

Annual Report 2010

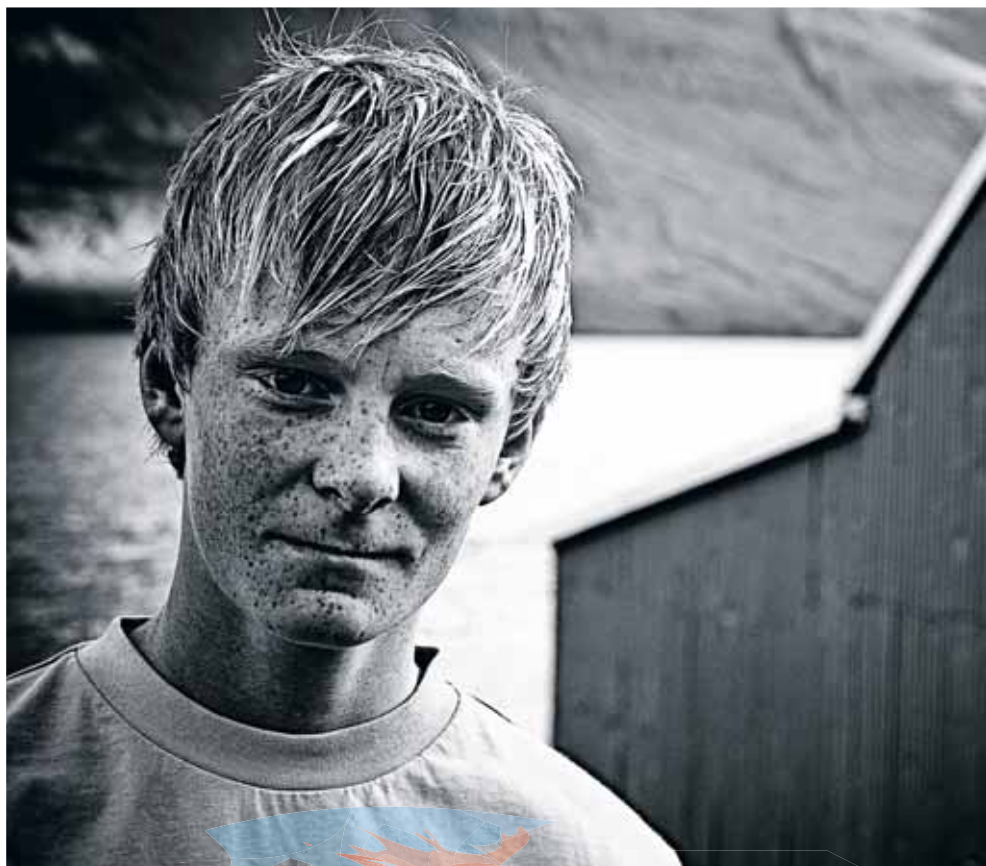






table of contents

- 3** From the President
- 5** From the Director General
- 6** Membership
- 8** Executive Committee 2009/2010
- 11** IFA's Activities in 2010
- 19** Finances / IFA Awards
- 20** Elections in 2010/ Past Presidents



inside back cover Past Conferences



Report of the Council
of the 84th year to be presented
to the Annual General Meeting
on 25 May 2011





AJAY S. SHRIRAM

DCM Shriram Consolidated Ltd
India



In today's context of successive crises and soaring food and fuel prices, the agro-industry faces many challenges. They include food and nutrition security, climate change and water management. These challenges have placed agriculture and farmers, our core customers, in the forefront of the international policy process. The fertilizer industry, as an agri-input provider, plays a key role in agricultural development. It needs to seize the opportunity to draw greater attention to the investments it is making and the best management practices it is implementing. With IFA's continuous efforts to improve the profile of the global fertilizer industry, our sector is increasingly gaining influence in the international community and should be seen as a model of excellence.

To meet these challenges, and to become an essential international contributor to the policy process, IFA has developed an innovative communication tool representative of its aim to be the single voice of the global fertilizer industry. This tool - called "message maps" - provides the industry with unique and simple messages that can be conveyed to policymakers, the media and the general public regarding high-profile issues the industry faces. IFA has elaborated message maps on food and nutrition security, climate change, environmental degradation, and organic farming. Every member is encouraged to use these maps recurrently, especially in times of crisis.

The intricate challenges faced by the global fertilizer industry need to be addressed collectively. The characteristics of each region should be taken into account, so that the most efficient and sustainable solutions can be implemented. For this reason, it is important for IFA to continue to support regional initiatives and to identify relevant region-specific action areas for the global industry. IFA's regional initiatives in 2010 were particularly fruitful with respect to African issues. Two policy positions were developed, on fertilizer policy and on agricultural extension, and a joint initiative to establish a public

database on African fertilizer statistics was pursued. In parallel, IFA's task force on effective last-mile delivery has made progress, documenting innovative approaches for improving knowledge transfer to farmers in South Asia and Sub-Saharan Africa. IFA's co-ordination of multilateral and region-specific actions testifies to the attention it gives to appropriate sustainable management practices.

In conclusion, I believe it is IFA's role to strengthen the consultation process, develop partnerships and reach consensus in the industry, as these are indispensable processes that lead to efficient action and representation. I would therefore like to encourage your active and responsible participation in IFA's future activities and initiatives.

Ajay S. Shriram
President of IFA





In 2010, in view of the changes taking place in the global economy and within the industry, the IFA secretariat started a strategic reflection exercise. Because the association needs to adapt constantly to a changing environment, my colleagues and I determined that it was time to adjust IFA's orientation in order to better serve its members. The last quarter of the year marked the beginning of this process, which will continue throughout 2011. The new strategy will aim at reinforcing IFA's activities in relation to public affairs while strengthening the excellence of its programmes.

This new positioning is consistent with current expectations of the fertilizer industry, as part of the renewed interest in agriculture shown by international policymakers. The association has continued to build its central position in the international policy debate related to food security and climate change, while increasing knowledge and experience-sharing among members to help them enhance their profile. Throughout 2010, IFA actively represented the fertilizer industry in relevant international meetings, in particular highlighting the industry's role in efforts to achieve the Millennium Development Goals and food security while reducing the negative impacts of climate change. In parallel, IFA pursued the continuous improvement of its key services, such as the provision of statistical information, product stewardship considerations, safety, health and environmental indicators, and energy efficiency benchmarks, as well as the production of scientific publications.

