

Fertilizer Focus



**Farmers share concerns
and hopes for the
food system**



Charlotte Hebebrand,
IFA Director General,
says farewell

Plus: EU fertilizer use forecast • AVF focus supplement

End of an era at IFA

Charlotte Hebebrand is about to move on from her seven-year tenure as Director General of the International Fertilizer Association (IFA). Fertilizer Focus (FF) speaks with Charlotte (CH) about her time at IFA, the association's evolving strategy and the outlook for a sustainable future.



FF: You've served as the leader of the industry association since January 2013. What attracted you to IFA in the first place?

CH: After spending many years working in the agricultural policy space, and in particular in the agri-food trade policy space, I was excited by the opportunity to engage with a particular industry segment of the wider agri-food supply chain. The fertilizer sector was intriguing to me considering it is at the nexus of so many vital global issues, such as food and nutritional security, rural livelihoods, global trade, and environmental considerations, just to name some of them.

Having grown up in Germany, I was also happy to return to Europe in a professional capacity and to give my two then teenaged children the opportunity to live abroad - which they didn't appreciate at all at first, but with hindsight are now thankful for!

FF: The end of your tenure as Director General of IFA coincides with the swiftly evolving coronavirus situation. What impact has coronavirus had on IFA and the fertilizer sector? Do you think there'll be any sustained impact of this shock?

CH: I'm afraid it's still early days, and yet, the impact has already been profound. Sadly, we've had to postpone IFA2020 in Delhi to next year. At IFA, we are all working from home and doing our best to track the implications of this crisis with a view towards helping our members through this very challenging time. Our first action was to issue an IFA statement*

It's been an extraordinary privilege to lead IFA

on the absolute need to ensure open borders and sound distribution of fertilizers to support farmers around the world. It's good to see that a growing number of countries have identified fertilizers as essential products which will help safeguard – although not guarantee – production and distribution of fertilizers.

IFA has also set up a COVID-19 information centre for our members, which provides regular updates from IFA on the implications of the crisis for the industry and agriculture more broadly, as well as updates from IFA members on their own guidelines and best practices, and relevant publications from other sources. IFA members are to be commended for all their efforts to protect the health of employees, and to keep production processes moving. Moreover, many IFA members play a hugely important role in their respective communities and are also doing a lot to help address the crisis within the broader population.

As past economic crises have impacted this sector, I'm afraid this crisis will also have an impact, but this is a resilient and crucial industry which will weather this impact. IFA will continue to track developments and engage with our members during this extraordinarily difficult time. To me, the crisis reaffirms the importance

of the industry considering possible future developments and building contingency plans to address potential risks - interestingly, the spectre of a pandemic was even briefly referred to in our IFA2030 scenarios. I also feel that one important positive outcome of the crisis may be that people around the world more fully appreciate the importance of productive agricultural systems and a secure food supply.

FF: What was the biggest surprise or change in your views about the fertilizer sector compared with when you started?

CH: I was amazed by the willingness of IFA members from throughout the world to give me a chance, considering that I came into IFA with no real fertilizer specific expertise to speak of, and considering that I was the first woman Director General ever in a still predominantly male industry. I will forever be grateful for the way members welcomed me to their countries, companies and homes, and their patience with my many questions as I was coming up to speed on the key industry issues. I was immediately struck by the quite unique sense of comradeship within the global fertilizer industry, notwithstanding the fact that there is also some pretty serious competition among individual players.

FF: What are you proudest of during your tenure and what would you like to be remembered for?

CH: It's been an extraordinary privilege to lead IFA. IFA has such an impressive history of achievements over its 90+ year history and became a truly international organization thanks to the able leadership of Luc Maene, with a wide expansion of membership in particular in emerging and developing countries. Building on all the past accomplishments, I think that I entered the industry at a time when people were ready to take a fresh look at the role of an industry association. Working closely with my colleagues in the Secretariat and with the support of IFA's Executive Board and wider Board, I hope to have made some contributions to the evolution of this wonderful and unique association, such as:

