

April 20, 2007

**EFBA GENERAL ASSEMBLY
APRIL 2 & 3, 2007
IN LONDON**

MINUTES

Participants :

Germany : Helmut REICH, Joster vor SCHULTE (chairman)
France : Philibert de MOUSTIER, Maryse CASSOT
Dominique AUBRUN (Secretary General)
NL : Marteen J. BRAND
UK : David HEATHER, Eileen PULLINGER, Graham LANCE
Italy : Pier Luigi GRAZIANO

Interpreter :

Marie Pozzo di Borgo

1st DAY / APRIL 3rd

News from former members:

Antoine SEGUIN has some health problems at the moment. Would be nice to send him the regards of EFBA.

Herman HEEGE has just written a book on agronomic technics.

J. vor SCHULTE thanks all the participants for their attendance and more especially David HEATHER for the organisation of the assembly at the Farmers club.

David HEATHER explains that it is a place dedicated to farmers. Established 100 years ago for the farmers to meet and find an accommodation. It became bigger and bigger and opened to people associated with agriculture with a rate of 2 farmers for 1 non farmer. It has its own rules.

**1st POINT : MINUTES OF THE PREVIOUS GENERAL ASSEMBLY
(2006/03/15)**

Some remarks already included in the minutes given on the spot.

J. vor SCHULTE gives some explanation about the resignation of Aurepio. When he met them 2 years ago in Gembloux they were working on bulk blending and fertiliser NPK. The members of the delegation pushed Theresa to attend the

assembly. Eventually all that they expected was to use the EFBA organisation as a platform against antidumping on Russian potash in Brussels. Aurepio is not paying fees anymore. They are facing problems in their country. EFBA will have to find a different link in Poland but in a more smoothly way.

Mid May Joster vor SCHULTE and M. J. BRAND are going to Poland for 5 days to make a speech for state companies and try to do some business. Will be visiting small Polish companies.

The question that arises is : are we sure that we, as members of EFBA, are ready to take in new countries in our organisation?
Ex. Belgium, Denmark, Baltic states,

On the point of view of David HEATHER, as long as the organisations are valid with genuine representatives, EFBA should encourage them to join. The stronger EFBA is, the better hearing will get in Brussels.

M. J. Brand says that will have to find real blender in Poland. Already met individual blenders in London during the IFS meeting.

David HEATHER remarks that must not lose sight that EFBA is an association of associations, no individual companies although that makes sense to approach companies.

Could invite individual companies to attend the EFBA meeting as observer so as to encourage them to form their own association. **The AFCOME meeting** would be a good opportunity to introduce EFBA.

Dominique AUBRUN asks each country members to inform him of the number of people they intend to send the program to for the next meeting in **La Rochelle** (14, 15, 16th November. See www.afcome.org).

Nb : Eileen Pullinger has not received the first letter from the Afcome. She notes that there is an AIC conference at the same time on November 14, 2007.

M. J. BRAND suggests to take the opportunity of the Afcome meeting to let blender know better about EFBA. To consider each member as expert that could be a witness of EFBA activities.

EFBA could even have a stand at the Afcome meeting.

J. vor SCHULTE remarks that he made a presentation of EFBA at the FMB meeting in Marbella. The audience showed a lot of interest and was eager to get addresses.

The question is to decide whether EFBA should go to special conferences to promote EFBA.

Philibert DE MOUSTIER notes that the most important is Brussels.

David HEATHER emphasizes that before attending any meeting need to work on our target, need to know if the audience is sympathetic or not. If we meet success, then could expand. Should first try a friendly audience that could be found at the next AFCOME meeting.

David HEATHER also notes that it takes individual companies to create an association.

2 stages : identify the companies that would be interested in joining then encourage them to form an association. Only at that stage can promote a full membership.

J. vor SCHULTE remarks that it takes time to make them organise in association, must give the new countries enough time.

2nd POINT: ADOPTION OF THE DRAFT AGENDA

It is adopted.