Members' participation and involvement in IFA this year were excellent. There were 1 559 participants from 77 countries at the 78th IFA Annual Conference in Paris. A number of new task forces and working groups, launched in 2009 and 2010, have been actively working on development projects – tackling issues such as interactions between fertilizer use and human health, fertilizers and water management, and product stewardship management systems. They have made progress in defining recommended methods for facilitating international fertilizer transactions. Members have also

LUC M. MAENE

Director General



actively participated in IFA's regional initiatives focused on Africa, China, Eastern Europe and Central Asia.

The IFA secretariat continuously strives to provide the best possible services and activities, adapted to the evolving environment faced by the industry. In today's context, where constant quality improvement is the norm, it is important for IFA to meet this demand. The new strategy being developed by the association and its secretariat is aimed at establishing IFA's eminence and influence on the international scene.

The challenges of 2010 and the issues currently facing the global fertilizer industry can be seen as opportunities to highlight the industry's key role in building a sustainable future. In this light, the association remains committed to assisting members with the best possible tools and services.

Luc M. Maene
Director General



At the end of 2010, the number of members of the association reached 532 covering 85 countries. The various categories of membership were represented as follows:

- 191 ordinary members
- 104 affiliate members
- 192 associate members
- 45 correspondent members

DURING 2010, 47 NEW MEMBERS WERE ELECTED AS FOLLOWS:

Ordinary Members

- Peninsula International SA (Brazil)
 - China BlueChemical Ltd (CBC) (China P.R.)
- Group membership including :
- CNOOC Fudao Co., Ltd (urea)
 - Hubei Dayukou Chemical Co., Ltd (DAP)
 - Sino-Arab Chemical Fertilizers Co., Ltd (NPKs)
 - China National Chemical Construction Corporation (trading), already members of IFA and
 - CNOOC Tianye Chemical Co., Ltd (urea)
 - Sichuan Chuanheng Chemical Corporation (China P.R.)
 - Misr Phopshate Co. (SAE) (Egypt)
 - P.T. Pupuk Iskandar Muda (Indonesia)
 - P.T. Pupuk Kujang (Indonesia)
 - Petrochemical Commercial Co. (PCC) (Iran)
 - Hydrochem Africa (Ivory Coast)
 - Kazazot (Kazakhstan)
 - Iskenderun Gubre Sanayii A.S. (Turkey)

Affiliate Members

- Department of Agriculture and Food, Western Australia (Australia)
- A.A.C.R.E.A. (Argentina)
- Aguia - Newport Resources Limited (Brazil)
- Potassio do Brasil Ltda (Brazil)
- MBAC Fertilizer Corp. (Canada)
- Potash Atlantico Corp. (Canada)
- Ressources d'Arianne Inc. (Canada)
- Stonegate Agricom Ltd (Canada)
- Carbon Holdings (Egypt)
- MATIX Fertilisers and Chemicals Ltd (India)

Associate Members

- Desjardins Securities (Canada)
- Jiangsu Sunong Agricultural Material Chain Group Co. Ltd (P.R. China)
- Novozymes A/S (Denmark)
- Hagrpota for Import and Export (Egypt)
- Aglukon Spezialdünger GmbH & Co. KG (Germany)

- Ferro Duo GmbH (Germany)
- Dynamic Sales Service International Pvt. Ltd (India)
- P.T. Karunia Semesta Raya (Indonesia)
- P.T. Parna Raya (Indonesia)
- Arysta Lifescience Corporation (Japan)
- Heartychem Corporation (Rep. of Korea)
- JSC Ferteksos Transportas (Lithuania)
- Seatrade Limited (Pakistan)
- Qatar International Petroleum Marketing Co. Ltd. (Tasweeq) (Qatar)
- JSC Gazagrochem (Russia)
- Swiss Singapore Overseas Enterprises Pte Ltd (Singapore)
- Chemical Initiatives (Pty) Ltd (South Africa)
- Comspain XXI, S.A. (Spain)
- International Process Plants - IPP (United States)
- Yargus Manufacturing, Inc (United States)

Correspondent Members

- Mohamed Al-Terkait (Bahrain)
- Sukumaran Nair (India)
- Christopher J. Dawson (United Kingdom)
- Michael Freeman (United Kingdom)
- R.J. Morris (United States)
- W.T. Ramsay (United States)
- Eben Mabibi Makonese (Zimbabwe)

THERE WERE 15 RESIGNATIONS DURING THE YEAR:

Ordinary Members

- Neochim PLC (Bulgaria)
- Monomeros Colombo Venezolanos S.A. (Colombia)
- Lonza AG (Switzerland)

Associate Members

- CITCO Warenhandelsgesellschaft m.b.H (Austria)
- Global Petrochemical Marketing Company (Bahrain)
- S.C.D. SAS (Stratégie Conseil Développement) (France)
- SGL Carbon GmbH (Germany)
- P.T. Taiko Persada Indoprima (Indonesia)
- Laser Detect Systems Ltd (Israel)
- Ciech S.A. (Poland)
- Aurora Tankers Management Pte Ltd (Singapore)
- NewQuest (Trading) Pte Ltd (Singapore)
- Nectar Group Ltd (United Kingdom)
- Omni Sulphur (United States)

Correspondent Member

- Kenneth Windridge (France)



NAME CHANGES

Ordinary Members

- Groupe Roullier (France) has become Timac Agro International
- Phosphoric Fertilizers Industry S.A. (Greece) has become Hellenic Fertilizers and Chemicals S.A.
- Coromandel Fertilisers Limited (India) has become Coromandel International Limited
- Engro Chemical Pakistan Limited (Pakistan) has become Engro Corporation Limited
- Pak American Fertilizers Limited (Pakistan) has become Agritech Limited
- Agrimartin Fertilizantes, S.L. (Spain) has become Fertesa Patrimonio, S.L.
- Thai Caprolactam Public Company Limited (Thailand) has become UBE Chemicals (Asia) Public Company Limited

Affiliate Members

- The European Fertilizer Manufacturers Association (EFMA) (Belgium) has become Fertilizers Europe
- Ercros Industrial S.A. (Spain) has become Ercros S.A.

Associate Members

- ABB Grain (Australia) has become Viterra
- Neelam America Quimica Ltda (Brazil) has become NAQ Global Companies
- BHP Billiton Diamonds Inc. (Canada) has become BHP Billiton Canada Inc.
- Eitzen Bulk A/S (Denmark) has become Eitzen Bulk Shipping A/S
- Charaf Corporation S.A. (Morocco) has become Groupe Charaf Fertima
- BCT Chemtrade Corporation (Switzerland) has become Chemtrade Aglobis AG
- Chas. S. Lewis & Co., Inc (United States) has become Lewis Pumps
- Jacobs (United States) has become JACOBS Engineering S.A.