- A streamlined and more transparent governance for the association pursuant to a governance review and revised statutory documents undertaken as my first serious initiative after arriving at IFA
- Making IFA a more interactive association by encouraging greater dialogue on important issues at all levels, starting with the captains of the industry at new meetings such as IFA Strategic Forum, as well as within Board, Committee and working group and task force meetings
- Improving IFA's hugely important market intelligence function by bringing our demand and supply statistics and analysis under one roof, first through a common data portal 'IFASTAT', followed by the creation of a common Market Intelligence Service and Committee, an effort to cover more specialized fertilizer products and more recently, having IFA embark on additional and what I believe will become ever more important market intelligence, such as tracking global and national nutrient use efficiency
- A push to create some 'buzz' and peer pressure for members to take greater advantage of IFA's offerings in the Safety, Health and



Chairman Dr David Nabarro at the HLF Panel session



High Level Forum on Sustainable Plant Nutrition

Environment (SHE) realms, such as our benchmarks, Protect & Sustain certification and IFA Industry Stewardship Champions programme

- The wide-ranging consultations among members and external experts who engaged in a long-term scenario planning process 'IFA2030', which resulted in some important reorientations for the association

- Putting into place an advisory scientific panel on responsible plant nutrition
- Organizing a number of 'firsts', such as the first Plant Nutrition Solutions Ag Tech Showcase at IFA2019 Montreal, the first of a series of High-Level Forums on Sustainable Plant Nutrition at the IFA2019 Strategic Forum and the first IFA Global Stewardship and IFA Global Markets conferences in February and March of this year

FF: One of the most important areas of focus during your period of leadership has been sustainability. How do you assess the fertilizer industry's track record on this issue, and what are the main areas that can be improved upon?

CH: From my early days, I was aware of two things that I believed could present potential risks to this vitally important industry. The first is the still rather high average percentage of nutrients applied to soils which are not taken up by crops, leading to sometimes significant N and P losses to the environment. IFA estimates an average global nitrogen use efficiency of 45-50%, meaning that only that percentage of total nutrients applied is taken up by harvested crops. The second is the heavy reliance on fossil fuel feedstocks for the nitrogen segment of our industry; regardless of whether you believe in climate change or not, the likelihood of governments regulating various industry segments to do their part in greenhouse gas reductions, creates some real vulnerabilities. Whereas other industries had jumped on the "sustainability bandwagon" already in the 1990s, I sensed the fertilizer industry had not felt the same urgency to do so, perhaps because it remains largely a business to business industry rather than a consumer facing one, but also perhaps due to a feeling they it was somehow 'off the hook', considering fertilizers are responsible for feeding half the world. I understood this sentiment, but was also pleased that throughout our deliberations on the IFA2030 scenarios, more and more members saw that governments and society at large would be pushing for the industry to reduce its environmental footprint, while continuing the hugely important task of promoting global food security. And that these growing expectations from UN agencies, national governments, the investment community and civil society were not only a challenge, but also presented the industry with some terrific opportunities in terms of developing new approaches, products



IFA member companies who received IFA Industry Champion medal at Versailles

and partnerships. It's important in my view for the industry to be proactive in light of these expectations rather than be confronted with caveats from organizations and policymakers who may not really understand the nuances of plant nutrition.

