. The project completion, which is scheduled for in 2011, will raise ammonia production by 73% to 3.8 million tons yearly, and urea production by 43% to 4.3 million tons per annum, and thereby make QAFCO the world's largest single site producer of both ammonia and urea. It is worth noting that QAFCO has already been the largest single site producer of urea since the commissioning of QAFCO-4 expansion project in 2004.

Ladies and Gentlemen,

The state of Qatar has made tangible contributions towards advancing international cooperation in all areas. In addition to the country's vibrant presence in the political, media and sports arenas, Qatar has reinforced its position as a key player in the global economy as well. The carefully planned policies and development efforts pursued throughout the last ten years under the leadership of HH the Emir, Sheikh Hamad bin Khalifa Al-Thani and HH the Heir Apparent, Sheikh Tamim bin Hamad Al-Thani have ushered the country into an era of economic boom that saw the nation's GDP rise by 25%. Qatar's natural gas reserves are estimated at 925 trillion cubic feet or 15% world's total reserves. Qatar's hydrocarbon industry notched milestone accomplishments in the recent years. As a result of these developments Qatar became the largest exporter of liquefied natural gas in the world. The country exported 43 million tones of LNG in 2006, and the figure is expected to rise to 78 million tonnes in 2011. Qatar is also on its way to becoming the world's leading country in the field of the gas to liquids technology (GTL), which converts natural gas into clean liquid fuels. Construction of the world's largest GTL project is underway for production of 120,000 barrels of oil equivalent per day of condensate, LPG and ethane; and 140,000 bpd of clean liquid fuels.

In the domain of regional projects within the energy sector the Dolphin marine pipeline commenced export of natural gas to the UAE at a rate 2 bn cu ft per day. In future, gas export pipelines will be extended to other countries in the region.

In line with the state's policy diversify income and raise the gas added value, Qatar invested heavily in expanding its petrochemicals and fertilizer industry, and secured a large slice in the international market. In 2006 petrochemical exports reached QAR 9.3 billion and accounted for 38% of the nation's GDP.

The robust growth was not confined to gas and petrochemicals industries but covered all sectors of the economy, such as the real estates, banking, manufacturing industries, etc. indicators suggest that Qatar economy is in for further growth in the years to come.

This outstanding performance of the national economy and the development strategy pursued by the Government have reflected favourably on all aspect of the people's lives. Qataris' per capita GDP is one of the highest in the world and under a welfare state, they enjoy superb health and education services.

In the height of the intense economic activity all over the country, we remain mindful of the importance of protecting the environment. In this regard, the Government established the Supreme Council for Environment and Natural Reserves (SCENR), which has been charged with monitoring and improving the country's environmental performance. SCNER will be enacting legislations phasing out the importation and use of all ozone depleting substances by 2010. The country is taking advantage of the latest technological innovations to minimize carbon emissions from its oil and industrial facilities. Another significant initiative is the introduction of GTL technology to produce cleaner liquid fuels with milder impacts on the environment.

Finally, I wish to applaud the key role played by the International Fertilizer Industry Federation (TA) in promoting cooperation between member companies and via the ambitious plans and strategies it continues to formulate for the future of the fertilizer Industry.

We are confident that this gathering will strengthen joint international action and give impetus to international cooperation to meet the challenges lying ahead amid advances in technology and changes in the global economy.

At this point, I would like to emphasize the extreme importance recognizing protection of the environment as a top priority and the need to cooperate in order to improve the efficiency of our industries to meet relevant standards and help reduce and control pollution, with the aim of minimizing its harsh impact on our environment.

Once again I wish you a happy stay in Qatar

With my best wishes for a successful meeting

Wassalamu Alaikum wa Rahmatullah