OTHER CHANGES

Ordinary Members

- ASH DEC Umwelt AG (Austria) has been declared insolvent.
- The membership of Fertilizantes Mitsui S/A Ind. e Comercio (Brazil) has been transferred to Yoorin Fertilizantes Industria e Comercio Ltda.
- Vale's fertilizer division (Brazil) has adopted the brand name Vale Fertilizantes. The new brand includes Fosfertil, a member of IFA and Bunge assets. Following the reorganization of Bunge Fertilizantes SA, the IFA member is now known as Bunge Brasil (Fertilizer Division).
- CF Industries (United States) has acquired Terra Industries, already a member of IFA.

Affiliate Member

- Egypt Basic Industries Corporation (EBIC) (Egypt) has started production and its membership has been transferred to the Ordinary member category.

Associate Members

- The membership of Cantazaro Limited (Cyprus) has been transferred to Biofert Limited.
- The membership of Orascom Construction Industries (Egypt) has been transferred to the Ordinary member category and includes OCI Nitrogen (formerly DSM), Egypt Basic Industries Corporation (EBIC), Egyptian Fertilizers Company (EFC) and Sorfert.
- Belor Group (Russia) has transferred its membership to Drey Moor Fertilizers Overseas Pte Ltd, also part of the group.
- Lushbury International Limited (United Kingdom) has transferred its membership to Lushbury Fertilizer Corporation (United States).
- The membership of SGL Carbon Technic LLC (United States) has been transferred to SGL Carbon GmbH (Germany).

Correspondent Member

- The Secretariat has been informed of Mr Ernst Falk's demise (Germany).



chairmen General Standing Committees



AGRICULTURE COMMITTEE
Akiva Mozes
ICL Fertilizers
Israel



PRODUCTION & INTERNATIONAL TRADE COMMITTEE
A.G. Lomakin
JSC International
Potash Company
Russia



TECHNICAL COMMITTEE
Khalifa Abdullah Al-Sowaidi
QAFCO -
Qatar Fertiliser
Company S.A.Q.
Qatar



**CHAIRWOMAN
FINANCE COMMITTEE**
Esin Mete
Toros Agri Industry
and Trade Co. Inc.
Turkey



Executive Management Group



PRESIDENT
Ajay S. Shriram
DCM Shriram
Consolidated, Ltd
India



SENIOR VICE PRESIDENT
William J. Doyle
PotashCorp
Canada



**VICE PRESIDENT
SUSTAINABLE
DEVELOPMENT**
Eugenio Ponce
SQM
Chile



**VICE PRESIDENT
MEMBER OF THE EMG**
Abdul Rahman Jawahery
Gulf Petrochemical
Industries Co. (GPIC)
Bahrain



**MEMBER OF THE EMG
(EX OFFICIO)**
Luc M. Maene
IFA

Executive Committee

Regional Vice Presidents

Vice President Innovation and Research



J.O. Haslestad
Yara International ASA
Norway



AFRICA
Alfred Pitse
Foskor Ltd
South Africa



WEST ASIA
F. Al-Sheaibi
SABIC
Saudi Arabia



CHINA
Feng Zhibin
Sinofert Holdings Ltd



BRAZIL
M. Barbosa Neto
Vale Fertilizantes



OCEANIA
James Fazzino
Incitec Pivot Ltd
Australia



NORTH AMERICA
J. Prokopanko
The Mosaic Company
USA



**EASTERN EUROPE
AND CENTRAL ASIA**
Dmitry A. Mazepin
Mc Uralchem Ltd
Russia



SOUTH ASIA
P.S. Gahlaut
Indian Potash Ltd
India



**WESTERN AND
CENTRAL EUROPE**
Renso Zwiers
OCI Nitrogen
Netherlands

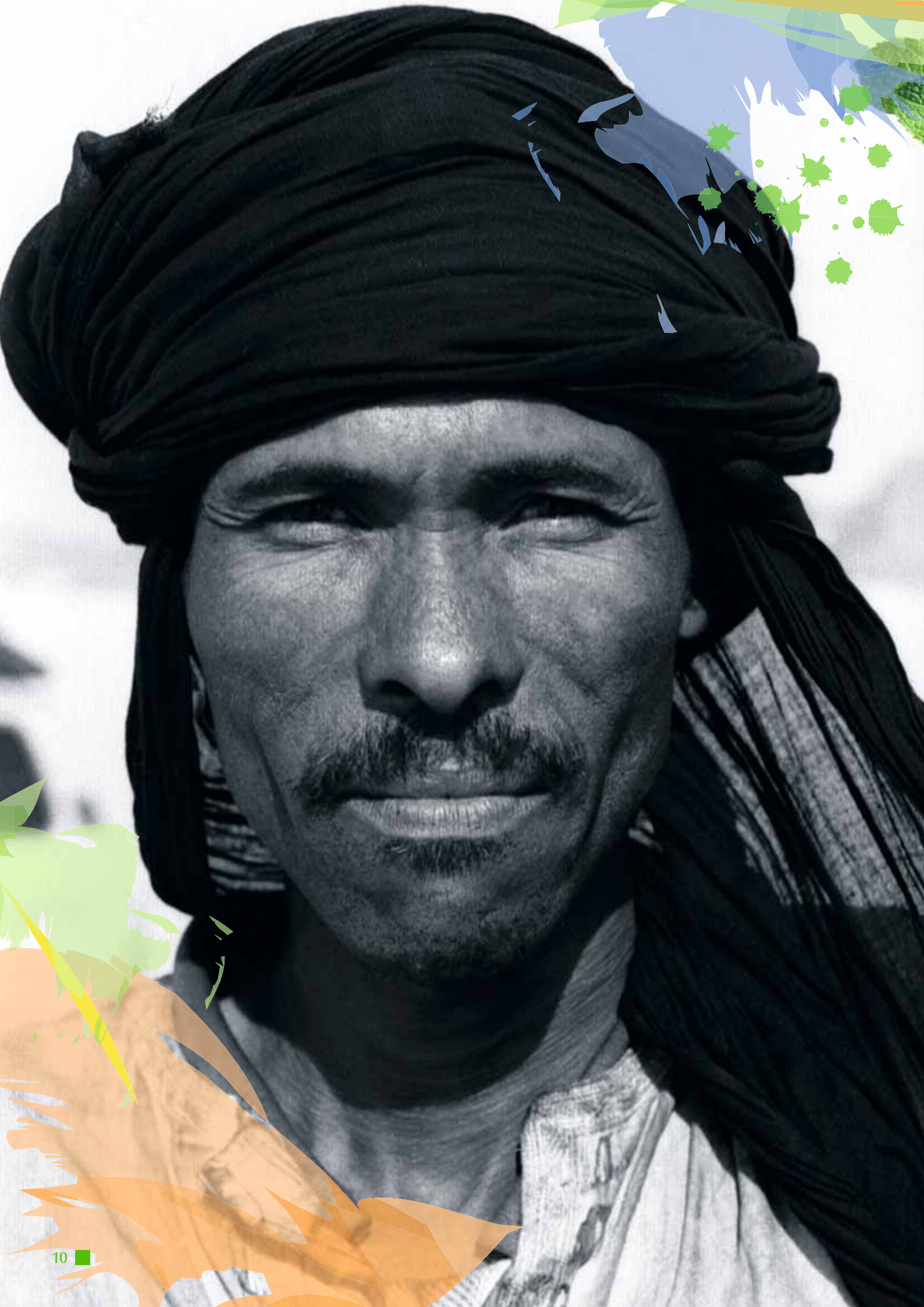


HISPANO-AMERICA
**Fabio
M. Covarrubias Piffer**
Grupo Fertinal S.A.
de C.V.
Mexico



