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Your Excellency: Engineer/ Samir Al Sayyad
Minister of Industry and Trade
Forum Sponsor

Your Excellency: Ambassador/ Mohammad Mohammad Rabie
Secretary General of Council of Arab Economic Unity

Your Excellencies: AFA Board Members

Your Excellency: Dr. Shafik Ashkar
AFA Secretary General

Board Chairmen of regional and international companies and organizations

Ladies and Gentlemen

In my name and on behalf of AFA Board members and fertilizer Egyptian companies' chairmen, I would like in the beginning to welcome, His Excellency Minister of Industry and Trade, Engineer/ Samir Al Sayyad and all the attendants, in Egypt and the Forum opening ceremony. We are privileged by the remarkable attention paid to AFA International Annual Forum, held each year since 1995 in Egypt and under the auspices of the Egyptian government represented today in His Excellency Minister of Industry and Trade, Engineer/ Samir AL Sayyad.

The Egyptian government sponsorship to such an International Forum, by opening the 17th AFA International Annual Forum, reflects the sublime status occupied internationally by Arab fertilizer industry and trade, manifested in Arab fertilizer industry and exports considerable share in the international market.

Ladies and Gentlemen

Since its establishment in 1975, AFA works and sets its mechanisms and programs according to the latest developments witnessed and challenges faced by fertilizer industry and trade. This method is clarified in AFA annual plans, which take in consideration all the international changes and the required needs in order to promote Arab fertilizer industry. AFA purpose from the previous effort has been to raise the level of efficiency, improve the standard of performance, recognize all new issues related to fertilizer industry, provide related information and data and exchange expertise between its members. Such is being carried out by AFA in the light of a clear mission related to focusing on the best utilization of natural resources available for fertilizer industry:

- Phosphate materials, the Arab region share of which exceeds 75% of the international stock.
- Natural gas, the Arab region share of which exceeds 30% of the international stock.
- Potash extracted from Dead Sea salinity stock, estimated by 7% of the international stock.

All of the stated above materials are considered the backbone of different fertilizers' industry.

Therefore, the best utilization of such materials, the achievement of its highest added value and the usage of its revenues to contribute in economic and social development parallel to the encouragement of scientific research in the field of fertilizer industry- bearing in mind maintaining the environment and protecting the human being- have always been AFA policy and strategy and AFA Board main endeavor.

Food Security:

By all means, we should include in our Forum the issue of food security and the main challenges facing the Arab region in this regard. Although natural resources, for instance land, water and human resources, are available, the Arab region agriculture achieved not the targeted production increase to encounter the rise in food demand. Hence, the food chasm widened resulting in Arab countries importing of more than half of its food commodities' needs, which is estimated by USD 70 billion annually.

- On an equal footing with the scientific preparedness made to face poverty and hunger, strong calls rose to warn against the current and expected attacking dangers and changes threatening mankind, which are embodied in the changes occurring in the international atmosphere, emphasized by number of phenomena, important of which:

- The unprecedented rise in temperature degrees and the emergence of global warming phenomenon with its negative aspects and direct impacts on the global and human beings futures, as a result of the accumulating reactions of various activities, at the top of which industrial activity besides other destructive actions committed against our world.

- Hundreds of researches and studies emphasized the fact that the Earth planet temperature has risen to unmatched levels, as proved by the ice-melting phenomenon, which in return will lead to an increase in the water level in rivers and oceans and an ongoing erosion of shores, thus, exposing many cities, coastal agricultural lands and estuaries' deltas to both erosion and salinity, leading to people movement and geographical migration. The matter that will take place if governments and organizations did not take the highest level protective measures to limit, as much as possible, the expected impacts in this concern.

- Also, the irrefutable facts of the soaring financial crisis should be taken in consideration, comprising the widened poverty and hunger gap and the high rates of unemployment.

- The decrease in rainfall average, consecutive draught waves, limited agricultural lands and desertification.

- The repeated migration waves from rural to urban areas searching for better job opportunities and living standards.

- Therefore, we from such a podium call upon the international community to concert efforts to set serious strategies in order to deal with the current unprecedented challenging reality, through the following:

- Taking agricultural policies concerned with producing more food.