3rd POINT : Eileen PULLINGER and AIC organisation

David HEATHER introduces Eileen PULLINGER as his successor at AIC since he is quoted "retired". Yet, David HEATHER adds that he is working harder than ever did.

Eileen PULLINGER before joining AIC worked 27 years for the Ministry of agriculture in the White Hall. It became the department for environment and rules affairs.

In 2000, Eileen PULLINGER became responsible for fertiliser issues to prevent terrorist attacks (MI5).

When David HEATHER retired, Eileen PULLINGER applied for his job at A.I.C. (has followed David HEATHER in his different jobs).

David HEATHER says that he still had outstanding things to do from last assembly that was **the redrafting of the EFBA status**. Very conscious of the delay, still in mind.

4th POINT : ACTIVITY REPORTS OF 2006

The FMB conference:

Joster vor SCHULTE attended the FMB conference in Marbella at their demand. It was very well organised (their 1st conference was in Brussels in 1986). They celebrated the 20th anniversary. The Russians especially enjoy to go to Marbella where they are welcomed. 400 people attended. Lots of industries. Not many overseas countries, mostly European. J vor SCHULTE made a presentation of 20' to explain what is EFBA (see the slides enclosed). The audience showed a lot of interest.

The question is whether can or cannot give freely the addresses of the EFBA members if a participant wants to know more about the situation of a country member.

Dominique AUBRUN remarks that all the addresses are available on the Web site of Afcome. Though they are not on the German web site J. vor SCHULTE says.

FMB was a good opportunity for EFBA, recommend attendance in the future.

Nb: D. AUBRUN : print 100 visit cards under the name of EFBA, with an e.mail address for J. vor SCHULTE.

The International Fertiliser Society:

M. J BRAND attended the International Fertiliser Society (IFS) meeting on April 6, 06. Very interesting, academic, very related to blending. Afterwards, a booklet of the presentation was given to the participants.

The next meeting is on April 19, 07.

David HEATHER adds that he is a current member of the council of IFS, concentrate on tracability and security. A national report will be produced to establish a scheme (the "FIAS") so as to encourage security organisation. Two other papers are on preparation related to

- logistic fertiliser supply and technical means of checking the location,
- issue of segregation during handling.

There are 3 kinds of IFS meeting :

- 1/ technical about plant technology
- 2/ agronomic issues
- 3/ general meeting of all interest.

In December, there will be a 2 days conference in the University of Cambridge on particular theme, a good cross section of interest.

P.L GRAZIANO says that Arvan has been a member of I.F.S. for a long time, there is always somebody present at the meetings.

THE EFMA BOOKLET

Dominique AUBRUN remarks that a good job has been done by EFMA with regard to the booklet. It implies that EFBA has now to update the quality handbook. It won't be difficult to obtain an authorisation from EFMA since it is already public. The graph on page 10 & 11 has to be substituted.

J. vor SCHULTE remarks that this graph is perhaps too complicated for the EFBA members. Yet have to bring the best version to the European commission.

Nb : M. J. BRAND asked for 20 EFMA booklet not received yet.

The EFMA booklets are available for printing on web site.

THE CEN/TC 260/WG1 about sampling

Dominique AUBRUN says that the WG1 was in charge of a whole revision of the sampling standard. Graham LANCE is committed. It started with the original European union standard. It is a simplified version of the 1980 simple sampling standard.

3 years ago, the European commission asked CEN to revise sampling standard.

This was done in working group splitting the standards in two :

- collecting,
- preparation for analysis.

The standard has just been published. It passed through CEN system last year (English, French and German version).

Graham LANCE (as chairman of the WG1) was asked to reexamine the question of sampling large heaps. Held a meeting where invited 2 members of the commission able to convince that sampling large heaps is not a good idea. The commission accepted and decided not to ask to sample static heaps.

Dominique AUBRUN remarks that a sample has to be taken **in the flow of the product**. The only reliable control is at the entrance or the exit, during unloading or loading.

Pier Luigi GRAZIANO adds that when talking about sampling, have to distinguish two aspects :

- manufacturer quality
- officer and authorities who check if the product is in accordance with the declaration.