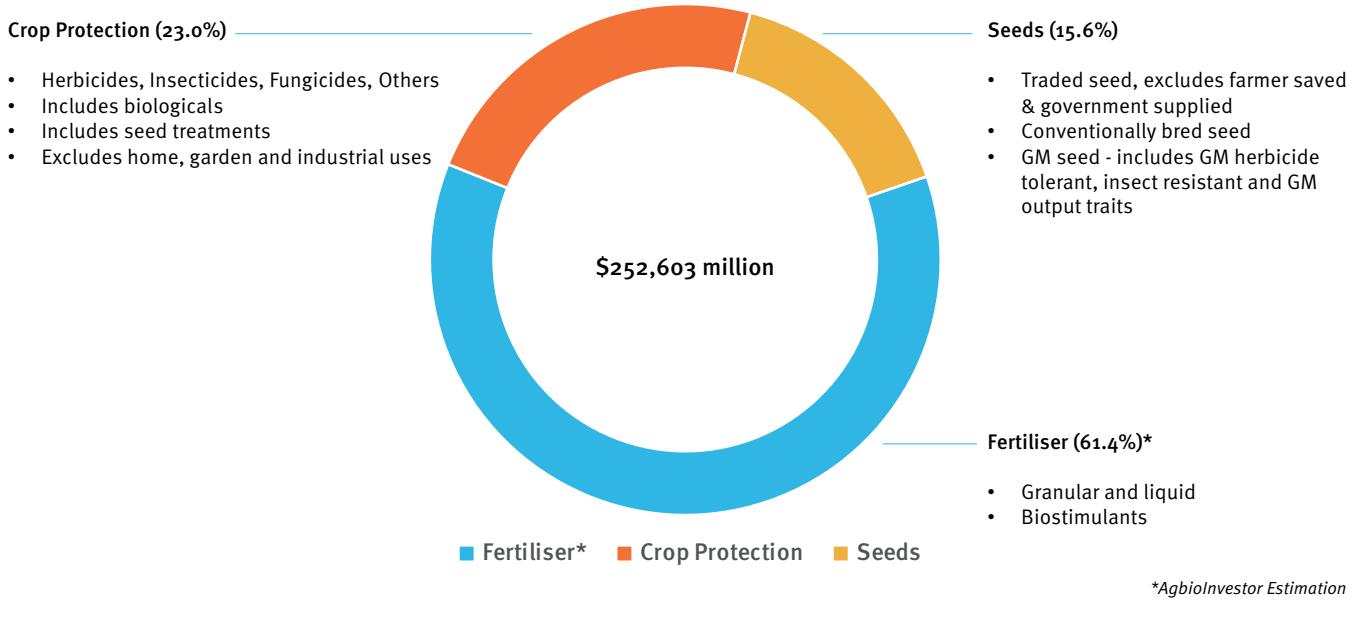
FF: How do you think the changes will be implemented by the industry?

CH: The two key challenges remain important in my view. With regard to reducing nutrient losses to the environment, there are already great tools in place, but their adoption needs to be stepped up, along with some further innovation to develop new tools. We have seen that the plastics industry risks being implicated in the growing and legitimate concerns over single-use plastics from downstream users impacting land and oceans, and I hope that the fertilizer industry can

avert a similar fate by proactively engaging in efforts to reduce nutrient losses to the environment resulting from the use of their products by farmers. This should involve working also in partnership with others to provide greater incentives to farmers to follow best management practices, and also asking governments, international organizations and research organizations to do their part, as it is not correct to only hold the industry responsible for this issue. I'm always struck by the fact that fertilizer subsidies (and other domestic support provided to agricultural producers) play a hugely important role in fertilizer demand and believe that these could be adapted in order to encourage more balanced plant nutrition. It's also important to point out that agricultural research priorities – both within the public and private sector – have predominantly

Figure 1. Agricultural Inputs Market 2018 (USD mn)

Source: AgbioInvestor



focused on plant genetics with plant nutrition arguably being neglected, despite the fact that the plant nutrition sector is by far the largest input industry in terms of revenue and the largest input expense of farmers, as demonstrated in figure 1.

The nitrogen industry continues to improve its energy efficiency, and a more widespread adoption of best available technologies will help to further reduce greenhouse gases from ammonia and nitric acid production (we will learn all about this as well as some potential new approaches in the “Nitrogen Roadmap” being developed by the International Energy Agency, which IFA is providing input into). More generally, across the “SHE” space, I think it’s important to stress that it’s important for us to show progress, rather than perfection: I would love to see a further uptick of members participating in IFA benchmarks (today around 30-35% of producers participate in IFA’s safety, energy efficiency and environmental emissions benchmarks) so that IFA can credibly demonstrate this progress. I would even go further: as more members participate,

It's important for us to show progress, rather than perfection

perhaps the overall performance would initially drop (since it would no longer include only the best performers) but that’s not a bad thing as it would allow the industry to have a more comprehensive approach and baseline. It is hard to show improvement if you don’t have a starting point to start measuring from.

FF: What are you planning to do next? Can you tell us about your new role?

