

Dr Ashkar Speech
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Opening Ceremony
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Engineer/ Khalifa Al Sewedi AFA Board Chairman
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Chairman of Chemical Industries Holding Co.

Distinguished AFA members, companies' chairmen and Arab and international delegations,

May peace and blessings of Allah be upon you

- At the beginning, I would like to welcome His Excellency (), thank him for attending and chairing the opening ceremony. I further extend my appreciation for the Arab Republic of Egypt government for continuously fostering AFA activities and proceedings held on the cherished land of Egypt, the matter that is clearly reflected on the great attendance of parties interested in fertilizer industry and trade from all over the world.
- Our gathering today in the 14th International AFA Conference, in the shed of the current world economic transformations, reflects our concern and keenness to face many challenges. Challenges that affect food security and energy provision required for the achievement of sustainable growth in all sectors, at the top of which fertilizer industry sector that is deeply related to international food industry and security.
- Food provision is one of the human rights that should be provided without exclusion or discrimination. Therefore, the non-fulfillment of the said right is considered a serious violation for human dignity principles. Hunger and poverty of nearly 854 million people, on the world level, despite of food surplus, is a form of negligence with respect to all humanity.
- Hunger is not an inevitable destiny. It could be combated via developed wise policies and sincere and effective cooperation with developing countries governments, which are expected to put food security as one of the major economic and social development priorities.
- On the regional level, the achievement of Arab food security broad concept is a strategic goal and goes in line with the international exerted efforts, heading to reducing hungry people, in the world, to half by the year 2015. This concept is represented in providing essential food goods, enabling Arab citizens to receive such goods with acceptable prices and taking in consideration food quality and safety through the development of regional agricultural potentials and the integration of material and human resources.
- The following table pinpoints Arab food security reality and the self sufficiency rates of essential goods, clearly and bluntly indicates that there is a lots of good planning to be done to narrow the gab.

| Goods | Self Sufficiency % |
|----------------|--------------------|
| Cereals | 56 |
| Red Meat | 87 |
| White Meat | 75 |
| Dairy Products | 70 |
| Edible oils | 31 |
| Sugar | 35 |

- The development of Arab agricultural sector is considered a must, as Arab food security present and future are so much related to agriculture future according to an Arab integrated agricultural concept, bearing in mind that the region is an integrated economic unit.
- Concerning the available agricultural resources in the region, they are represented in agricultural lands and rain quantities, which prepare the region to provide food needs. Arable lands are estimated by 198 million hectare, 69 million hectare of which are landed. As for the rainfall average in the Arab region, it is estimated by 2285 billion meter square annually, and the underground fresh water reserve is estimated by 7734 billion meter square while the total water resources used in agriculture reach about 169 billion meter square.
- Therefore, the abovementioned requires exerting concerted efforts and setting water and extension policies capable of maintaining and making use of available water amounts. Besides, employing these policies practically to increase agricultural lands, maximize the utilization of the available lands and using different fertilizers to raise the agricultural returns horizontally and vertically, thus, leading to tangible economic growth and development.
- In fact, there are some determinants that obstruct the development of regional agricultural sector, important of which :
 1. Insufficient attracting legislations in the agricultural field: investment attracting legislations in agriculture field are below the ambitions of investors and in need for development, especially in countries of huge areas and good water resources, at the top of which Sudan and Egypt.
 2. Poor agricultural technologies usage: such is manifested via cereals productivity in the Arab region, reaching 1.7 Ton/Hectare against 5.6 Ton/Hectare in the United States.
 3. Poor infrastructure: (for example roads, transportation, storage, banking system ...etc.) directly and adversely reflected on agricultural and marketing systems.
 4. Limited production added value: most of the agricultural products are considered major raw materials supporting the agricultural manufacturing chain or being used in transformational food industries or other transformational industries such as bio-fuels, which represent a great challenge facing developing countries endangering food security.

The following question strongly arises in this regard :

Food or Fuel ... Which comes first?

- Recently, bio-fuels came into sight as a promising energy source integrating with the already available energy sources. and will play an increasing role in the international energy arena, during the coming phase, expected to fulfill 20% of the international demand volume on energy by 2030, reaching about 36 MT while it represents around 8MT for the time being.
- In the light of the international direction, towards increasing bio-fuels production, it is expected that demand on N.P.K. will increase with an amount exceeding 4% of the existing international demand, to reach:
 - 171 M/T during 2007-2008
 - 176 M/T during 2008-2009
 - 195-205 M/T by 2016
- That is to say reaching an increase of 40% in comparison with current demand rates. Such is a result of the international direction to produce more and more agricultural crops required for food and used in bio-fuel production.
- Consequently, the previously mentioned will naturally lead to the emergence of extra productive energies to face the annually growing demand and will encourage the countries with required raw materials and feed stock to push forward in the said direction.

Ladies and Gentlemen

- Thus, the International Conference is convened in the shed of specific circumstances of international control and directions related to food security promotion via infrastructure investment that serves agricultural sector.
- In addition, there are efforts exerted to raise the awareness on mineral fertilizers usage- inevitably necessary to increase agricultural productivity of grown lands- and extract high yield strains in order to be in line with the international direction and achieve agricultural production and food abundance.
- On the level of supporting green revolution in Africa, AFA is completely aware of African market importance, thus, attended and fostered Africa Summit, held in Nigeria in 2006, and adopted such a significant summit recommendations, which raised the slogan of Africa Green Revolution coinciding with the efforts of all concerned international organizations. AFA was further keen to follow up the summit proceedings and participate in meetings and gatherings, to set a practical mechanism in order to achieve the referred to goal and increase countries capability for agriculture sector sustainable development. Bearing in mind, when doing so, the African market strategic and geographic dimension in Arab fertilizer industry and trade.

- Going back to the 14th International AFA Conference proceedings, it includes during the conference five sessions in-depth discussions on mainly issues through the participation of a galaxy of experts from allover the world.
- Moreover, we will also continue tackling the shipping and marine transportation subject as one of the main factors affecting fertilizer trade. Recently, marine shipping freight rate witnessed a huge and unprecedented increase that exceeded all expectations, the matter that may lead also to increasing fuel prices in the world and metals used in manufacturing transportation ships (iron, steel ...etc.).
- At the end, I re-welcome you all wishing our international conference all success and extending our thanks and appreciation to the Arab Republic of Egypt for it's immense support and for the sponsoring companies.

Best Regards.

Dr. Shafiq Ashkar
Secretary General