



WARREN C. THOMA

## An Interview with...

### Warren C. Thoma, President of the Irrigation Association

The 2014 Irrigation Show & Education Conference will take place in Phoenix, Arizona, from November 17th to 21st. Prior to the show, New Ag International spoke with Irrigation Association President Warren C. Thoma and senior IA staff.

Iowa (\$30.8 billion); Texas (\$25.4 billion); Nebraska (\$23.1 billion); and Minnesota (\$21.3 billion).

**Are these states also the top 5 markets for irrigation equipment?**

The 2008 Farm and Ranch Irrigation Survey addresses irrigated agriculture specifically, and we are eagerly awaiting the results of the 2013 Farm and Ranch Irrigation Survey, which will be released at the Irrigation Show in Phoenix this fall. The 2008 survey identified Nebraska, California, Texas, Arkansas and Idaho as the top five states for irrigated agriculture. While states like Iowa and Minnesota are crucial for U.S. agriculture, their top crops are non-irrigated.

However, after the drought of 2012, some states (e.g., Alabama, Louisiana and Indiana) that have historically relied on rainfall for watering crops are moving toward pressurized irrigation. In states like Colorado, promoting efficient irrigation is a priority for legislators and regulators to promote as solutions to the challenge of water availability for urban and agricultural use.

**Are there trends revealed by the census that have or will have a sizeable impact on the irrigation industry?**

The U.S. Census of Agriculture is a great data source for both irrigated and non-irrigated agriculture. Knowing crop and production trends are crucial for forecasting the future needs of farmers and ranchers. We are eagerly awaiting the specific trends identified in the Farm and Ranch Irrigation Survey. These trends, specific to ir-

rigated agriculture, will provide valuable data to consider when forecasting the future of irrigated agriculture.

**How many states and cities in the USA have already recognized July as Smart Irrigation Month? Have you already estimated the benefit of this campaign?**

The impact of this campaign is increasing each year. This year, we had 19 states, cities and counties officially recognize July as Smart Irrigation Month, compared to 14 in 2013. We also hosted our first Thunderclap campaign, which allowed IA to promote Smart Irrigation Month and increase its social reach through Facebook, Twitter and Tumblr. Individuals who joined the IA Thunderclap campaign donated their social media accounts to send out a single message at the same time. The Thunderclap took place at noon on July 7, with 133 supporters reaching almost 132,000 individuals.

**What are the main news/activities regarding the development of standards in agriculture irrigation this year?**

Recently, we've noticed a trend for agricultural standards focused on three areas: (1) data communication for smart controllers and sensors used for precision irrigation, (2) water reuse for edible crops and (3) sustainable agriculture.

**IA became the first-ever professional certifying agency to win the**

**U.S. Environmental Protection Agency's WaterSense partner of the year award in October 2013. What is the message that you can convey to the international community based on this achievement?**

IA won the award for its work promoting efficient irrigation through its certification programs in irrigation contracting, auditing and design. Certifications equip the work force with qualified, educated professionals who know how to use irrigation technologies efficiently.

While water shortages are mostly seen at the local level, water scarcity is a global issue. In order to meet the demands of the current and future global population, we must ensure that water is being used through efficient products, technologies and services.

**Is Brazil still a driving force of the growth in export sales?**

Brazil continues to play an important role in global agriculture. Many of our members do business in Brazil, and we see the country continuing to provide many opportunities to market efficient irrigation products and technologies. This year, we were selected to participate in the U.S. Department of Commerce's International Buyers Program Select. Through this program, we have chosen six countries from which to invite buyers to the Irrigation Show: Brazil, Mexico, New Zealand, Argentina, Chile and South Africa. These countries' presence at our annual show will provide U.S. agricultural irrigation manufacturers with op-

**What is the state of the agriculture irrigation industry this year, regarding U.S. and international sales?**

The industry is quite strong in spite of one of the worst winters on record. The Northern states experienced one of the longest and coldest seasons in years and there was some fear that this would negatively impact the industry. Many of our Western states continue to experience extreme drought. In fact, California is in the middle of one of the worst droughts ever recorded.

The pressure to produce more agricultural yield with fewer resources continues to influence farmers' and ranchers' decisions regarding when and how to irrigate. For example, in California, many farmers are adopting more efficient irrigation technologies and practices and using ground-water rather than surface water. While agricultural irrigation sales remain strong, we are cautiously optimistic for the future.