EAST ASIA
R. Ilustre
Atlas Fert. Corp.
The Philippines







PUBLIC AFFAIRS

IFA's activities in relation to public affairs are both inward- and outward-looking. IFA closely follows international policy developments while representing the industry at key stakeholder meetings. It collects information about members' activities and identifies venues where best practices can be promoted. The association also shares information with its membership on international trends and topics, as well as requests from external partners, to improve their knowledge of international issues and help them respond to changing socio-political environments.

Millennium Development Goals (MDGs)

In the global policy arena, 2010 was marked by several high-level United Nations meetings on ways to meet the Millennium Development Goals by 2015. IFA was active in these meetings in order to demonstrate that, in many parts of the world, a more productive, profitable and sustainable agricultural sector is necessary to achieve the MDGs. IFA's President attended the Informal Interactive Hearings of the UN General Assembly with Non-governmental Organizations, Civil Society Organizations and the Private Sector on the MDGs on 15 June, where he emphasized that the fertilizer industry contributes directly and indirectly to reaching most of these goals. Mr Ajay Shriram pointed out the industry's commitment to building alliances and partnerships that enable access by farmers worldwide to knowledge, technologies and capacities, empowering them to improve their livelihoods. In September 2010, four IFA members also participated in the United Nations Private Sector Forum on the MDGs.

Climate change

Through the Farming First coalition, IFA actively advocated the inclusion of agriculture in the UN Framework Convention on Climate Change (UNFCCC) intergovernmental negotiation process. A number of issue briefs and other IFA publications are available



on related topics. They target policymakers, in particular, to inform them about the specificities of the fertilizer industry: e.g. the importance of intensifying agriculture on existing land; the risks of carbon leakage; trade-offs between the reduction of GHG emissions and food security targets; current and future energy efficiency technologies; and the work carried out by many members to reduce their carbon footprint. In November, IFA co-organized a side event during the Global Conference on Agriculture, Food Security and Climate Change in the Hague, the Netherlands. A representative of the Canadian Fertilizer Institute (CFI) made a presentation on the Nitrous Oxide Emission Reduction Protocol (NERP) recently approved by the Province of Alberta. Although the agricultural work programme failed to be adopted during the negotiations in Cancun in December, climate change will remain one of IFA's priority themes. The association will continue to encourage members to adopt best available techniques and work with farmers to promote fertilizer best management practices.

Food security

In the context of the G8 and G20 meetings in Canada and the Republic of Korea, IFA led a Farming First project on documenting existing food security initiatives worldwide. This project took the form of an interactive map and guide to international and regional food security initiatives. It tracked existing programmes, those initiating them, levels of funding pledged and provided, and targeted countries and sectors. The guide attracted significant media interest. The project was given wide coverage in outlets such as the Guardian newspaper, Reuters news service, and the British Broadcasting Corporation (BBC). In view of rising agricultural commodity prices at the end of 2010, IFA developed a series of messages about investments made by the fertilizer industry in increased production capacity since the 2007/08 food crisis, in order to respond to eventual dramatic increases in demand. A press release presenting these messages was widely covered.



CROSS-CUTTING PROGRAMMES

Statistical programme

The collection and compilation of primary market data, and the provision of high-quality analyses, are among IFA's principal missions. Access to these data and analyses are major benefits of IFA membership. The IFA Agriculture Committee and the IFA Production and International Trade Committee work with a number of external partners worldwide to raise IFA's profile as the most reliable source of information on supply-driven aspects of the fertilizer industry.

The highlights of the statistical programme in 2010 were:

- The release of 54 reports on 16 products. Some 34 reports provided quarterly, half-yearly and annual production and trade statistics. The coverage of the annual statistical reports ranged from 95 to 100 per cent of global production and trade. Global capacity surveys were carried out on 9 mainstream products. They included production capacity information covering the period 2005-2014 on a country basis. Close to 25 000 copies of the reports, prepared by the Production and International Trade Service, were distributed to IFA members;
- Efforts with key partners (particularly the FAO and IFDC) to improve fertilizer market transparency in Africa;
- Focus on information related to fertilizer market developments in key countries: China, Brazil, and India;
- Sustaining the quality and increasing the coverage of IFA statistics, in consideration of members' benefits and anti-trust regulations (e.g. statistics on fertilizer use by crop cover 16 countries representing half the world production, and detailed quarterly reports on the previous year are now regularly released);
- Development of new statistical reports and forecasts (e.g. SOP, NOP and UAN reports, long-term P fertilizer demand);
- Orientation of the statistical programme to reflect upcoming issues concerning specific products (e.g. phosphate rock reserves, flows and losses, industrial potash uses, and natural gas supply and historical price trends);
- Identification and addressing of information gaps with members (e.g. unreliable or missing data from target countries) in order to maximize product coverage with data from reliable sources;

- Engaging members in the programme to increase coverage, extensiveness and reliability;
- Releasing a larger number of reports online, including detailed online statistics in English and Chinese;
- Increasing the visibility of IFADATA for members and non-members (there are currently some 2 800 visits and 2 000 effective queries per month, on average);
- Translation of market outlooks into Chinese, Portuguese, Russian and Spanish to increase ease-of-use by members in emerging economies.



IFA's Product Stewardship programme, Protect & Sustain, was launched at the end of the year. The purpose of this member-driven initiative is to broaden awareness of stewardship practices internationally and to promote greater adoption of the lifecycle management of fertilizer products within the membership. Its web site (www.protectandsustain.org) serves as the global meeting point for product stewardship matters. The site gives access to a wealth of information, including international guidelines and best-practice frameworks for developing and implementing a stewardship management system.