Two different situations on a technical point of view, have to be very careful at the European Union level.

Two methods of sampling that should not be confused.

If the technics adopted by manufacturers are used by officers will not succeed.

Sampling is a basic point that has to be dealt with.

The blends sold in bags are very difficult to be sampled.

Joster vor SCHULTE notes that the sampling of a single bag is very easy.

David HEATHER agrees with Pier Luigi GRAZIANO. The commission should not be involved in sampling.

Pier Luigi GRAZIANO adds that must say that anyone can conceive the best possible sampling but due to segregation it will not be reliable. With raw material can calculate if segregation is responsible.

Graham LANCE says that he got a copy of the CEN standard where sampling in bags is included.

THE WG FERTILISERS FROM THE DG ENTERPRISE OF THE EUROPEAN COMMISSION

Hermann HEEGE used to go to Brussels. Dominique AUBRUN is now attending the European Commission **Fertilizers Working Group** meetings in Brussels.

M.J. BRAND is also an official member of that working group, if nobody attends will go himself. Has an access to the CIRCA website.

David HEATHER says that he will still be attending those meetings with the EFMA hat (as an expert), the next meeting is in November.

The issue of **sampling static heaps** was put aside. David HEATHER adds that Denmark was the strongest advocate in favour of the sampling of static heaps. Look for a method for the manufacturers, more specifically, to sample their own products. But the purpose is not right, at that stage the product is not on the market. Need to go to the customer. The possibility to sample in motion was granted. Nobody except Germany supported the Danish delegation.

The **FIAS organisation** has been evaluated. The commission is interested in the security of ammonium nitrate and how to improve the matter through the EU 2003/2003 fertiliser regulation.

Showed also interest in the UK initiatives. Eileen PULLINGER, years ago, made a presentation to the commission with positive understanding.

The commission started a study on heavy metals with a fertiliser survey of member states. The commission will be setting a limitation. EFBA should play an active role on this question of heavy metal. It is to know if there is a genuine health risk or not.

EFBA WEBSITE (www.european-blenders.org)

An updating of the EFBA web site will be done.

Belgium should be added as guest member of Netherlands like Austria and Denmark.

Let it be seen that EFBA is not static. A list of guest countries could be added.

ACTIVITIES OF EFBA MEMBERS

What's going on in the UK?

* The FIAS scheme is to be regarded by the government as a success. The entire fertiliser supply chain (farmers included) has been studied. Workshops have been provided for people to join the scheme and go by the process.

22% of participants are certified. 105 companies registered and ran the process of applying.

90% of manufacturers are covered.

90% of importers put an application for membership.

For the merchant, it is over 80%

For the stores, over 50%

For the transport, over 34%.

* because of the climate change, AIC joined the forces of country landers association. A task force is conducting a mission with the UK government to combat the carbon emission. Big on the agenda.

A revision on ARBNE is going on, to be published in 2008.

The question of **the storage on tarmac** is also studied. A 4 years report has been published earlier this year. The discussion is still going on.

About fertiliser blending, 3 major blending companies are concentrating the business.

In Netherlands?

Marteen J. BRAND reports that the blending in Netherlands is 90.000 T.

Talked about quality system last year, 20 members involved in the association among them 2 store holders and 18 blenders.

8 passed the first step in the quality system, 2nd year in practice, 10 made a start.

Got in contact with suppliers. Some experts visited the association. Asked what kind of fertilisers are useful for quality system. Asked for the specific safety, quality of Netherlands own firms.

For more information, see the web site.

In Italy?

Pier Luigi GRAZIANO says that they are going through a transition period. In July, a new fertiliser regulation was published in order to comply with the 2003 regulation. It was an occasion to introduce some changes.

Now is the time to finish all stocks and to prepare the documentation the Ministry of agriculture is asking for. All the manufacturers have to send a registration of their company and all the formulation sold on the market.

The problem is to start the organisation when this job is completed.

