



MANAGEMENT COMMITTEE MEETING: NOVEMBER 2016

FERTASA SERVICES AND ACTIVITIES

In 2012, members of the Fertilizer Society of South Africa (FSSA) identified fifteen services and activities that were essential to the future and existence of the society. Most of these services and activities have received attention, being improved upon or extended since the end of 2012.

A questionnaire was designed to determine whether this list was still valid in 2016. Fertasa's members were asked to rate the activities in terms of importance, rate Fertasa's overall performance and to provide insight into their expectations of Fertasa by means of open-ended questions. The survey was made available online (www.surveymonkey.com) and 117 committee members were invited to participate, of which 42 responded.

Results of the Survey

The results of the survey are shown in Tables 1 to 4. These results largely confirm members' earlier needs.

Fertasa's first priority is liaising with the Registrar and his people and assisting with the registration of products (Table 1).

The value of the *Fertilizer Handbook* and the importance of the fertilizer industry's image were once again pointed out.

It is also important to note that all fifteen services on the list were regarded as important, with the lowest ranking being 3.51 out of 5.

Table 1: Importance of services

Ranking	Services Provided by Fertasa	Weighted Average /5
1	Liaison with the Registrar of fertilizers regarding the new Fertilizer Bill	4.51
2	Liaison with the Registrar of fertilizers regarding fertilizer Regulations	4.35
3	Publish and review the <i>Fertilizer Handbook</i>	4.28
4	Promote the image of the fertilizer industry and the importance of fertilizer use	4.09
5	Be the recognised official body as the representative of the fertilizer industry in Southern Africa – to speak with one voice	4.07
6	Share knowledge that will improve the agro-economic justifiable use of fertilizer and agricultural lime	4.02
7	Manage and offer the FACTS (BASOS) course	4.02
8	Manage and offer the Fertasa Code of Conduct Compliance System	3.93
9	Organise and present the Fertasa Congress	3.90
10	Organise and present the Plant Nutrition and Soil Fertility Symposium	3.88
11	Develop and maintain a fertilizer market statistics model	3.86
12	Liaise with government, research institutions, universities and organised agriculture	3.86
13	Establish and maintain a Fertilizer Quality Monitoring Scheme	3.86
14	Liaise with development organisations such as IFDC, AFAP and FAO	3.53
15	Maintain membership of IFA	3.51

The importance of Fertasa's committees to members is shown in Table 2. The majority prefer to be represented on the Technical Committee and least of all the Training Committee. It can be argued that members receive information from Technical Committee meetings, and they provide information and dedicate their time when serving on the Training and Publications Committees.

Table 2: Importance for members to be represented on Fertasa's committees

Ranking	Fertasa Committee	Weighted Average /5
1	Technical Committee	3.81
2	Regulations & Compliance Committee	3.42
3	Quality Management Committee	3.09
4	Management Committee	3.00
5	Board of Directors	2.83
6	Publications Committee	2.60
7	Training Committee	2.28

The benefits of Fertasa membership are shown in Table 3. Assistance with the registration of products was rated as the main benefit.

Table 3: Benefits of Fertasa membership

Ranking	Fertasa Membership Benefits	Weighted Average /5
1	Assistance with the registration of products	3.70
2	Free access to Fertasa's publications on the website, e.g. Symposium proceedings	3.58
3	Assistance with fertilizer-related queries	3.43
4	Promoting the image of Fertasa members	3.40
5	Referral of sales prospects to your company	3.12
6	Free publishing of the company name in the <i>Fertilizer Handbook</i>	3.05
7	Special rates for attending Fertasa's Congress and Symposium	2.91
8	Free corporate advertising on Fertasa's website	2.79

Fertasa's overall performance is shown in Table 4. The majority of members rated the service as good (57.1%) and very good (16.7%), giving a total of 73.8% of members reporting a positive experience with Fertasa's performance. The weighted average performance score was 3.88 out of 5 or 77.6%. The challenge is to reduce the number of members rating Fertasa's performance as neutral or poor.

Table 4: Overall performance of Fertasa

Category	Rating
Very poor	0
Poor	2.4%
Neutral	23.8%
Good	57.1%
Very good	16.7%
Weighted average	3.88 / 5

Open-ended Questions

Members' responses to four open-ended questions have been categorised and are shown in the attached Table 5. We have taken note of these responses and shall incorporate them into our future strategies and plans whenever possible.