The programme provides a framework for evaluating performance and identifying gaps in procedures to facilitate continual improvement. Participating companies may also choose to have their product stewardship management systems recognized through an independent assessment and certification process. A number of IFA member companies are already actively involved in piloting the programme's self-assessment manual, which includes some 90 questions covering the phases of the fertilizer product lifecycle. Early adopters of the initiative are showcasing their innovative stewardship management processes, which include offering agronomic advisory services to farmers using new technology and finding innovative ways to leverage the collective imagination of employees to solve production safety issues.

Scientific initiatives and development projects

A number of new task forces were established in 2009 and 2010 to tackle issues including the interactions between fertilizer use and human health, and fertilizer and water management. IFA cooperates with reputable partners, such as academic and research institutions, as well as development organizations. The following activities illustrate the value-added of such partnerships:

- The production of new scientific publications, jointly released by IFA and respected research institutes:

- *Greenhouse Gas Budgets of Crop Production – Current and Likely Future Trends* by H.C. Flynn and P. Smith;

- *Sulphur and Sustainable Agriculture* by A.R. Till;

- *Slow- and Controlled Release and Stabilized Fertilizers: An Option for Enhancing Nutrient Use Efficiency in Agriculture* by M.E. Trenkel.

- Co-sponsorship by IFA of the following development projects:

- The nutrient management component of the Irrigated Rice Research Consortium (IRRC), implemented by IRRI;

- The project on site-specific nutrient management in maize in Indonesia, implemented by IPNI;

- The nutrient management component of the Cereal Systems Initiative for South Asia (CSISA), implemented by IRRI;

- The global project on zinc fertilization (HarvestZinc), implemented by HarvestPlus;

- The market development project in West Africa, implemented by IFDC;

- The maize intensification project in Mozambique, implemented by IFDC.

Global benchmarking

The IFA Technical Committee surveys the IFA membership

to promote awareness of safety, health and environmental issues and develop global performance benchmarks for measuring progress:

- **Safety:** Since 2001, IFA has conducted global surveys to measure lost-time injury rates (LTIR – the widely recognized proxy for monitoring safety standards). The best-in-class typically generate LTIRs below 3 for both employees and contractors. The LTIR benchmark remains a useful indicator of what can be achieved in the fertilizer industry.

- **Environment:** By surveying members worldwide and encouraging the adoption of efficient technologies and industrial practices, IFA promotes environmental stewardship as a basic aspect of fertilizer operations. Growing international awareness of industrial emissions of greenhouse gases has drawn considerable attention to CO₂ and N₂O emissions. The 2010 IFA Environmental Report showcases industry averages for 30 emission areas at 141 individual production sites. Overall, the year's benchmarking results, combined with data from previous surveys, indicate a sustained trend towards lower emissions across the different production areas and greater adherence to best available production techniques.

- **Energy efficiency:** IFA conducts an industry-wide benchmarking study to estimate energy efficiency in ammonia production plants. This study improves knowledge of plant performance, aiding operators in their assessment of their own plant efficiency relative to industry averages and opportunities for improvement. The results are also valuable to policymakers in promoting the uptake of advanced technologies. The next survey will take place in 2012, based on the previous two data years.

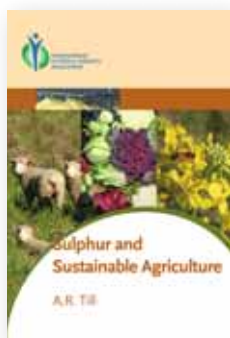
Method harmonization working group

This expert working group continues to forge ahead with the development of recommended methods for product sampling and the analysis of nutrient content in international

2010: a solid upturn in fertilizer demand

Following a gloomy 2009, fertilizer demand firmly rebounded in 2010. It is predicted to continue growing at sustained rates during the next four years. The economic recovery in 2010 was experienced in agricultural markets, with a rebound of agricultural commodity utilization and prices. A number of factors contributed to an upward evolution in crop prices. The first was the heat wave that resulted in poor cereal harvests in the Commonwealth of Independent States (CIS), together with hot and wet conditions in the Corn Belt of the United States and the impact of strong La Niña conditions in the southern hemisphere during the last quarter of the year. Second, the grain export restrictions currently in effect in Russia and Ukraine are likely to be maintained until June 2011. Third, demand for ethanol, particularly in the United States, remains high, putting pressure on grain markets. Fourth, the cereal stock-to-use ratio is declining to worrying levels, with a significant drop in maize and wheat inventories.

Meeting increasing demand for agricultural products and reducing the environmental footprint of farming will require both greater and more efficient fertilizer use. Following a massive decline in fertilizer sales and consumption in 2009, the speed and extent of the recovery in the first half of 2010 surprised most analysts, leading to an annual increase of 13 per cent and 7 per cent over 2009, respectively. IFA is projecting growth in global fertilizer consumption of 4.7 per cent for 2010/2011 and 3.8 per cent for 2011/12. By 2011/12, nutrient application rates would then have fully recovered to the levels seen prior to the economic crisis of 2008.





fertilizer shipments. The recommendations emerging from the group go a long way towards facilitating international fertilizer transactions – and minimizing financial losses – as the industry is increasing its shared understanding of the most accurate, consistent and effective means of determining product quality. All related guidelines and publications can be accessed on the IFA web site. They are available to the general public and to all trading parties.

Regional initiatives

- **Africa Forum:** Members of the IFA Africa Forum adopted two position papers in 2010, on fertilizer policy and on agricultural education and extension. They were distributed in September at the African Green Revolution Forum in Ghana. Members of the Forum also identified the most favourable areas for industry investment in the region and supported a joint IFA/IFDC/FAO/AGRA initiative for developing a comprehensive public database on African fertilizer statistics.
- **China initiative:** Activities under this initiative in 2010 focused on increasing IFA's profile; meeting prospective and established members in China; and sharing information with IFA members through participation in Chinese events and the translation of several publications into Chinese. Several representatives from prominent Chinese institutions and companies were invited to make presentations and key addresses at IFA conferences in 2010.

- **Eastern Europe and Central Asia initiative:** The association continued its outreach activities to existing and prospective members, particularly through the translation of IFA publications into Russian. The Secretariat participated in a regional conference to provide an overview of the challenges and opportunities facing the global fertilizer industry.