The problem related with the new regulation will finish at the end of this year.

David HEATHER adds that he is taking part as a consultant to a national registration of companies and their production in the UK. Currently redoing a national fertiliser regulation to take out the EC regulation.

Pier Luigi GRAZIANO says that it is an application of a rule which implies that manufacturers have to take note of the origin of the fertiliser (tracability). Yet the interpretation is difficult.

David HEATHER advises Pier Luigi GRAZIANO to refer to the FIAS document.

In France?

Philibert de MOUSTIER explains that the farmers are working the same way with a new organisation. The controls are numerous. The problems of storage is crucial.

The AFCOME activities have been based on the environment protection and more specifically on the collecting of empty fertiliser bag which are all destroyed and sent back to the industrials. Afcome is a leader on that point.

Dominique AUBRUN adds that the next International meeting of AFCOME is on preparation in La Rochelle (see the draft program enclosed).

Few weeks ago had a profitable meeting with all the members with various topics such as market of nitrogen and phosphate and labelling of the blends.

Philibert de MOUSTIER announces a large restructuration in the area of cooperatives. The group are getting bigger and bigger. That triggers problem at the level of the AFCOME. More over there are fewer and fewer distributors.

Afcome represents today 40% of the fertilisers sold in France, with only 22 members.

On the farms, the subsidies are mainly based on the environment aspect. Many farms are complying with the rules. The storage of liquid U.A.N. in separated places and adapted to the product is at the center of their concern.

Another issue is the integration of the farms in the countryside. A park is now on creation with 60 villages. A study on the structure of the future farms is being conducted by Philibert de MOUSTIER.

Nb : David HEATHER asks Philibert de MOUSTIER to send him 6 copies of the project.

In Germany?

The problems are the same as last time. Nothing has much changed.

Some blenders, not well educated, are not making right declarations, they deny the nitrogen and the nutrient they put in. The government is trying to circle the problem.

The number of wholesalers is declining like in France. The competition is fierce. Big cooperatives are going together.

Considering the consumption of fertilisers, it is the same as last year for nitrogen, A reduction of 10/11% for Phosphate and potash.

It appears that in the future will have to educate our members more than in the past to make them know better the national laws.

David HEATHER refers to the Austrian syndrome with all the security advices.

Joster vor SCHULTE remarks that the Germans had their annual meeting in January. The German agricultural society spoke about new energy (sugar, rape, grain). This is put on the agenda of the members.

5.30 P.M end of the first day

2nd DAY / APRIL 3rd

The Italian membership

Joster vor SCHULTER opens the session with the Italian membership since Pier Luigi GRAZIANO is to leave earlier.

The main drawback was the constitution of the Italians in an association so as to cope with the rules of EFBA membership.

Pier Luigi GRAZIANO explains that the situation changed for him. Union chimica is 1 of the 2 national associations with a section of fertiliser manufacturers. It has all the characteristics to join EFBA. When met in Paris last year Union Chimica accepted to join.

Nevertheless, Pier Luigi GRAZIANO realised that the approach of the association had changed during the year. It could be a good opportunity to join EFBA by ARVAN instead of UNION CHIMICA. Pier Luigi is representing U.C. at the Ministry of Agriculture.

UNION CHIMICA is an association of manufacturers but the latter are all customers from ARVAN.

ARVAN is a consulting company, leader in Italy.

All the blenders are clients, with strict relationship with all the blenders in Italy.

In fact UNION CHIMICA has few members compared to ARVAN.

Italy is ready to join in either ways. It depends on what EFBA members decide on that point. The contribution is to start in **January 2007** (since Paris in 2006, no new contact with EFBA).

Pier Luigi GRAZIANO has to report to Italian blenders and for that need to receive all the documents to justify the fees and cost. Pier Luigi GRAZIANO notes that no figure of the market share of the blending industry is available.

There are 2 associations of blenders :

- asso fertilizanti (40% of blenders)
- Union chimica (60% of blenders).

Yet most blenders are not members of those associations.

All the blenders are clients of ARVAN.

