
PRESIDENT'S REPORT

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It is my pleasure to report on the status and activities of the Society and also to touch briefly on expectations for the future.

It is common knowledge that the situation of the agricultural economy - in particular the grain crops sector - has deteriorated further during the year. The effects of the 1991/92 drought have not yet been fully felt and it is to be expected that the industry will be hard pressed to maintain a credible level of profitability in the months and year ahead.

In view of the economic realities facing the industry and in consequence also the Society, the Management Committee critically evaluated all aspects of the Society's structure, functions and activities. We came to the conclusion that the Society in future should

- * broaden its agenda in order to make a more meaningful contribution towards solving agriculture's pressing problems;
- * broaden its membership base so as to include interest groups that could identify themselves with the Society's mission;
- * strive to render quality service to its members and responsibly promote the interests of the industry within the framework of a set of objectives which are synonymous with the best interests of agriculture and the end-user of fertilizer.

With the above in mind the following mission was subsequently formulated:

The Society will conduct itself as an independent and authoritative body on fertilizer and fertilizer related matters and undertakes to:

- * create a forum which will facilitate effective liaison and negotiations with government, organised agriculture and other interest groups to enhance the prosperity of agriculture and as a consequence also the fertilizer industry;
- * assimilate, add value to and disseminate fertilizer related information in such a way that the agro-economic justifiable use of fertilizer is promoted.

The Society is committed to promoting fertilizer practices conducive to the maintenance of an ecologically sound environment wherein agricultural production can be optimised.

While the past year was to some extent one of reflection and consolidation, the Society is now well positioned to face the challenges confronting agriculture and our industry. It has, in fact, already embarked on a course of actions to address some of the "new" issues.

Finances

The budget for 1991 amounted to R953 640. On 31 December 1991 the Society had R220 773 in capital employed compared to R215 363 a year ago. Current liabilities decreased from R214 097 in 1990 to R87 092 in 1991. While the Society is financially healthy, efforts are nevertheless underway to improve the balance between income derived from members' subscriptions and from other sources.

Membership

During the year one of our associate members, Nitro-Acta resigned. We wish them well in their future endeavours. Following yesterday's Management Committee meeting where their respective applications for membership were approved, we wish to welcome two new

members to the fold, viz Chemfos and Sentraalwes Koöperatief Bpk. I trust that their association with the Society will be a long and fruitful one. In unity lies strength as the saying goes, and there is no doubt in my mind that the Society can render a better service to the industry if it represents the broadest possible base of fertilizer interests.

Technical Subcommittee

This committee, under the able chairmanship of Pieter van Niekerk, can reflect on a very successful year. Three technical one day symposia were held.

A successful Medal Holders' Symposium, where FSSA medal holders presented papers on invitation, was held in September. It was well attended by 143 delegates, mainly from the ranks of the industry, Department of Agricultural Development and universities.

The popular annual Soil Analysis Symposium, jointly presented by the Department of Agricultural Development and the Society, was held in Potchefstroom during November. Seventeen short papers, mainly on analytical methodology, were presented. Certification and accreditation of laboratories which consistently perform according to minimum standards are, however, still a moot point. The formation of an independent professional Association for Agricultural Laboratories is presently under consideration by interested parties, and it is hoped that such a body could successfully resolve these and other related issues. The formation of such a professional society carries the blessing and good wishes of our Society.

The Society also presented a one day Vegetable Production Symposium during March 1992 in collaboration with SANSOR. A number of pressing issues were identified and follow-up actions are under consideration by the steering committee.

Fertilizer regulations and matters pertaining to Act 36 receive attention on a continuous basis. The Act 36 standing working party has held a number of meetings with the Registrar and has made a number of submissions. These are at present being drafted into revised fertilizer regulations by the Registrar. Some regulations

have become outdated and we welcome the Registrar's intention to finalise the matter as soon as possible. We are keenly looking forward to the day when a revised set of regulations will be adopted. The Society will continue to give the Registrar its full co-operation in this regard.