**According to the 2012 Ag Census recently released by the U.S. Department of Agriculture, the top five U.S. states for agricultural sales were California (\$42.6 billion);**

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opportunities to promote the products that improve yield production and conserve water.

## Is the growing interest for markets in Africa and Russia consolidating?

Russia has been and will continue to be important to U.S. agricultural irrigation manufacturers. However, with the state of the current political climate in Russia and Eastern Europe, our industry will follow the U.S. government's advisement for exporting and expansion in that region.

## What is the feeling of the American irrigation industry about the new Farm Bill signed earlier this year?

The signing of the 2014 farm bill was a big win for the U.S. irrigation industry and agriculture as a whole. The conservation title extends U.S. farm programs for another five years and provides U.S. farmers and ranchers more opportunities than ever for efficient irrigation and water conservation practices.

While streamlining many programs, this farm bill (for the first time) highlights water quantity issues as a priority. As these programs are further developed, we continue to work with the USDA to make it easier for farmers to adopt efficient irrigation technologies.

## We have witnessed this year the purchasing of another big name in the drip irrigation industry by an investment fund.

**Why is this happening rather than a takeover by another big name in the same industry, be it a microirrigation or a pivot company? Is this a trend that you think**

## will continue developing?

I spent much of my career with a major manufacturer who is capable of purchasing almost any other company in our industry. I believe that many privately held manufacturers in our industry feel they can expand into new product areas without acquiring technology or products from other manufacturers. The fact that venture capital funds are investing in our industry indicates that they expect great returns for their investors and demonstrates the industry's growth potential.

## It clearly appears that in China, the Water Use Efficiency and the Fertilizer Use Efficiency are not optimal. This interview will also be published in the Chinese edition of New Ag International this month, and it will reach more than 25,000 irrigation and fertigation professionals in China. Anything you would like to advise your Chinese counterparts about the best ways to expand the use of fertigation in their country?

Crop advisors can help identify the best fertigation methods to optimize results, including controlling input cost and pollution. The implementation of an efficient fertigation program may reduce the amount of water and fertilizer required over the crop cycle when compared to conventional side dressing or broadcast application methods. However, crops grown with an efficient fertigation program commonly require more water and nutrients because of the increased plant size and heavier fruit set. This leads to increased quality and yields, and so an increase in productivity and profitability.

## Layoff process at John Deere Water worldwide. Company renamed Rivulis Irrigation

**IT HAS RECENTLY TRANSPIRED** that FIMI (First Israel Mezzanine Investors) finally paid \$60 million to take over the irrigation company John Deere Water (JDW) earlier this year. FIMI Opportunity Funds is the leading private equity firm in Israel. The deal was completed at the end of May. In the meantime, mid-June, First Israel Mezzanine Investors (FIMI) has begun implementing a plan to lay off 250 people – 23% of the irrigation firm's workforce around the world. The Israeli investment house that bought John Deere's irrigation products arm has rebadged the business as Rivulis Irrigation.

## Sadepan Chimica (Italy) enters agreement to supply methyleneurea SRN to Sun Agro (Japan)

**SADEPAN CHIMICA s.r.l.** a private owned company with headquarters in Italy, recently announced that it has entered in to an agreement with SUN AGRO CO., LTD with headquarters in Japan for the supply and distribution of a slow release fertilizer specifically designed for the Japanese market. "The combination of Sadepan's extensive experience and knowledge in manufacture of slow release nitrogen fertilizer with SunAgro capability of distribution and leadership in agronomy science and plant nutrition has been central to the development and marketing of innovative slow release fertilizer in the Japanese market. "Under this partnership agreement, SADEPAN

CHIMICA will develop and produce exclusive formulation of methylene-urea SRN fertilizer on a long term basis for Sun Agro" said Federico Guaraldi, Sales and Marketing Manager. SUN AGRO is a leading Japanese functional fertilizer manufacturer having unique quick-effect porous fertilizer and slow release technology, and is also well known as the 2nd largest player in domestic high compound fertilizer market in Japan. "Japanese agriculture is facing a major turning point now by internal and external factors. Under such circumstances, we're convinced that this agreement with SADEPAN will help our further growth in the market." said Mr. Kamiyama, Executive Director.

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## Canada OKs first seaweed product for agriculture

**ACADIAN SEAPLANTS LIMITED** has obtained product registration, with the Canadian Food Inspection Agency (CFIA), to become the first ever registered aquatic plant extract available in the Canadian agricultural market.