Equal Treatment of Members

One of the concerns expressed by members is the unbalanced treatment of members and the dominance of some members in the association and on its committees. This is fundamental to Fertasa's existence and will be dealt with in more detail.

We wish to respond to the perception that Fertasa is dominated by bigger members and that there is too little emphasis on non-NPK and speciality fertilizer products as follows:

- **Membership and Voting Powers**

Membership numbers increased from 19 in 2012 to 49 in 2016. The majority of new members are smaller companies that deal with non-NPK products. This is proof that Fertasa is open to all companies, associations and individuals with interests in fertilizer, plant nutrition or soil fertility.

The MOI adopted when Fertasa was formed in 2014 reduced the voting powers of large members when the principle of one rand one vote was exchanged for a system that gave smaller companies more power, proportionate to their membership fees, than bigger companies (Table 6).

Table 6: Voting rights per membership level

Membership Level	Voting Rights	Group
1	1	A
2	1	
3	2	
4	2	B
5	3	
6	3	

NOTE: Dividing members into two groups (A and B) has lost its purpose and significance due to recent changes in the MOI.

- **Board of Directors**

Smaller companies (Levels 1 to 3) were given the right to appoint half of the elected Directors with powers equal to all the Directors. At the recent AGM, a proposal was accepted to remove the grouping of members, which gave bigger companies (Levels 4 to 6) the right to appoint the other half of Directors. From now on, the four Directors will be appointed in an open election where they can be nominated from any level company and voting will be open to all ordinary members using their voting rights. All ordinary members are now equal in terms of the nomination and election of Directors.

Members have also accepted a clause stating that any member may not have more than one representative on the Board of Directors, either as a Director or an Alternate Director. The effect of this change is that eight member companies will be represented on the Board instead of the initial four. In reality, this may lead to the majority of members coming from smaller companies.

These changes have been incorporated into the MOI and will be applied during the next round of elections, which will give smaller members more control over Fertasa and its activities.

- **Plant Nutrition and Soil Fertility Symposium**

The Plant Nutrition and Soil Fertility Symposia held since Fertasa was formed have included themes and topics other than N, P and K fertilizers, to serve members with more specialised products.

The following topics were included in the 2014 Symposium programme:

- Foliar application of nutrients in sub-tropical crops
- Conservation agriculture – lessons from a recent world congress
- Fertilization in conjunction with conservation farming
- Sub-soil acidity and its management

At the 2015 Symposium, the following topics were addressed:

- Humic and fulvic acid
- Sulphur deficiency
- Seaweed benefits
- The use of inhibitors and nitrogen use efficiency

In 2016 the focus shifted to the revised *Fertilizer Handbook* and the changes in its guidelines and management principles. The Symposium was used to bring those changes to the attention of users of the book. The Technical Committee has already indicated its intention to cover the lesser crops and subjects that are not covered well enough in the *Fertilizer Handbook* at future symposia.

- **Group 3 guidelines**

When the latest fertilizer Regulations were published in September 2012, provision was made for a Group 3 fertilizer defined as “a fertilizer containing natural or synthetic substance(s) or organism(s) that improve(s) or maintain(s) the physical, chemical or biological condition (fertility) of the soil; and ‘soil improver’ has the same meaning.” No guidelines, protocols or directives for the registration of Group 3 products have been published or made available to the fertilizer industry. Fertasa took the lead to develop guidelines for the registration of Group 3 fertilizers, which were accepted by the Registrar and published on DAFF’s website in February 2016.

- **Product Registrations Workshop**

Fertasa organised workshops in 2014 and 2016, with both members and non-members being invited to attend. The purpose of these workshops was to improve the quality of applications for product registrations. There was a greater need to train smaller companies than larger companies because of their differences in available resources. The next workshop will be held in the first quarter of 2017 and will focus on Group 3 product registrations and the experimental proof that has to be provided with these applications.

- **Product Registration Pre-submission Service**

When the Registrar blamed the backlog on the poor quality of product registration applications submitted to his office, Fertasa took the initiative to provide a service to members and non-members in this regard. Once again, the service was of more value to smaller members than larger members because of the availability of resources within the companies.