Environmental issues on the interface with fertilizer practice also resort under the auspices of the Technical Subcommittee. In recognition of the public's growing concern on environmental matters, a standing working party has recently been formed to address them. Such issues are more often than not presented in an emotional, sometimes even skewed, perspective. The working party will assess all environmental issues relating to fertilizer practices and will endeavour to present a balanced view to the public at large. If need be, a code of fertilizer practice, which should be conducive to the maintenance of an ecologically sound environment, will be adopted.

The content and editorial standard of the Society's publications are also the responsibility of the Technical Committee. Since its "rebirth" in April 1990, *Plantfood/Plantvoedsel* has established itself as an authoritative and popular publication in the soil fertility and plant nutrition fraternity. *Fertilizer Review/Kunsmisoorsig* was discontinued as part of an internal rationalisation programme. Aimed at a small target audience of decision makers in agriculture, locally and abroad, there was some doubt regarding its effectiveness. *Fertilizer Handbook* and *Bemestingshandleiding* continue to be very popular. More than 600 copies were sold in 1991. It is still prescribed as study material in a number of Technikons and universities. Proceedings of the Medal Holders' Symposium came off the press in March, while the proceedings of the Vegetable Symposium will be published shortly in collaboration with SANSOR.

The *FSSA Journal*, which contains the proceedings of open session events, has now been published without interruption for more than 30 years. Requests for subscription are still being received from libraries, institutions and individuals locally and abroad. The Selsko Khozajstven Library in Moscow and the Ceylon

Institute for Science and Industrial Research count among some of the more than 100 foreign subscriptions for this publication.

Economic Affairs and Supplies Subcommittees

The chairmen of the committees for the past term of office were Messrs Fritz Rischmüller and Johan Geldenhuys respectively.

Compilation and distribution of sales and other statistical reports continue to be an important function of the Society. In this regard the Society has also established itself as an authoritative source of information. Requests for statistics are received regularly from a number of international organisations and publications such as IFA, IFDC, the World Bank, British Sulphur Corporation and *Fertilizer Focus*. The Society is also co-operating with the Registrar in finding alternative and more functional mechanisms of compiling national fertilizer consumption statistics.

A new format for the nitrogen demand/supply situation for the industry was implemented early in 1991. It is still not entirely clear whether this exercise serves a really meaningful purpose and the continuation thereof will come under review in the near future. A number of workshops were organised under the auspices of the Economic Affairs Subcommittee where the concept of marginal costing of agricultural production was "tested". As a direct outcome of this, the Society, Nampo, the Highveld Region of the Department of Agricultural Development, and Noordwes Co-operative are engaged in an exercise to assess the feasibility of the concept.

Liaison and Public Relations

Liaison with external organisations is a very important facet of the Society's activities and

close ties were maintained with the South African and Transvaal Agricultural Unions, producer organisations, the Department of Agriculture, co-operatives and universities. Close links have been established with the Agricultural Research Council's (ARC) management in Pretoria, and ties are also being maintained with the research institutions of the ARC. The ARC is charting new waters in an uncertain future and our best wishes accompany them on the road ahead.

An *ad hoc* working party under the auspices of the Economic Affairs Subcommittee was formed to thrash out problems relating to the implementation of VAT with the Commissioner of Revenue. Uncertainties were by and large cleared.

The Society has established a close co-operation with the World Bank and has maintained its links with other international organisations. The African Centre for Fertilizer Development (ACFD) was recently established with head-office in Harare. We are honoured to have as our guest the director of the ACFD, Dr Sam Muchena. Dr Muchena has had the opportunity to meet people from the industry since his arrival on Monday, and I trust that this visit will be the beginning of a long and fruitful co-operation with our neighbours to the North.

I also wish to thank the chairmen and members of committees and working parties, and last but not least, the staff of the Society for their dedication, commitment and hard work. They have succeeded in running a tight ship under sometimes trying circumstances.

Thank you ladies and gentlemen for your attention. I now declare this meeting open.