The recognition by CFIA of Stella Maris®, aquatic plant extract, as an approved supplement for use in commercial agriculture is a progressive step for Canada's innovative growers and provides a level playing field in the global agricultural marketplace. Acadian's seaweed extracts have been available in global markets for more than 30 years.

"It's a significant advancement for the Canadian agricultural industry," says Jean-Paul Deveau, President of Acadian Seaplants. "It provides growers with improved

access to natural and effective solutions which contribute to the production of sustainable and profitable crops that improve growers' competitive position."

The new registration recognizes the unique benefits of *Ascophyllum nodosum* seaweed as part of a complete grower program. Stella Maris® works as a natural activator of the crops' own growth and defence mechanisms to improve root growth and resist temperature, drought, and salinity stress in order to maximize yield and crop qualities.

Today, Acadian Seaplants is a world leader in aquatic plant products for humans, animals and plants. Acadian's brands, which include Stella Maris®, Acadian® and Stimplex®, have been used as soil and foliar inputs on over 70 crops in more than 80 countries.

## Ag census reveals new trends in US farming

**THERE ARE NOW 3.2 MILLION** farmers operating 2.1 million farms on 914.5 million acres of farmland across the U.S., according to the 2012 Census of Agriculture, released recently by the USDA. The agriculture census presents more than 6 million pieces of information, which provide a detailed look at the U.S. farm sector at the national, state and county levels.

Some of the key findings include:

- Both sales and production expenses reached record highs in 2012. U.S. producers sold

\$394.6 billion worth of agricultural products, but it cost them \$328.9 billion to produce these products.

- Three quarters of all farms had sales of less than \$50,000, producing only 3 percent of the total value of farm products sold while those with sales of more than \$1 million – 4 percent of all farms – produced 66 percent.
- California led the nation with 9 of the 10 top counties for value of sales. Fresno County was number one in the U.S. with nearly \$5 billion in sales in

## Valent BioSciences commissions its new \$146 million production facility for biopesticides in the USA



**VALENT BIOSCIENCES CORPORATION (VBC)** has officially announced the grand opening of its new dedicated biorational manufacturing facility located in Osage, Iowa. VBC has had a long-term contract manufacturing relationship with Abbott Laboratories and AbbVie since being formed. With the rapidly growing biorational market and Abbott's increasing focus on pharmaceuticals, VBC made the strategic decision to take control of its own destiny by constructing a manufacturing facility. The initial plant design began in April 2011, following VBC's announcement of construction plans, and led to the plant completion in June 2014. The new 130,000 ft<sup>2</sup> (12,077 m<sup>2</sup>) facility located on a 73 acre (29.6 ha) site is a \$146 million investment for VBC and its parent,

Sumitomo Chemical Company which creates 89 full time positions. The plant provides large-scale liquid fermentation capability for microbial product and plant growth regulator production in excess of 15 million gallons (56.8 million liters) annual capacity, as well as a pilot plant to support scale up and product development, a quality control lab with full analytical capabilities, and an insectary to support screening capabilities.

This investment is a significant vote of confidence by Sumitomo Chemical in VBC and the future of the biorational market. The new plant is the largest dedicated biorational manufacturing facility in the biocontrol industry, and greatly expands VBC's capabilities in process scale up and manufacturing."

2012, which is greater than that of 23 states. Weld County, Colorado ranked 9th in the top 10 U.S. counties.

- The top 5 states for agricultural sales were California (\$42.6 billion); Iowa (\$30.8 billion); Texas (\$25.4 billion); Nebraska (\$23.1 billion); and Minnesota (\$21.3 billion).
- Organic sales were growing, but accounted for just 0.8 percent of the total value of U.S. agricultural production. Organic farmers reported \$3.12 billion in

sales in 2012, up from \$1.7 billion in 2007.

- Farms with Internet access rose from 56.5 percent in 2007 to 69.6 percent in 2012.

Conducted since 1840, the Census of Agriculture accounts for all U.S. farms and ranches and the people who operate them. For access to the complete data series and tools to analyze this information, visit [www.agcensus.usda.gov](http://www.agcensus.usda.gov). A link to census data will also be available on the USDA Open Data portal, [www.usda.gov/data](http://www.usda.gov/data).

