

# **Communication on Engagement**

Period Covered: January 2021 - November 2022

December 2022,

To our stakeholders,

I am pleased to confirm that the International Fertilizer Association (IFA) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Communication on Engagement, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Alzbeta Klein

CEO/ Director General, International Fertilizer Association



#### **About the International Fertilizer Association:**

The <u>International Fertilizer Association</u> was founded in 1927 and is the only global fertilizer association, with some 430 members in 70 countries and a mission to promote the efficient and responsible production, distribution and use of plant nutrients. This mission plays a critical role in helping to feed the world sustainably. IFA represents providers of plant nutrition solutions. Members include fertilizer producers, traders and distributors, as well as their associations, service providers to the industry, research organizations, ag-tech startups and non-governmental organizations.

# www.fertilizer.org

LinkedIn: <u>international-fertilizer-association-ifa</u>

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As of 2022, a total of 26 IFA member companies have joined the UN's Global Compact, representing virtually all continents in the world: Agrifields DMCC (United Arab Emirates), Arkema (France), BASF S.E. (Germany), Borealis AG (Austria), CF Industries (United States), Engro (Pakistan), Fertiberia S.A. (Spain), GCT- Groupe Chimique Tunisien (Tunisia), Groupe Roullier (France), Gulf Petrochemical Industries Company GPIC (Bahrain), Haifa Group (Israel), ICL Group (Israel), Incited Pivot Limited (Australia), Indorama (Thailand), K+S Aktiengesellschaft (Germany), Mosaic (United States), Nutrien (Canada), OCI N.V. (Netherlands), Profertil (Argentina), Rio Tinto (United Kingdom), Saudi Basic Industries Corporations SABIC (Saudi Arabia), Sinochem Group (China P.R.), TIFERT Tunisian Indian Fertilizers (Tunisia), Yara International (Norway), and IFA Associated Members: Mitsui (Japan), Orica (Australia) and Olam (Singapore).

Since becoming a member of the Global Compact in 2014, IFA has upheld its Ten Principles and continually works towards the acceleration of the fertilizer industry's sustainability journey, and the achievement of the Sustainable Development Goals. Between 2021 and 2022, IFA undertook several important initiatives that contribute to the Global Compact's Food and Agriculture Principles, namely "1. Aim for Food Security, Health and Nutrition"; "2. Be Environmentally Responsible" and "6. Promote Access and Transfer of Knowledge, Skills and Technology".

# A- Description of Actions contributing to the Global Compact's Food and Agriculture Principles

## 1. Principle 1: Aim for Food Security, Health and Nutrition

## The UN Global Crisis Response Group (GCRG)

In early 2022, the UN Secretary-General established a Global Crisis Response Group to address the issues of food and energy security resulting from the war in Ukraine. A Fertilizer Working Group (FWG) was coordinated by IFA and several other organizations in April to identify fertilizer hotspots



for immediate action and develop short-mid and long-term solutions to minimize the impact of the current supply shortage but also improve resilience to future crises.

#### The Sustain Africa initiative

Sustain Africa was launched by IFA, the Bill and Melinda Gates Foundation and Rabobank in the summer of 2022 to help improve fertilizer access and affordability by smallholder farmers in selected African countries. Destined to be first and foremost an emergency response and resilience partnership, it is planned to help improve access to plant nutrients for farmers in Africa.

# 2. Principle 2: Be Environmentally Responsible

#### **Commitments:**

All IFA members have adopted the **12 IFA Safety, Health and Environment Principles**, which commits them to "establishing and improving their safety, security, health and environmental performance through annual objectives, targets or key performance indicators," among other actions. Members have also adopted **Nutrient Stewardship Commitments** that reaffirm their overarching goal to help farmers to improve nutrient use efficiency and effectiveness, to optimize plant nutrient uptake and minimize nutrient losses to the environment.

# The Global Ammonia Technology Roadmap

A global Ammonia Technology Roadmap (ATR) was published at COP26 in November 2021 by the International Energy Agency, with support from EBRD (European Bank for Reconstruction and Development) and IFA. The ATR uses scenario analysis to explore possible decarbonization pathways for the ammonia industry and concludes with recommendations to achieve a net-zero roadmap by 2050.

Following this publication, the first local Roadmap is being developed for Egypt by ERM (Environmental Resources Management), EBRD, AFA (Arab Fertilizer Association) and IFA with support from the local government. Launched at the UN COP27 in Sharm el-Sheikh in November 2022, the project is expected to be completed in 2023.

## **Reducing Scope 3 Emissions from Fertilizer Use**

Recognizing the need to develop a similar roadmap to the ATR for fertilizer use, IFA partnered with Systemiq to develop a report outlining how to reduce greenhouse gas emissions on the farm. The Report titled "Reducing Emissions from Fertilizer Use" was published in September 2022. It illustrated that more than half of the Scope 3 emissions associated with farm use of fertilizers can be



mitigated through adoption of management practices and fertilizer technologies that increase nitrogen use efficiency.