Adam Mostert

TABLE 5: Open-ended questions**Table 1: What in your opinion is Fertasa doing well?**

1. Fertasa has created a forum to discuss issues with the Registrar
2. I think Fertasa is doing well at everything.
3. The effort that FERTASA is doing to get the Registrar of Fertilizer to do its job properly is important.
4. New fresh image and approach
5. Assisting in registrations
6. Increasing number of members to join Facilitate discussion on industry matters with authorities
7. General running of the congress
8. I like that you have looked at implementing new ideas like dealing with the registration, think this a great idea.
9. Helping to keep the fertilizer industry up to date with common interests of members.
10. Establishing itself as an authority in the SA Fertilizer landscape
11. Fertasa has done extremely well in increasing its membership and getting increased industry representation.
12. Planning of its Annual Congress and Technical Symposium.
13. Liaison with DAFF
14. Governance of the salient points for a sound Fertiliser Industry
15. The writing of the fertilizer handbook is essential and streamlining the fertilizer business, such as helping with registration of products
16. New way of thinking and its approach towards the fertilizer industry of Southern Africa
17. Serve as communication body, internal as well as external
18. Fertasa succeeds to some extent to unite a number of players in the market but can do much more to get others on board. Part of the problem is that Fertasa is still biased in favour of the dominant players in many respects whilst the market is changing drastically.
19. Act on behalf of the industry, especially in liaison with act 36
20. Growing membership

21. Everything
22. Help with registration of products and fertilizer bill.
23. About everything
24. Fertasa Congress and Symposium
25. Networking and liaise with role players and dissemination of information
26. Serve as a voice for the Fertilizer industry
27. Very well organized
28. Good principals
29. Nice to see a new project actually came online with the auditing process.
30. Nice newsletter
31. Good congress and symposiums.
32. Promoting the fertilizer industry.
33. Representing the Fertilizer Industry.
34. They have realized the importance of support with regard to the registration of new products. Without the implementation of new product types and technology, the fertilizer industry in SA will fall behind the rest of the world, especially in the difficult meteorological and political climate we find ourselves in.
35. Interaction with Government on Fertiliser Regulations and Help with registrations

Table 2: What in your opinion is Fertasa not doing well?

1. The Relationship with Registrar needs to be strengthened to the extent where the Registrar takes the Industry more seriously.
2. I think Fertasa is doing well at everything
3. In the past when FERTASA was still called FSSA, there were non-members selling absolute rubbish that was fraudulently registered. We only got somewhat reluctant co-operations from the FSSA.
4. Committees to focus on set goals and work on them to make committees meaningful.
5. Matters that is pending, but not making progress
6. We joined FERTASA as we were promised that our applications to register new products would be expedited. We have had just ONE application entered into the system and it is STILL not granted; the communication between Robin Barnard and ourselves is unacceptable poor.
7. The level of 'taking action' could be increased - Pressure on authorities to live up to their responsibilities and 'showing some teeth'
8. Too little international exposure
9. From a small non N, P, K company's viewpoint too little emphasis on other fertilizer and speciality products.
10. Maybe tweak a bit on the quarterly meeting timeslot organization.
11. The Technical Committee meetings are stagnating and need to be reviewed to maintain their relevance to all members.
12. Fee structure is not representative of the value add to our business
13. Satisfied
14. Supplying statistics
15. Fertasa must do much much more to unite all the role-players in the industry and subdivisions are also necessary to accommodate commodities, specialties, organic products etc. Just based on the membership fee structure it is evident that small role-players actually subsidise the fertilizer giants in terms of contribution as a percentage of turnover. I have no problem if the giants 'control' Fertasa as it seems to be the case but then they must at least pay accordingly. It is just fair.
16. Registrations still take too long to complete
17. Focus on the smaller Fertasa member and requirements of non-(N,P,K) additives to crops

18. Not putting enough pressure on the registrar regarding product registration
19. Research
20. Promoting the image of the industry
21. Too many committees on too many days. Number of committees can be reduced to one. Number of days can be reduced. Meetings should either start at 8 (to accommodate all) or at 10 am.
22. Liaise with DAFF to speed-up the registration processes
23. Mobilising Nampo and other organisations to insist on service from Registrar.
24. Not enforcing code of conduct efficiently
25. Gather up to date product usage statistics
26. Not putting enough pressure on the Registrar, Act 36
27. Representing the Organic/Carbon/Bio-fertilizer/Biocide based Fertilizer Industry.
28. In my opinion too many voices are being heard at the same time, especially at technical meeting sessions. Some member representatives force their opinion on others, which tends to have a negative effect on the outcome of the meeting.
29. Not treating all fertiliser companies at the same level. The very make-up of the organisation is based on size and size of the financial contributions. This country's success will be based on SME's and their development not big, un-wielding corporations

Table 3: What in your opinion should Fertasa start doing?