## Paine & Partners Makes Strategic Investment in QC Corporation, Micronutrients and Ferrous Sulfate Specialist

**PAINE & PARTNERS, LLC**, a global private equity investment firm focused on investing in food and agribusiness, recently announced that it has made a strategic investment in QC Corporation ("QC"), a leading producer and supplier of granular and dry micronutrients and ferrous sulfate products. Financial terms of the transaction were not disclosed.

Angelos Dassios, Partner of Paine & Partners, said, "Our investment in QC provides a platform for the Company to enhance its already exceptional products and accelerate its growth trajectory. We see tremendous potential in QC's granular micronutrients business and believe QC can leverage cross-portfolio synergies from our agribusiness companies, specifically Verdesian Life Sciences, LLC, which focuses on plant health and specialty nutrition. We look forward to working with QC to capitalize on new market opportunities and realize QC's significant potential."

Founded by Don Gordon in 1971, QC began as a producer and supplier of ferrous sulfate, and today is one of the largest processors of moist and dried ferrous sulfate products in North America. QC currently has two independent ferrous sulfate operations, located in Cape Girardeau, MO and North Lima, OH. Ferrous sulfate has applications in fertilizers and animal feed, soil remediation and land

reclamation, hazardous waste and water treatment, and chemical process industries, to name a few.

After successfully launching its granular ferrous sulfate products in the early 1990s, QC built a new state of the art bulk blending compaction granulation plant in 2000, and began producing a variety of granular micronutrients. The Company completed a major expansion in 2013, and QC now operates a highly innovative micronutrient business with significant growth potential, with two independent compaction granulation facilities located in Missouri.

## EU pays for modernization of greenhouses in Almeria



**THE STATE GOVERNMENT** of Andalusia has offered financial support for the modernization of greenhouses in Almeria up to 80,000 Euro per application. The bulk of this money comes from Brussels.

The financial support is intended for the modernization of agricultural enterprises and to improve the sustainability of the agricultural sector in Almeria. A total budget of 8.5 million Euros is available, but in case of a lot of interest, there also is an opportunity to increase the fi-

nancial support even more.

Most of the money is funded with European money from the development fund Feader and a quarter is paid by the state government itself. This subsidy is part of a recent package of eleven measures to modernize the agriculture in Andalusia, with a total budget of 40 million Euros. Earlier the government announced a package of 21 measures with a budget of 230 million Euros for investments in agricultural land in Andalusia.

## Marrone Bio Innovations and Valagro Sign Collaboration Agreement

**MARRONE BIO INNOVATIONS, INC.** a global provider of bio-based pest management and plant health products and Valagro S.p.A, a leader in the production and marketing of plant biostimulants and high efficiency nutritionals announced they have signed an agreement to collaborate in the discovery and development of agricultural products. Under the agreement the companies will provide each other access to certain intellectual property, active ingredients, and formulations and evaluate the performance of combinations of

technologies for commercial use.

According to Dr. Alison Stewart, MBI Senior VP of R&D and Chief Technology Officer, "The research and development capabilities of the two companies are very complementary. Initially, we will focus on three areas of collaboration: Valagro will evaluate combinations of its biostimulants with MBI biologicals for synergistic effects; MBI will utilize its in-house screening program to assess Valagro bioactives for pesticidal activity; and both companies will co-develop MBI late-stage plant health bioactives

leveraging Valagro technologies." Dr. Prem Warrior, Valagro Chief Operating Officer, also sees great promise in the collaboration. "The synergy between Valagro and MBI is very high. Both companies are strongly committed to advancing the potential of bio-based compounds to improve plant health and yield potential in a wide variety of crops. MBI and Valagro are leaders in bioactive research and development so we fully expect working together will produce valuable outcomes and potential new product candidates."

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## Panasonic introduces high-tech greenhouse

**PANASONIC CORP.** has started selling a new electronically controlled greenhouse that creates a more optimal cultivation environment, allowing farmers to grow some crops year-round.

The company started the business, and will target spinach production at first. The "integrated control panel" for Panasonic's vinyl greenhouse is connected to sensors that measure temperature and humidity, among other things. It also controls and manages light-blinking curtains, fans and the sprinkler system to create a perfect and more natural environment for growing vegetables. Panasonic says the automated controls also vastly reduce the workload for farmers, such as airing out the greenhouse. "In order to make agriculture strong we thought we could apply the technology we have created in the electronics business to agriculture," said Masashi Yamada, who heads Panasonic's housing systems business division.

