Australian Fertilizer Industry
Value and Values

Darryl Dent
Chairman

Fundamental Value
Value to Australia

- Fertilizer is responsible for
  - Direct agricultural production benefit of $\text{B}15
  - Export value of $\text{B}9$
  - Economy wide value of $\text{B}40$
  - 300,000 jobs

- Farmers invest $\text{B}3$ per annum in fertilizer

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The Industry

- Manufactures 2 - 3M tonnes of fertilizer
- Imports 2 - 4M tonnes of fertilizer
- Stores, blends, transports and delivers to over 100,000 customers spread throughout the agricultural areas of Australia
- Researches use rates, application methods and timing
- Provides advice to farmers to maximise productivity and sustainability
The Issues

- Fertilizers contribute to Nitrogen and Phosphorus concentrations in waterways
- The potent greenhouse gas Nitrous oxide can be released from nitrogen fertilizers
- Heavy metal and other impurities in fertilizers present a health risk
- Organic contamination of imported fertilizers presents a high quarantine risk
- Security and the risk of misuse of products

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The Values

- We make a fundamentally useful contribution to food production
- We can also contribute to adverse outcomes in Environment, Food Safety and Quarantine
- We will take action to manage the risks associated with fertilizer use
- We will work positively with Government and other stakeholders to develop and implement good public policy to deal with these issues.

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FIFA & AFSA

• Industry Associations are the best way to manage the identified risks
• Almost universal support in the industry from manufacture to farm gate
• Significant investment collectively and individually
Environment

• The Fertcare Program
  – $3 million invested in training and accreditation
  – 2500 people trained
  – Accredited Advisor program commenced

• Focused on Environmental Risk Management the program also covers:
  – Food safety
  – Specific occupational health and safety issues
### Environment

- Ecco-Efficiency Agreement and Public Environment Reports 2002-2009
- Joint working group with the WA Government to develop the Fertilizer Action Plan
- Active participant in the Reef Rescue Implementation Task Force
  - And in industry consultation groups for the reef water quality protection plan that preceded it.

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### Environment

- National Better Fertilizer Decisions (Pastures) Project (Dairy Australia)
- National Better Fertilizer Decisions for Cropping (GRDC)
- Accounting for Nutrients on Australian Dairy Farms (Dairy Australia)
Climate Change

- Greenhouse Challenge Plus partners
- Agriculture Ministerial Round Table on Climate Change
- Government – Business Climate Change Dialogue Agriculture and Land Management
- CRC Greenhouse Accounting Greenhouse in Agriculture Industry Liaison Panel

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Food Safety

- Cadmium Minimisation Strategy & Management Committee
- FIFA Purchasing Code of Practice
  - Implemented in consultation with the then Department of Environment
- CSIRO Study into Contaminants in Fertilizers
- Industry Code of Practice for Description and Labelling of Fertilizers

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Quarantine

- Worked in collaboration with AQIS to develop new protocols for bulk fertilizer imports.
- Significant investment throughout the supply chain to reduce quarantine risk.
- Singled out in the Beale review as an example of how things should work.
Security

- Following the first Bali Bomb FIFA opened dialogue with the ABDC and Attorney General’s Department
- Implemented a Security Code of Practice and awareness materials for rural retailers
- Involved in industry consultation ever since including the current National Industry Reference Group

New Issues

- Volatility – trust – Senate Inquiries
  - Serious allegations of anti-competitive behaviour and breaches of trust
  - Non substantiated
  - ACCC concluded that prices where wholly explained by international price movements.

- A real issue for companies and customers
### Response

- Information and education pages added to [www.fifa.asn.au](http://www.fifa.asn.au)
- Individual companies working hard to improve communication with customers at all levels of the supply chain
- FIFA currently working to develop a standard contract for fertilizer purchase
- Volatility will always be difficult for all parties to manage

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### Summary

- A fundamentally valuable industry
- Producing food for Australia and the world
- $B40 of value to the Australian Economy
- 300,000 jobs
- A responsible long term partner with farmers and governments in supporting sustainable agriculture
Congratulations

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