Last-mile delivery

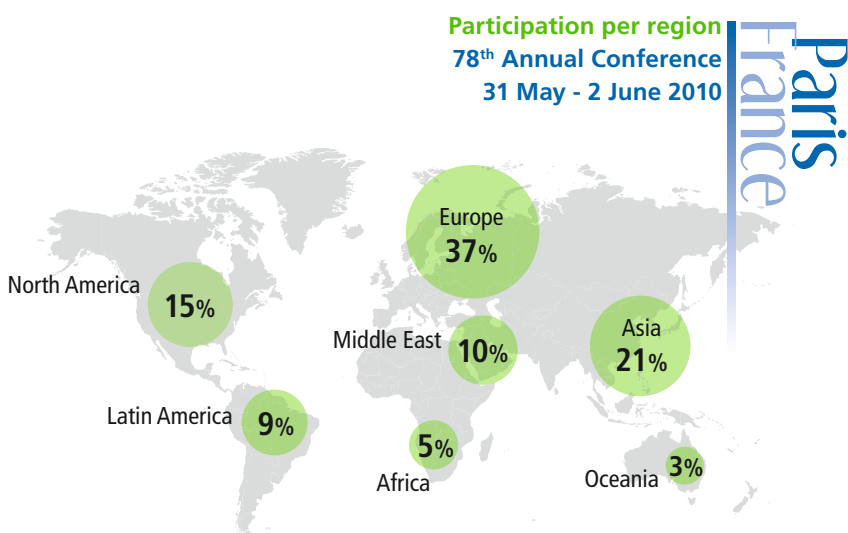
The Task Force on Effective Last-Mile Delivery organized an international workshop in New Delhi, India, in February, focusing on developments in South Asia and Sub-Saharan Africa. The workshop was a unique opportunity to learn innovative approaches for improving knowledge transfer to farmers. These approaches include certification of crop advisors and agri-input dealers, use of mobile phone technology, and the development of a common knowledge pool. IFA and its members are working with relevant partners to share and scale-up successful initiatives.

IFA EVENTS

IFA events offer year round valuable opportunities for the fertilizer industry to share information on the driving forces influencing the industry's operating environment and highlight opportunities for industry action. Serving as a platform for the presentation of Committee activities, the IFA conference programme brings together industry specialists and decision makers, facilitating global networking within the industry and widening members' knowledge of technologies and markets for fertilizers, their intermediates and raw materials.

Leadership in contact

The two statutory meetings of the Association are important milestones for the industry leadership. The 78th Annual Conference held in Paris, France in May attracted one of the highest numbers of delegates to date with 1559 participants from 77 countries. Early December, the 36th Enlarged Council Meeting was convened in Delhi for CEOs and senior executives.



Major IFA events in 2010

	Total number of delegates and accompanying persons	Countries represented
IFA Technical Symposium 20-22 April 2010 – Sun City, South Africa	102	26
78th IFA Annual Conference 31 May – 2 June 2010 – Paris, France	1 559	77
IFA Production and International Trade Conference 4-6 October 2010 – Rio de Janeiro, Brazil	173	25
IFA Crossroads Asia-Pacific 2010 8-10 November 2010 – Hanoi, Viet Nam	289	37
36th IFA Enlarged Council Meeting 2-4 December 2010 – New Delhi, India	106	29
<i>In partnership with New Ag International</i> Conference on Enhanced-Efficiency Fertilizers 23-24 March 2010 – Miami, USA	237	35

Specialist platform

The IFA Technical Symposium was held from 20 to 22 April in Sun City, South Africa and brought together some of the world's leading experts in fertilizer production technology and safety, health and environmental management. The programme covered a wide range of topics related to the event's theme, "Fertilizer production technologies: meeting economic, environmental and societal challenges". Moreover, this year's edition included the participation from the World Bank Group's International Finance Corporation (IFC), which provides project financing and advisory opportunities for fertilizer producers seeking to implement sustainability measures at their plants.

The 2010 IFA Production and International Trade Conference was held in Rio de Janeiro, Brazil from 4 to 6 October. The programme provided the opportunity to showcase the major industry developments in Brazil, notably by Vale and Petrobras. Transportation topics included presentations on global seaborne trade and logistical challenges in Brazil. A session on future supply focused on potash in Latin and North America, phosphate products in Saudi Arabia and Egypt. On a global scale, a series of presentations were made on world phosphate rock reserves, sulphur medium-term outlook and an assessment of the economic profile of the global fertilizer industry. The international markets session covered Brazil, India and North America, and potash imports in Latin America.

The 2010 IFA Crossroads Asia-Pacific conference took place in Hanoi, Vietnam from 8 to 10 November. The main focus of the conference was on South-east Asia and regional challenges to the fertilizer industry. Several presentations also related to rice as the IFA conference was held in conjunction with

the 3rd International Rice Congress. The half-day agronomic workshop addressed the outlook for organic phosphorus recycling and long-term phosphate fertilizer demand in Asia and the Pacific, with case studies from China, India and New Zealand. The IFA Crossroads conference is also a networking opportunity for members interested in the Asia-Pacific region.

Members' support

The kind support of the following member companies and associations was key to the successful implementation of the 2010 IFA Events programme.

Bahrain: GPIC

Brazil: Bunge Fertilizantes, Petrobras, Vale Fertilizantes

France: GPN

India: DSCL, FAI, IFFCO, IPL, Sun International

Qatar: QAFCO

South Africa: FSSA, Foskor, Omnia Fertilizer, Sasol Nitro, Yara S.A.

Viet Nam: PetroVietnam Fertilizer and Chemicals Company

Event signature

A set of logos has been designed to highlight the profile of specialized IFA meetings starting next year.



Technical Committee



Chairman
KHALIFA ABDULLAH AL-SOWAIDI
QAFCO - Qatar Fertiliser Company S.A.Q. Qatar



Vice Chairman & Convener of the Working Group on Safety, Health, and Environment (SHE)
TORE JENSSEN
Yara International ASA – Norway



Convener of the Working Group on Production Technology
BRENT HEIMANN
PotashCorp USA



Convener of the Working Group on Conferences and Training
FADHEL AL-ANSARI
Gulf Petrochemical Industries Co. Bahrain



Convener of the Working Group on Method Harmonization
JAN CHYS
Yara S.A. Belgium



Convener of the Task Force on Product Stewardship
MS SOILI YLISUUTARI
Yara Suomi Finland



COMMUNICATIONS

following the design and implementation of IFA's new communication strategy in 2009, there has been a focus on the following communication activities:

- Reinforcing the industry's presence (and positive perception of the industry) in online and offline media internationally;
- Targeting new audiences;
- Encouraging increased collaboration among the industry's associations;
- Strengthening the communications expertise among IFA's membership;
- Improving the flow of communications between the secretariat and IFA members.

The following projects highlight this orientation:

Social media

The IFA Information and Communications Service has invested in the development of social media by focusing on Twitter. IFA's Twitter account @FertilizerNews was created in the

spring of 2010. The number of followers gradually increased, with close to 400 users by the end of the year. Twitter allows IFA to reach out to a different type of audience, filling a gap since no other Twitter accounts have been following the industry. Twitter is also a valuable tool for learning about IFA partners and discovering new avenues for collaboration. It is an excellent complement to Farming First's Twitter account.