David HEATHER refers to the EFBA status which says that EFBA is an association of representative group in EU member states". Have to define what a representative is.

The association can assess that each applicant is sufficiently representative. It is a way of overcoming the situation.

P.L. GRAZIANO adds that the question of the association is a limiting factor for other countries to join EFBA.

David HEATHER adds : what evidence are EFBA members provided with proving that the client of ARVAN consider it as their representative.

Pier Luigi GRAZIANO proposes to prepare a document with a list of blender companies which individually state that they consider ARVAN as their representative.

J. vor SCHULTE says that can take ARVAN, as a first step, as company to EFBA association. After some years of successful work, can help to constitute the Italian association. Must not lose sight of this.

M. J. BRAND says that there is a big difference between Italy and Poland. Had no idea if Poland wanted really to join. Just wanted information about the products. Have to find other representatives in Poland since this country is important for the surrounding.

ARVAN at the difference of AUREPIO is not involved in the trade of fertilisers adds P. L. GRAZIANO. ARVAN is just a consultant. There is no problem of competition with any of our client. Can represent all of them without incompatibility.

M. J. BRAND adds that the Dutch association has 20 members, all competitors, and not a consultant.

J. vor SCHULTE remarks that Italy and Poland memberships are totally different. The membership of Italy is accepted unanimously, should pay the fees by 2007.

This new membership will be celebrated in Italy next year.

● **EFBA ACCOUNTANCY**

Some difficulty with the banks to transfer the bank account in Parthenay. Difficult to make them understand what EFBA is. All subscriptions (except Aurepio) have been paid though the invoices were sent in November.

P. L GRAZIANO asserts that the calculation of the amount for the fees is clearer now. On a formal point of view, would rather have an official figure of the blending data.

Dominique AUBRUN says that **France** has its own figures. Difficult to have a precise amount: about 1.200.000 tonnes of blends (600.000 t through AFCOME members, 200.000 t through UNIFA members, and may be 400.000 t through various other blenders).

Joster vor SCHULTE affirms that it is the same in Germany. How do we know the tonnage of our country. 50% of all are straight product. Never will find out. It is more or less.600.000 tonnes.

Here comes the question if this is the right way to calculate the fees or should we do differently in the future?. If other countries join in, it maybe too expansive . Do we want to be a club of exclusivity or want to have new members?

Dominique AUBRUN says that EFBA has to estimate the blending business of each country. The first target of EFBA is to be a good representative at the European union commission.

David HEATHER proposes to agree in anticipation of the budget instead of accepting it as laid out. This way could **re-assess the tonnage each year**. The budget should be submitted in advance.

THE EFBA 2007 HANDBOOK, CODE OF GOOD PRACTICE

Dominique AUBRUN says that have to decide how to publish the new English version. Graham LANCE is in charge of achieving the rewriting.

NB : M.J. BRAND needs to receive 10 French handbook for Belgium.

There are additional members now compared to the time when the first edition was published.

The French version printing cost 5€ each, purely for internal French use.

The English version has a wide circulation used in the Netherlands, Italy, United Kingdom and overseas.

It would be unfair to ask UK association to carry the cost of all the English version printing.

Need to know what is the requirement of each country.

If we assume that we need 250 copies of the English version, UK/AIC takes 50 copies, it pays for 50 copies, 100 copies go to EFBA for official use in the commission, those copies would be paid for by EFBA itself, etc. It is a fit way of doing it.

Pier Luigi GRAZIANO from the point of view of a publisher, prefers selling more copies of a cheap book than a few at an expensive price. In final, the income is the same. Two different policies.

Yet if the handbook is sold too cheap will devalue it.

Dominique AUBRUN suggests an official price for anybody and one free for the member.

Pier Luigi GRAZIANO says that the copies should not only go to blenders. People involved in blending production could be interested in the book, can raise an interest in farmers and traders.

David HEATHER will look for printer in the UK. Each country orders the necessary number then the rest will go to EFBA.