## **Establishment of a Coalition of Action for Soil Health (CA4SH)**

Recognizing the central role of soils for food security, climate change and ecosystems services and as part of a direct commitment to food systems transformation, IFA, together with Croplife International, facilitated in 2021 the establishment of a Private Sector Soil Health Coalition to put soils up front and center in agricultural and regulatory policy developments and programs. The Coalition issued a <u>Call</u> to Action on <u>Soil Health</u> during the Food Systems Pre-Summit, followed by a <u>Resolution proposal on Soil Health</u>, at the COP27 and the organization of a Soil Health Day.

# 6. Promote Access and Transfer of Knowledge, Skills and Technology

## The Sustainable Fertilizer Academy:

IFA launched its *Sustainable Fertilizer Academy* (<a href="www.ifa-sfa.org">www.ifa-sfa.org</a>) in September 2022, providing a unique e-learning opportunity, covering topics such as sourcing to production to the use of fertilizers on the farm. The SFA currently offers 32 classes through 50 videos from 45 subject-matter experts at introductory and intermediate levels and includes a certificate based on a final exam. Within its first month of operation, the SFA registered 50 students from around the world. While it is currently accessible only to IFA members, it will be made accessible to non-members in due course.

#### New webinar series

In 2021, IFA and the FAO launched a new joint webinar series focusing on sustainable plant nutrition, as part of a <u>renewed Memorandum of Understanding</u> between the two organizations signed in December 2021. These knowledge-sharing events covered a variety of topics to improve understanding of sustainable plant nutrition, examining the benefits of fertigation, the latest developments in nutrient recovery and recycling, the potential of agronomic biofortification and microbials.

#### **IFA Science Program**

IFA launched its science program in 2020 to provide scientific analyses of the relevant environmental issues related to fertilizers.

In November 2022, IFA partnered with FAO and researchers from Wageningen UR, the University of Maryland, the University of Nebraska, the Polytechnic University Madrid, the Swedish Agricultural University and the African Plant Nutrition Institute to create a **new global reference database for** 



**nutrient budgets and nutrient use efficiency by countries**. This database is critical for global, regional and national assessments of nutrient use efficiency, as well as setting realistic targets, developing nutrient roadmaps, market intelligence research and monitoring progress over time.

The IFA Science program also works closely with the Scientific Panel on Responsible Plant Nutrition (<a href="https://www.sprpn.org/home">https://www.sprpn.org/home</a>), established in 2020 to provide a sound scientific basis for principles and practices of responsible plant nutrition in farming systems. Three scientific briefs were published in 2021-22 and promoted widely to IFA members and stakeholders through webinars, podcasts and during IFA Conferences:

- o New Paradigm for Plant Nutrition
- o Achieving Nature-Positive Plant Nutrition: Fertilizers and Biodiversity
- o Furthering 4R Nutrient Stewardship

#### **IFA Conferences**

IFA created the Smart&Green platform in 2021 to showcase cutting-edge plant nutrition technologies and demonstrate how innovations in the industry can contribute to sustainability.

# **Gender Diversity Task Force**

The Gender Diversity Task Force, formed in 2019, continued its mission to explore the ways in which diversity can be a transformative tool for the industry and the agricultural sector as a whole.

Two sessions were organized at the IFA Annual Conferences of 2021 and 2022 and an important virtual campaign took place on International Women's Day in 2022, including the organization of a high-level virtual roundtable on breaking biases, which is available on <a href="IFA's YouTube channel">IFA's YouTube channel</a>.

### B. Measurement of outcomes

UN Global Compact Goal and	Performance Measure	Results
Objective		
Attract new participants to the	Outcome: IFA and its	IFA continues to impress
UN Global Compact through	members participate in	upon its Members the
outreach efforts and awareness	Global Compact	benefits of joining Global
raising		Compact, and 5 more joined
		between 2020 and 2022,
		bringing the number to 26.



Organize learning and dialogue events, workshops and training for their members on the UN Global Compact and specific topics relevant to corporate sustainability	Outcome: number of activities to support Global Compact Principles, especially its Food and Agriculture Principles, namely: "2. Be Environmentally Responsible and 6. Promote Access and Transfer of Knowledge, Skills and Technology".	Between 2021 and 2022, IFA offered 10 educational webinars on a variety of issues including the production, management and use of fertilizers, understanding and managing nitrous oxide emissions from agricultural soils and adopting a new view of soil health for human health.
Engage their members in collective action efforts on Global Compact-related issues	Outcomes: mutually reinforcing activities	Over 30 members are Industry Stewardship Champions, which requires them to benchmark their Environment, Health and Safety performance and take part in the Protect & Sustain certification, carried out by external auditors.  The IFA Sustainability Committee, created in 2021, includes 100 member companies from 40 countries and is the largest IFA Committee.