CH: I’m pleased to take on a new position as Chief Sustainability Officer with Nutrien, although for the moment it looks like I am not leaving France any time soon given the COVID-19 crisis. Nutrien is engaged in a very thorough effort to make environmental, social and governance (ESG) disclosures to the investment community and will build on this by developing an ESG strategy. Getting engaged in the ESG space is not just an exercise in transparency, it’s also a great way for companies to

identify new and exciting business opportunities. I am thrilled to be able to contribute to these efforts, in addition to helping guide Nutrien’s government and stakeholder relations and communications efforts. I’m also really pleased that I can continue to engage with IFA in my new capacity.

FF: If you have one piece of advice for the industry what would it be?

CH: I encourage all IFA members to take full advantage of your IFA membership to jointly engage on the most important issues facing the industry – there’s an amazing group of talented professionals in Paris who are tremendously dedicated to working with and for all of you!

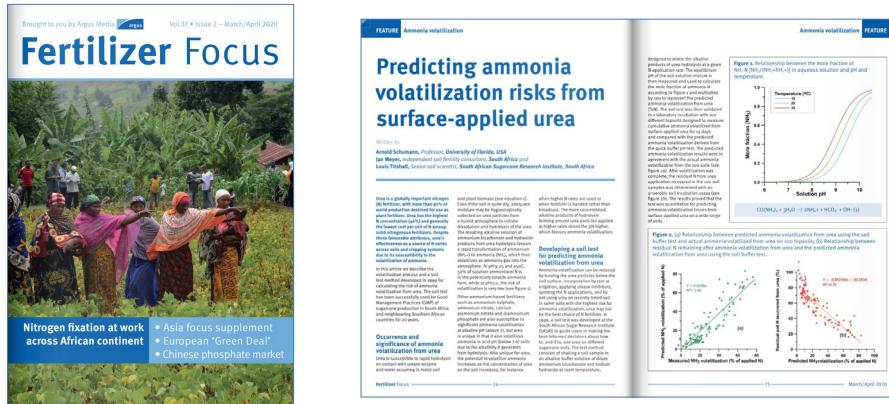
*IFA initial statement on Coronavirus: https://www.fertilizer.org/Public/Media/Press_Releases/Public/Media/Press_Releases/2020_03_19_Global_Fertilizer_Supply_Chain.aspx ■

FREE! The Argus Fertilizer Focus bi-monthly magazine – sign up today!

Argus is pleased to announce that we are offering free digital access to our **Fertilizer Focus** magazine, which includes essential coverage of key developments in fertilizer and related markets and exclusive interviews with leading industry personalities.

Sign up by [clicking here](#) – you'll receive an email alert when each new issue is published with a link to the magazine.

[Sign up here](#)



More about the Argus Fertilizer Focus magazine

First published in February 1984, Fertilizer Focus is the world's leading bi-monthly magazine serving the international fertilizer industry.

We cover key developments influencing fertilizer and related markets, such as:

- Production economics
- Technology, plant and project news
- Product logistics
- Traditional commodity products (N, P, K, S, S acid)
- Specialty fertilizers and related products (micronutrients, water solubles, enhanced efficiency fertilizers, and biostimulants)

The magazine includes regular market features produced by Argus's unrivalled, international team of fertilizer market reporters and analysts:

- Topical editorials
- Q&As with key industry executives
- Industry and company news briefings
- Shipping news
- Fertilizer price watch
- Updates on people and events

What is covered in the upcoming May/June issue of Fertilizer Focus?

- Interview with Charlotte Hebebrand, Director General of the International Fertilizer Association (IFA)
- The impact of Corona virus on the global economy and energy markets
- Update on fertilizer trade situation in East Europe
- Latest Sub-Saharan Africa fertilizer market developments
- NPK market developments in Asia
- Focus on fertilizer markets in the Former Soviet Union
 - Fertilizer Shipments via the Baltic Ports
 - Fertilizer capacity growth in Russia
 - Russian domestic fertilizer market results in 2019
- Supplement: Added Value Fertilizer Focus
 - Tackling today's fertilizer challenges with innovative coating technologies
 - Review of the market for Biostimulants in Asia
 - Sustainability issues of polysulphate