J. vor SCHULTE says that he intends to make a German version.

NB : EFBA need to ask Olivier MISERQUE to send the final draft of the English version with the graph included.

Figure 1 has to be replaced;

Dominique AUBRUN will correct the budget when he has the knowledge of how many copies of handbooks are needed by each member country (please, let Dominique or Marie know).

Estimate :

Netherland : 30

Germany : 10

Italy : 30 (to be confirmed)

Spain : 10

France : 70

UK : 50

That is around 200 copies

+ EFBA : 100

total = 300 copies

Each country will pay for the printing cost to AIC directly.

Dominique AUBRUN remarks that EFBA has good security money on the bank account but is making no profit. It is a pity not to take advantage. Will change this by placing some money with a return amount.

Graham LANCE reminds that the French version was translated into English. Is EFBA ready to do it the same way? Who is the final arbiter? Do we leave this to AIC?

David HEATHER suggests that the final copy is circulated to the EFBA members for reading. That would be easier to detect mistakes. That will be done **by the end of June**. The printing is to be accomplished by July 07. AFCOME needs it before the meeting in LA ROCHELLE.

J. vor SCHULTE thinks that the version is ok except for 1or 2 points. A German version will be written in September.

EFBA LEGAL STATUS

David HEATHER apologizes for not having completed the redraft of the EFBA status by-laws. The small meeting with Hugues BORIES did not take place. It is also associated with a lack of time because of more immediate issues. One version in hand writing is finished. Need to go through it with Dominique AUBRUN to check what is acceptable.

The new version will come together with the handbook since will work with Graham LANCE on that.

Nb : the office is still in Montviron, Dominique AUBRUN will notify the new address. The word "fertiliser" is already in the French version of the name of the association.

David HEATHER notes that there are 2 different bodies :

- Board of Directors
- Committee

Is the General Assembly attended by Board of Directors or Committee? This maybe combined. This group is the only group that mixes for discussion. What is important is the membership and how we define it. Each member country can have up to 4 representatives.

The important is one vote for each country during the general assembly which has the power of decision.

J. vor SCHULTE affirms that must meet at least once a year without restriction.

Must put on the agenda of the 2008 general assembly to ratify the status.

OTHER PROPOSALS FOR ACTIVITY

Philibert de MOUSTIER suggests to introduce the issue of how to handle farms over GPS. We do not have a clear vision of what is going on in the different UE countries.

10 years ago it was a very new situation. We need to have the knowledge and work on that.

The farmers are frequently considered as pollutants. As long as they talk about technic, they appear in advance and progressive.

Pier Luigi GRAZIANO adds that a few years ago GPS was considered as very efficient in the world of fertiliser. Now it is dormant. There is little survey on this subject. Need to know what are the limiting factors in the use of GPS. Has heard that the money saved does not pay for the cost of this technic. This technic is only evaluated in terms of money without considering the environmental impact.

J. vor SCHULTE reports that have to prepare yourself for a soil analysis to know where the best part of the field is. Decided to **ask each member country** to report on the GPS. Then can organise a meeting to discuss on the subject. Dominique AUBRUN suggests to contact EISA, a European association involved in sustainable agriculture (for the French branch, see www.farre.org).

J. vor SCHULTE notes that need to be more active in the market with our association to give better knowledge.

M. J. BRAND suggests that the EFBA members attend the AFCOME meeting with an identification as EFBA, written on the list of participants.

J.vor SCHULTE agrees to give a (small) speech at the AFCOME meeting in LA ROCHELLE to introduce EFBA. Hugues BORIES, from AFCOME, is OK on that proposal.

Next EFBA meeting will take place **in VENEZIA on April 7- 8, 2008**. Pier Luigi GRAZIANO will organize this meeting.

Joster vor SCHULTE thank all the participants for the meeting and especially David HEATHER for all he has done for the Association and Eileen PULLINGER for the nice dinner at the farmers club.

End of the 2007 EFBA MEETING

Annexes :

- EFBA member list
- EFBA budget
- Balance 2006
- Budget 2007