- Executing reclamation schemes to lands and fighting desertification.

- Applying good governance practices in agriculture and fertilization.

- Launching agricultural extension and awareness programs to raise agricultural productivity horizontally and vertically.

- Rationalizing agricultural extensionist usage of water resources and developing irrigation methods to do away with the traditional irrigation immersing method.

The following table highlights the Arab food security situation in addition to the self-sufficient rates concerning the main commodities:

Commodity	Self-Sufficient Rate
Grains	49
Red Meat	84
White Meat	75
Poultry	69.8
Edible oils	38
Sugar	35

Source: Arab Organization for Agricultural Development

The stated above rates necessitate from the region to exert more effort so as to develop the agricultural and animal sector heading to minimizing the food gap and reaching the self-sufficient rate as much as possible. To elaborate, the development of Arab agricultural sector became a necessity, as the present and future of Arab food

security are related to the present and future of agriculture, bearing in mind the fact that the region is considered an integrated economic unit.

With reference to the region available agricultural resources, represented in agricultural lands and rain amounts, these resources qualify the region to provide required food needs. The arable land area is estimated by 198.20 million hectares, 69 million hectares of which are used. Concerning the Arab region amount of rainfall, it reaches 2282 billion cubic meters annually. Besides, the stock of underground fresh water is estimated by 7734 billion cubic meters, while the total water resources used in agriculture reaches 169 billion cubic meters.

The abovementioned undoubtedly requires exerting strenuous efforts and setting water extension policies capable of maintaining, benefitting from and scientifically employing available water amounts in order to increase the area of agricultural lands, maximize the benefit from available agricultural lands and use different types of fertilizers in a way increasing agricultural return horizontally and vertically, thus leading to tangible economic development.

When highlighting regional agriculture sector capacity to develop, it is worth mentioning that it is still suffering from some determinants:

1. Insufficient legislations in agriculture field: the legislations attracting investments, with reference to the agricultural field, are still below the aspirations of investors and even require updating, especially in countries having huge areas and good water sources, at the top of which Sudan and Egypt.
2. Limited usage of modern agricultural technologies and specialized researches. The matter shown in the poor production of grains in the Arab region, estimated by 1.7 ton/hectare in comparison to around 5.6 ton/hectare in the United States.
3. Poor infrastructure level (such as roads, transportation, storage ... etc.) and their negative and direct impacts on the agricultural and marketing system.

Fertilizer Industry in Arab Republic of Egypt:

In relation to Egypt fertilizer industry, Egypt was the leading country in this field on the Middle East level, since 1936. In Egypt, this industry developed, its production capacity rose and factories increased, comprising 17 fertilizer producing companies, which represent the base of nitrogenous, phosphatic and NPK fertilizers in Egypt. The investments of the previous companies exceed L.E.60 billion, in which 20 thousand workers and engineers work. In addition, there are other underway and in the-establishment-phase projects, with investments reaching L.E.20 billion. Also, they are expected to provide around 4 thousand new job opportunities in such vital and strategic sector.

When tackling the production capacities of the said sector, it is worth mentioning that the total capacity rate reaches 9 million tons of different fertilizer types, accomplishing a revenue rate estimated by L.E.15 billion. Production essentially aims at covering the local required needs for agriculture and exporting the surplus.

Ladies and Gentlemen

AFA invited a galaxy of regional and international experienced experts and specialized people to tackle the impacts of the international economic and financial crisis, challenges facing fertilizer industry, requirements of agricultural development, issues related to increasing population, effects of atmosphere change on food, questions of mankind future together with efforts exerted internationally to narrow poverty gap and achieving progress in this regard in line with the efforts led by FAO to such an end.

To conclude, I thank again and express my gratification to the sponsor of such an International Annual Forum, being the most important event concerning fertilizer industry and trade in the Middle East. I further thank AFA board members, Arab organizations chairmen, speakers and participants. And allow me also to express all appreciation to AFA Secretariat for the excellent organization and the annual tangible development in the Forum proceedings.

Best Regards

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AFA Board Chairman
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