1. Fertasa needs to facilitate requests that affect members such as getting the guideline on Group 3 products finalised more efficiently and effectively.
2. Assisting members with registration.
3. I think the balance in Fertasa is good.
4. Develop a fairer fee structure that does not discriminate against smaller players as is currently the situation.
5. Get a proper quality monitoring system going that sample, analyse and publish quality of all products twice annually.
6. Define specific tasks to be accomplished and work on them pro-actively
7. Putting more pressure on the Dept. of Agriculture to better their service on registrations as well as support to companies, direct from the Dept.
8. Increase urgency and demand regarding regulatory / quality matters in promoting sustainability
9. Put more pressure on the registrar to do its job (x2)
10. Actively play a role in ensuring product quality of fertilizer producers
11. Possibly be more aggressive with regards to branding, advertising - showing the market who we are and what we can offer the farmer if he partners with us
12. Give serious consideration as to how Fertasa will maintain its relevance to smaller companies.
13. Help together with agricultural businesses to help get unproductive soil into production again. That will help grow the use of fertilizer and have economic advantages for South Africa
14. Fertilizer market statistics (x2)
15. Fertasa Facebook
16. Build positive image of fertilizer industry
17. Establish subdivisions or associations to accommodate different needs to enable more market players to feel at home in Fertasa. Fertasa must serve as an umbrella for ALL. The current structure is very much biased in favour of traditional granular fertilizers.
18. Must require from all their members to sign a Code of Ethics with a renewing of commitment every year. This certificate can be issued every year.
19. Fertasa must establish an ombudsman and complaint handling procedure for unethical behaviour of its members.

20. Fertasa must allow members to be audited for Compliance by any internationally accredited and respected agencies - or must at least give their members the option of choice. The current procedure whereby one agency is used, keep quite a number of members from participating. We will rather resign from Fertasa than being audited by the current agency favoured by Fertasa
21. Lobby for a regulatory ombudsman for all stakeholders in crop protection, crop nutrition, etc.
22. Research (x2)
23. Collecting and Sales stats per mag district.
24. Liaise with IFA , IFDC, IPNC to organise topics and speakers for the Technical Symposium and Congress
25. Establish and maintain a Fertilizer Quality Monitoring Scheme, and reprimand companies that do not comply to standards
26. Start consolidating research and influencing DAFF to strengthen and co-ordinate research especially for commercial farmers
27. Linking relevant industry players
28. More advertising promoting Fertasa good practice and more education of the industry
29. Re-define the word "Fertilizer" in terms of Organic/Carbon/Bio-fertilizer/Biocide based Fertilizer Industry and act pro-actively in terms of same.
30. Push for new technology developments to take foreground. At this stage, too much emphasis is being placed on the dogmas of well-known figures. Maybe it would be best to take other opinions into consideration.
31. See above on SME's

Table 4: What in your opinion should Fertasa stop doing?

1. I Think the balance in Fertasa is good
2. Please stop the unfair fee system.
3. Stop having committee meetings for the sake of having meetings
4. Stop trying to please 100% of members and/or issues landing on the desk - 80:20 principal. Put forward FertASA policy and implement it
5. Nothing specifically
6. Nothing comes to mind
7. Using members for BASOS training

8. Africompliance
9. FACTS could and should be contracted out to a University. Members do not have enough time for this. The information and control must still come from Fertasa.
10. Allowing Registrar to get away with not doing their work.
11. Continue the good work promoting our industry.
12. Stop thinking/acting in terms of historic N, P, K etc. fertilizer norms.
13. Stop trying to limit the progress of new technology development. By this I don't mean Fertasa as a whole, but some senior members who push their own agenda onto others.
14. Let the organisation and committees be dominated by the big three