Communicators' network

The IFA Communicators' network was established in 2009. The number of participants steadily increased in 2010. There are currently more than 86 participants in 25 countries, representing individual companies, national associations and research institutes. The group had its first meeting during IFA's Annual Conference in Paris and agreed to meet on a yearly basis on the occasion of the IFA Annual Conference. In addition, in September 2010 CFI organized a communications workshop and invited network members to attend.

Message maps are one of the network's main deliverables. This activity was initiated in late 2009 and progressed well,

Agriculture Committee



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ICL Fertilizers
Israel



Vice Chairman
ROB RENNIE
Spur Ventures Inc.
Canada



**Convenor of
the Working Group
on Fertilizer
Demand Forecasts**
AL MULHALL
PotashCorp
Canada



**Convenor of
the Working Group
on Special Products**
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Haifa Chemicals Ltd
Israel



**Convenor of
the Task Force on
Effective Last-Mile
Delivery**
RAJIV SINHA
DCM Shriram
Consolidated Ltd
India



**Convenor of
the Task Force on
Fertilizer Use and
Human Health**
KEVIN MORAN
Yara Ltd
UK



**Convenor of
the Task Force
on Long-Term P
Fertilizer Demand
Forecasting**
MIKE RAHM
The Mosaic Company
USA

with the development of drafts on climate change, food security, environmental degradation and organic farming. The message maps, to be published in 2011, will be an important tool – assisting the industry to speak with one voice and helping members to respond to sensitive issues, particularly when communicating through the media.

Perception of the industry in the media

A study commissioned by IFA, TFI, CFI and Fertilizers Europe on the image and reputation of the global fertilizer industry pointed to an overall lack of the industry's presence in the media, especially traditional forms (print, radio, TV). This study demonstrated that ongoing debates on key issues tend to be managed by other actors, who speak on behalf of the industry but are not part of it. Consequently, overall negative perceptions of the industry's activities may be obtained through the media. The study recommends that industry spokespeople should be more active in debates by

engaging with the media, and that positive messages should be presented to media partners in a more coherent way.

E-newsletters

IFA's web site (www.fertilizer.org) remains the association's main tool for communicating with its members and the rest of the world. However, to improve the regular flow of information to members, and building on the success of the weekly international media clippings released in 2009, the Secretariat created three additional e-newsletters at the beginning of 2010 covering IFA semi-weekly news, the online version of IFA's quarterly published newsletter Fertilizers & Agriculture, and all press releases issued to the media. The newsletters have proven popular with members. The average number of subscribers is between 900 and 1 000.

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Russia



Vice Chairman
JAVIER GOÑI DEL CACHO
Fertiberia S.A.
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Qatar



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The Mosaic Company
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Convener of the Working Party on Potash
JAFAR SALEM
Arab Potash Company Ltd
Jordan



Convener of the Working Party on Sulphur
TERRY DRAYCOTT
PRISM Sulphur Corporation
Canada



DIRECTOR GENERAL'S OFFICE

Luc M. Maene Director General, *middle row, 5th from right*
Claire Boutaric Executive Assistant to the Director General, *back row, 3rd from right*
David François IT Manager, *insert*
Aline Bortot IT Assistant, *back row, 2nd from right*

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Patrick Heffer Director - Agriculture Service, *middle row, 2nd from left*
Angela B. Olegario Senior Agronomist, *front row, 2nd from left*
Olivier Rousseau Fertilizer Demand Market Analyst, *back row, 1st from left*
Sophie Palmié Assistant, *insert*

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Michel Prud'homme Director - Production and International Trade Service, *back row, 4th from left*
José de Sousa Nitrogen Products Market Analyst, *back row, 2nd from left*
Virginie Couturier Phosphate Products Market Analyst, *front row, 2nd from right*
Frédéric Le Potash & Sulphur Products Market Analyst, *middle row, 2nd from right*
Sylvie Marcel-Monnier Assistant, *front row, 3rd from right*

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Ben Muirheid Director - Technical Service, *back row, 1st from right*
Sophie Palmié Assistant, *insert*

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Morgane Danielou Director - Information and Communications Service, *front row, 1st from right*
Claudine Aholou-Pütz Communications Specialist, *middle row, 4th from left*
Hélène Ginet Communications Specialist, *middle row, 3rd from right*
Sophie Legrandgérard Assistant, *middle row, 4th from right*

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Diana A. Sandalian Director - Conference Service, *middle row, 3rd from left*
Valérie Corfmat Senior Assistant, *back row, 3rd from left*
Laura Amriou Assistant, *middle row, 1st from right*
Sandie Bouttemy Assistant, *back row, 4th from right*

ADMINISTRATIVE SERVICE

Florence Lambert Director - Administrative Service, *front row, 1st from left*
Aurélien Palaric Accountant, *middle row, 1st from left*
Sotthi Lam Accountant, *insert*
Christophe Andriam Clerk, *front row, 3rd from left*



FINANCES

The year 2010 ended with a surplus of about € 486,000 against some € 660,000 in 2009. This difference was mostly due to the weak performance of financial activity, which showed a negative change in the fair value of investments.

Market fluctuations throughout the year negatively impacted the association's financial reserves, with the change in the fair value of investments amounting to - € 20,487 against + 248,121 in 2009. Nevertheless, the surplus of some € 101,000 obtained through financial activity represented about 21 per cent of the positive result for the year.

In regard to operating income, the total of € 7.32 million was higher than in 2009 (€ 6.73 million). Higher income from subscriptions was due to an increase of 5 per cent in the subscription rates, to new membership subscriptions registered during the year, and to higher production by ordinary member companies. Revenue from conferences and meetings was also higher than in 2009. This was mainly due to better attendance at the Annual Conference in Paris compared to Shanghai in 2009.

Operating expenditure amounted to € 6.86 million against € 6.47 million in 2009. Several budgets were increased to comply with IFA's activities. The main increases concerned

expenditure for the fertilizer development programme, which rose on account of new projects financed in 2010. Expenditure for external consultancies was also revised upward due to additional contracts requested during the year. Finally, the budget for travel, accommodation and hospitality was higher than in 2009 because of extra duty travel in line with IFA's activities. Total expenditure on conferences and meetings was at the same level as in 2009.

Contrasting with these increases, some savings were made in several budgets, including provision for unpaid subscriptions and bad debts, which was reduced by about 56 per cent compared to 2009. Significant reductions were also registered in audit fees, in the budgets for study tours and international awards, for regional initiatives, and for computer services and software.