The company's sales target for the

current fiscal year is 1.6 billion yen (\$15.6 million). It hopes to increase that number to 5 billion yen in fiscal 2016. Panasonic's objective is to expand the system to also handle other vegetables in the future.

Panasonic said it decided to go into the agricultural business partially in response to difficulties the company has experienced with the sales of its digital household appliances, such as plasma TVs. The company sees the agriculture sector as a promising market. Panasonic's rivals are also eyeing the agricultural sector. Fujitsu Ltd., in 2012, started marketing its Akisai service that digitizes farm work. The system utilizes sensors installed in fields that measure such things as temperature and rainfall. The company is aiming for 15 billion yen in cumulative sales by the end of March 2016.

Toyota Motor Corp. has developed Hosaku Keikaku software for optimizing rice production and is also eyeing fertilizer production in East Africa.

## The French dream for a big Biocontrol Industry

**AT A RECENT CONFERENCE** on biocontrol organized by the French Ministry of Agriculture in Paris, JP Princen, President of IBMA France mentioned that the French market for biocontrol products is currently estimated at around 100 million Euros (\$ 135 million), which represents 5% of the total domestic plant protection market. Growth rate is 15-20% per annum. Twenty eight companies are supplying the French market with biocontrol (and biostimulants) products, of which there are five large Groups. Most of the suppliers are however very small in size, with 46% of them having a sales turnover of less than 2 million Euros in 2013 ( about \$ 2.7 million). In France IBMA targets a 15% market share of the plant protection market for biocontrol by 2018. To achieve this IBMA requests from the Government a direct significant financial incentive to the biocontrol companies.

## VALAGRO and IFDC to collaborate on developing innovative fertilizers for developing countries

**THE ITALIAN COMPANY VALAGRO** and the International Fertilizer Development Center (IFDC), an internationally reputed public organization in the United States

that deals with global food security, the fight against world hunger and poverty, environmental protection and promotion of economic development, have agreed to collaborate, on a nonexclusive basis, in the field of innovative fertilizers to enhance agricultural productivity and improve farm livelihood, with a particular focus on countries in Africa and South Asia.

The collaboration between Valagro and IFDC will study the different application regimes and models for fertilizers, with the goal of improving their efficiency. It will also initiate research aimed at the production and validation of existing or new fertilizers under both controlled and farm conditions. Finally, the agreement will allow for an exchange of information in order to identify production systems, management practices, environmental factors, fertilizer products and other tools to achieve a more sustainable use of nutrients.

This agreement is further evidence of Valagro's commitment to contributing to innovation in the entire plant nutrition and fertilization sector. At the same time IFDC through its newly developed Virtual Fertilizer Research Center (VFRC) aims to catalyze a process of enhanced research and development to arrive at innovative fertilizers that are readily taken up by plants and affordable for small farmers.

## Biolchim opens Turkey Office

**THE ITALIAN COMPANY BIOLCHIM** has just opened a new Representative Office in Turkey. After Russia, the establishment of a Turkish Office is the following step in the global development plan of Biolchim S.p.A. The Company has hired a Turkish professional with the objectives to support the local partners and further develop the company brand awareness in the Turkish market. To support the Turkish customers and in full cooperation with them, Biolchim S.p.A. has created a specific package of services including technical support, seminars, field visits and marketing activities. Biolchim S.p.A. aims to strengthen its position in the global market and become a key reference point also in Turkey, which is regarded as one of the most strategic countries for agriculture in the world.

## Tradecorp acquires the Irish Company Oilean Glas Teo (OGT Ltd.)

**TRADECORP, SPECIALIST COMPANY** in plant physiology and crop nutrition, and the Irish Company OGT, specialized in the harvest and processing of seaweed, signed the agreement by means of which the Irish company becomes part of Tradecorp and the AGRO BUSINESS of the SAPEC GROUP.

By means of the acquisition, both companies strengthen their position. Tradecorp acknowledges the importance of biostimulants in agriculture and it will get preferential access to a top quality raw material. This will allow the further development of its biostimulants range. "The integration of OGT into Tradecorp guarantees the supply of raw materials for Biostimulants,

and opens up a new market of Amenity's all over the world" said Nicolas Lindemann, Executive Director of Tradecorp.

