

## Valedictory Session

# VALEDICTO RYADDRESS

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**T**HANK YOU VERY MUCH MR. JHA, Chairman, FAI, Mr. Saha, Director General, FAI, Mr. R. C. Gupta, Deputy Director General, FAI, Ladies & Gentlemen.

First of all, I would like to thank Mr. Jha for his kind introduction about me. I have been attending the FAI seminar since 1982. In all these years, I have missed only one seminar. Unfortunately, that is my loss. I have never regretted coming to FAI seminar because it has always been a source of information, a source of friendship. I also congratulate FAI for organizing this very interesting and informative gathering, especially for those who come from abroad. It gives an idea about what is going on in the country. It enables to find out the problems and issues which are emerging in the agriculture and fertiliser sectors. So, I would like to congratulate FAI with another very successful and informative conference under an appropriate theme 'Fertilisers and the Revival of Agriculture'.

When I look back to the presentations made yesterday, we

heard that there is room for concern on two fronts, (1) concern regarding the fertiliser industry and (2) concern regarding agricultural production. We can see that fertiliser consumption is going up yet agricultural production, the food production is stagnating. So, there is an issue and the problem needs to be tackled. During the presentations, we heard that the visionaries in the past established a viable and a very extensive fertiliser industry in the country. It was a deliberate act to have a fertiliser industry to protect foodgrain production and make sure that you are no longer dependent on the external markets for feeding the population. This is essential, when you have a country like India. I come from a small country with 10 million people, which is half the size of some of the cities in India. So, for us, the issue is not the same. As far as you are concerned, you cannot depend on the external sources for your food supplies.

However, today, the fertiliser industry is at a cross roads. The economic situation is at a cross roads, in the sense that once having

created the fertiliser industry what do you have to do with it. We heard that there has been no expansion of the fertiliser industry since 1999 yet the demand for fertilisers is increasing. So, where from fertilisers will come? It has been clearly demonstrated that if you were to keep on importing and not expanding production then within a couple of years, the imports will grow so huge that from the logistics point of view it will be almost a nightmare to bring fertiliser within the country and make sure to reach the fertilisers to the farmers. Now, that is as far as the fertiliser industry is concerned and I sincerely hope that very soon there will again be a policy climate which is conducive to expansion of the fertiliser industry so that the fertiliser industry can survive, can fulfill its essential task to provide essential nutrients to the farmers for crop production.

I made a reference about the revival of agriculture and indeed we need to concentrate on the revival of agriculture. Because, if there is stagnation in the food grain production then the question arises



At the Valedictory session of FAI Seminar 2006 (L-R) Mr. R.C. Gupta, Mr. U.S. Jha, Mr. Luc Maene and Mr. B. K. Saha

why it is so? Time and again, we heard that people talk about the use of balanced fertilization and the use of micro nutrients, use of sulphur as secondary nutrient. I hope that these are just not words. We really need to follow up with action. I think, we need to go to the farmer to bring him to a higher level of sophistication. We need to explain to him and teach him what to do? What is balanced fertilisation? What is integrated plant nutrient management? What is site specific nutrient management? These practices which are widely adopted elsewhere need to be introduced at the level of the farmer. I think the major responsibility lies again also with the agriculture sector to make sure that this gets realised. So, as I said that India today finds itself is at the crossroads. This is not necessarily bad. On the contrary, I am sure it will lead to a lot of thinking. Let us hope, this gets followed up with necessary policy decisions in order to realize all that.

Representing the International Fertiliser Industry, it gives us a sort of a global overview of what is going on in the world and indeed when we look at the fertiliser situation worldwide, we see that the fertiliser industry or the fertiliser market is volatile. I have been associated for years with the fertiliser industry. With

it, I have seen years when prices were extremely low and years when prices were extremely high. We do not know what will happen tomorrow. As a matter of fact, a couple of days ago, I was reading a speech delivered by the Deputy Director General of the Food and Agriculture Organisation (FAO) three years ago during a conference in Rome and he said when we look on the horizon what is going on in terms fertilisers and food production, the major future development we see is that as the people get affluent in the developing countries, the consumption of meat goes up. When the consumption of meat goes up, the demand for animal feed goes up. Hence, this is good for the fertiliser industry. That was the only promising thing for the fertiliser industry at that time.

Today, the scenario is completely different. Today, we talk about bio-fuel. Bio-fuel will definitely make a big difference in the world fertiliser industry. It is growing. It is going to be a major development. Now, how these bio-fuels are going to be in competition with foodgrains is yet to be known. It is to be seen that what kind of policy options are lifted in terms of bio-fuel production. Whether governments are going to encourage bio-fuel production? The whole scenario is changing. So, not

only India is at a cross roads as far as the agricultural production is concerned, the fertiliser industry worldwide is also at a crossroads. Because, a totally new scenario is emerging. So, we should take it into consideration.

For me, personally, it is very important that I come to India. India is a big country, a very large country. We cannot ignore it even if we like to ignore it. We have to be interested in it. So, it is a pleasure for me to be here. We want to know what is going on in India. I think, if India is able to feed its population, it is not only good for India but for the entire world. The stability of world production is important.

Mr. Chairman, the discussions that have taken place in the past two days, the papers which were presented were extremely helpful, extremely informative. I really hope, that the documents will be taken into consideration and will lead to policy decisions conducive for further growth not only of the fertiliser industry but also increase in agricultural production. Whatever the international community and the world fertiliser industry can do to stimulate growth, we are certainly at your disposal.

Thank you very much.