Finally, taxation calculated in compliance with UK accounting standards amounted to - € 74,060, contrasting with the tax credit of € 27,111 registered in 2009.

Details of the association's financial situation in 2010 are provided in the "Audited Accounts at 31 December 2010" attached to the Annual Report.

2010 IFA Norman Borlaug Award

Dr Jiyun Jin recognized for transferring knowledge on good fertilization practices to Chinese farmers

In 2010, The IFA International Crop Nutrition Award was renamed the IFA Norman Borlaug Award in recognition of Dr Borlaug's outstanding and tireless contribution to fighting hunger all over the world. Dr Borlaug is considered the "Father of the Green Revolution" and received the 1970 Nobel Peace Prize. He was a strong supporter of the fertilizer industry, demonstrating the vital links between science, technology, extension and agricultural production.

The 2010 laureate was Dr Jiyun Jin of the Soil and Fertilizer Institute at the Chinese Academy of Agricultural Sciences (CAAS). He has worked since 1985 on ways to improve soil fertility and fertilizer management practices, so as to increase crop productivity and farmers' incomes in China. He is currently Professor of Plant Nutrition and Fertilization at CAAS, President of the Chinese Society of Plant Nutrition and Fertilizer Sciences, and Director of the China Programme of the International Plant Nutrition Institute (IPNI).

Much of Dr Jin's work has been devoted to developing knowledge transfer tools that can be used to pass the results of laboratory research on to farmers. Some of the advanced technologies and scientific tools he has developed to improve fertilizer use efficiency and crop production are:



- Site-specific nutrient management for small-scale farms;
- Use of Geographic Information Systems (GIS) for precision nutrient management;
- Web-based fertilizer recommendation programmes.

The technologies developed by Dr Jin have been widely disseminated, including through field demonstrations, farmers' meetings, field inspection activities, brochures, leaflets, videos, TV, radio, posters and web sites. A television series he developed on soil fertility management was distributed through the China Central Agricultural Broadcasting School and the CCTV agricultural channel. It is estimated that more than 400 million farmers are being influenced by these activities in support of technology transfer.

To recognize his work on transferring knowledge on good fertilization practices to Chinese farmers, Dr Jin was nominated for the award by SINO FERT.





On the occasion of the 78th Annual Conference, the Annual General Meeting on 2 June elected the following officers to their respective posts:

VICE PRESIDENT, MEMBER OF THE EXECUTIVE MANAGEMENT GROUP

Abdul Rahman JAWAHERY

President, GPIC - Gulf Petrochemical Industries Co., Bahrain

VICE PRESIDENT, WEST ASIA

Fahad S. AL-SHEAIBI

Executive Vice President, SABIC - Saudi Basic Industries Corp., Saudi Arabia

VICE PRESIDENT, NORTH AMERICA

Jim PROKOPANKO

President and CEO, The Mosaic Company, United States

VICE PRESIDENT, INNOVATION AND RESEARCH

Jorgen Ole HASLESTAD

President and CEO, Yara International ASA, Norway

The following officer was appointed by the Council :

CHAIRMAN OF THE TECHNICAL COMMITTEE

Khalifa Abdullah AL-SOWAIDI

Managing Director, QAFCO - Qatar Fertiliser Company S.A.Q., Qatar

Following the departure of several officers, following Vice Presidents were designated by the Council at its meeting in December, prior to their election by the Annual General Meeting in May 2011 :

VICE PRESIDENT, BRAZIL

Mario A. BARBOSA NETO

Executive Director Fertilizers, Vale Fertilizantes, Brazil

VICE PRESIDENT, EAST ASIA

Raymund P. ILUSTRE

President & Chief Operating Officer of Atlas Fertilizer Corporation, Philippines

VICE PRESIDENT, CHINA

Zhibin FENG

CEO, Sinofert Holdings Ltd, P.R. China

T. Enger	2007-09
S. Wu	2005-07
J.M. Van Brunt	2003-05
W. Puggina	2001-03
E. Tirkkonen	1999-2001
U.S. Awasthi	1997-99
C.E. Childers	1995-97
E. Öner	1993-95
B.B. Turner	1991-93
W. Klaassen	1989-91
G.P. Giusti	1987-89
A.B. Al-Nouri	1985-87
K.H. Tillmann	1983-85
J. Miro Chavarria	1981-83
G. Artaud	1979-81
P. Latteur	1977-79
W.J. Turbeville, Jr.	1975-77
A. Robinson	1973-75
R. Mathieu	1971-73
J.D. Waller	1969-71
G.M. Mason	1965-69
J. Capelo Portabella	1962-65
H. Stevenius-Nielsen	1959-62
R. Grandgeorge	1956-59
D.J. Bird	1953-56
R. Standaert	1949-53
A. Waller	1946-49
E. Berr	1937-39
E.G. Martens	1927-37



Past IFA Annual Conferences

2010	Paris	1970	Athens
2009	Shanghai	1969	Burgenstock / Lucerne
2008	Vienna	1968	Berlin
2007	Istanbul	1967	Monte Carlo
2006	Cape Town	1966	Miami Beach
2005	Kuala Lumpur	1965	Lisbon
2004	Marrakech	1964	m/v Cabo San Roque
2003	Philadelphia	1963	Lausanne
2002	Lisbon	1962	Vienna
2001	Sydney	1961	Casablanca
2000	Oslo	1960	Venice
1999	Manila	1959	Biarritz
1998	Toronto	1958	Copenhagen
1997	Beijing	1957	Scheveningen
1996	Berlin	1956	London
1995	Singapore	1955	Hamburg
1994	Istanbul	1954	Lisbon
1993	New Orleans	1953	Stockholm
1992	Seoul	1952	Cannes
1991	London	1951	Lucerne
1990	Vancouver	1950	Madrid
1989	Budapest	1949	Copenhagen
1988	Monte Carlo	1948	Brussels
1987	Orlando	1947	Eastbourne
1986	Bangkok	1946	Paris
1985	Munich	1940 to 1945:	no conferences
1984	Mexico City	1939	The Hague
1983	Vienna	1938	Rome
1982	Palma de Mallorca	1937	Paris
1981	Singapore	1936	Budapest
1980	Monte Carlo	1935	Gleneagles
1979	Rio de Janeiro	1934	Lisbon
1978	Cannes	1933	Paris
1977	Copenhagen	1932	Copenhagen
1976	London	1931	Baden-Baden
1975	San Francisco	1930	Interlaken
1974	Tenerife	1929	Vienna
1973	Rome	1928	Stockholm
1972	Deauville	1927	Hamburg
1971	Amsterdam		

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**Audited
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