Oilean Glas Teo (OGT) is an Irish company founded in 2004, specialized in the harvesting and processing of *Ascophyllum Nodosum* seaweed. Situated in the Irish coastal village of Kilcar, County Donegal and developing its products around the natural resource of seaweed, this food grade factory brings to life today's growing reliance on non-artificial goods.

OGT now counts on the support and strength of Tradecorp to continue the development of its existing markets. Belonging to a strong international group with a well-

established commercial structure around the world, OGT will be able to develop a wide and complete portfolio of products. OGT will continue the strong push of its amenity market worldwide.

The Amenity market and the Agricultural market expansion are a result of the synergy and growth for both Tradecorp and OGT.

Declan Gallagher, Managing director of OGT Ltd: "...one of the main benefits of the OGT integration is to be introduced to a worldwide commercial structure that will allow us to sell our range of products internationally and to benefit of the vast technical Know-how of Tradecorp in Agricultural markets in all continents."

## Colombia aiming to double agricultural area

**COLOMBIA HAS SET ITSELF**

the ambitious target of doubling its agricultural land area in five years in order to take advantage of the "huge opportunity" created by the country's free trade agreement with the US.

The Ministry of Agriculture, MinAgricultura, plans to sow 1m hectares dedicated to the fruit and vegetables, forestry, cocoa, palm oil, rubber, maize and soya bean sectors, taking total planted area to 2m ha.

MinAgricultura said in a recent press release that the country's agricultural exports had risen by 14.3 per cent in the 20 months since the FTA was signed, reaching US\$3.43bn. Taking into consideration the US\$1.38bn of agricultural products imported into the South American country, this represents a positive trade balance of U\$2bn.

Speaking during a discussion meeting on trade organized by the government, Proexport and Semana magazine, Santiago Rojas, Colombia's minister of trade, industry and tourism, said the figures are proof that the trade poses no threat to the future of Colombia's agriculture industry. "Colombia is destined to be an important supplier of foodstuffs to global markets and achieving greater integration through trade provides the perfect platform from which to achieve this," he said.

Agriculture minister Rubén Darío Lizarralde said the FTA had created a market of 1.3bn consumers, rather than 47m, for Colombian products.

## The King of Spain Gives an Environment Award to Futureco Bioscience for its Innovative Biopesticide Product NOFLY

**ON THE 5TH OF JUNE 2014**, the World Environment Day, in the Skylight of the Ministry of Agriculture, Food and Environment (MAGRAMA) of Spain, the delivery of the European Business Awards for the Environment (EBAE) was celebrated in its Spanish edition, organized by the Biodiversity Foundation. The awards were given by the Prince Felipe de Borbon, who was crowned as King of Spain in the following days,

The biotech company, Futureco Bioscience SA has been awarded for NOFLY as one of the most innovative products for sustainable development. NOFLY is the first product developed in Spain based on an entomopathogenic microbial agent (bioinsecticide) for biological control of insect pests that



**Rafael Juncosa, CEO of Futureco Bioscience, smiling after he received the award from king of Spain Felipe, standing behind him.**

has been registered by the European Commission.

The EBAE of the European Commission are summoned since 1987, and recognize and reward

those companies that excel in innovation in management, products and services, processes, international cooperation or combining business and biodiversity.

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## Rabo Farm launches new institutional fund for investments in farms to produce in a sustainable way

**RABO FARM** - part of Bouwfonds Investment Management (Bouwfonds IM), the real asset manager of Rabobank Group - is launching a new Rabo Farm Europe Fund II (RFEFII). Rabo Farm wants to raise €315 million of which a significant part will be allocated for sustainable improvements of the farms. Rabo Farm aims to attract like-minded long-term investors who are able to invest €50 million or more in this institutional fund.

"Our success at managing farm investments lies in the combination of owning farms and improv-

ing productivity with well thought-out farm management plans. These plans are designed in close cooperation with our leaseholders. With the improvements we are able to increase production in a sustainable way; more output with less input is what we like to see on our farms," says Jaap Gillis, CEO Bouwfonds IM. RFEF II is a closed-end fund that will invest in real farm assets, improvements of these assets as well as agricultural production in a sustainable way, with a focus on investing in Central and Eastern EU (CE EU) countries.

## Israeli firm Green Arava signs big irrigation project in Kenya

**AT THE END OF AUGUST** Kenya signed a 170 million U.S. dollar irrigation project with an Israeli firm, under which an Israeli fresh produce export company will rehabilitate one million acres of land under a green food project. Green Arava will rehabilitate the land under the Galana/Kulalu Green Food Security Project that spans across two counties in

southeastern Kenya. "Work on the project will start not later than 30 days from today with the development of a 10,000 acre model farm to serve as a demonstration of the project opportunities and achievements," Kenya's Cabinet Secretary for Agriculture Felix Koskei said. Phase two of the project will see the development of 100,000 acres

## Brazil: A Champion from Field to Table



**JUST AS BRAZIL** is a great competitor on the soccer field, its farm fields are champions in the global ag economy. In fact, Brazil is one of the world's largest food producers and exporters.

Brazil has long been known for its breakfast foods – you likely enjoy the fruits of the country's farms as you sit down to breakfast with a cup of coffee or a glass of orange juice. Brazil is the leading producer and exporter of orange juice, coffee and sugar, and is a top grower of cocoa and bananas. Nearly a third of the world's oranges are grown in Brazil, and the country accounts for 55 percent of the world's orange juice – about one in every two glasses.

Brazil is now carving out a new reputation as the breadbasket of the world due to its staggering escalation in farm production and

export of grains and cereals over the last 25 years. Investments in research, land and innovation resulted in grain production rising nearly 180 percent in the last 20 years.

In addition, soybean production increased 3,000 percent in 35 years, and Brazil recently surpassed the United States as the world's largest exporter of soybeans. The demand for soybeans and its derivatives continues to grow with world's increasing need for food, animal feed, oil and bio-fuel.

The availability of arable land and water in Brazil mean the country's stake in the global ag industry will expand. The climate, embracement of technology and diversity of crops will bolster Brazil's march to becoming the world's leading agricultural exporter.

whereas the third phase of the venture will involve extending the project to one million acres. Koskei said Kenya has contributed 40 million dollars towards the assignment and added that owing to the enormity of the venture, the government was in talks with Israel to help finance the difference. About 52 % of the area is targeted for maize, with sugar cane

taking up 20 % whereas cattle and livestock rearing cover 15 %. The rest of the acreage is reserved for dairy farming and horticulture. Barak Tamir, the CEO of Green Arava, said the project will adapt technologies similar to those used in Israel to turn around the agriculture industry in Kenya like Israeli farming sector.

## Israel, Rwanda to build agriculture center

**AS PART OF HIS TOUR** to strengthen ties with Africa, Foreign Minister Avigdor Lieberman of Israel recently visited Rwanda. The highlight of the visit was the inauguration of the Rwanda-Israel Center of Excellence for Horticultural Development.

The Center of Excellence for Horticultural Development was estab-

lished by MASHAV (Hebrew acronym for Israel's Agency for International Development Cooperation) following a request made by the Minister of Agriculture of Rwanda Kalibata to set up a special center for advanced horticulture designed for all levels of the farming community, from small holder farmers to commercial farmers.

The design and implementation of the project were carried out by CINADCO – MASHAV's main professional and operational affiliate for international agricultural rural development cooperation. The center is based on the Indo-Israel model of "Centers of Excellence in Agriculture," and includes transfer of knowledge; capacity building and

demonstration; agro-inputs (nurseries for better seedlings and varieties) and fresh produce. The center will display a wide range of technologies for horticulture productions, and will be made available for applied research and development, training and exhibition.

## Investment Fund Wise SGR SpA and Leonardo Valenti, with the Support of UniCredit, Redouble their Investment in the Specialty Fertilizers Field by Acquiring CIFO

**CIFO**, founded and led by Romano Ghedini, is an important brand in the Italian specialty fertilizers industry. Beyond its presence in the professional agriculture, CIFO is the benchmark in Italy for the Home & Garden segment, with widespread brand awareness and territory coverage unrivaled in the market. CIFO has a turnover of around 28 million euros. The

Group, now composed of the two companies Biolchim & CIFO, both located in Bologna, ranks among the largest players worldwide in the special fertilizers industry with a turnover of about 75 million euros. Led by Leonardo Valenti and his team, the Group will be able to double its efforts to develop new products and open new markets, counting on an undisputed

leadership in the Italian market and a wide range of high quality products. Leonardo Valenti, until now President and CEO of Biolchim and from now onwards of the new Group declared: "We are very pleased to be able to count on a company that is a benchmark in the industry and a team of the highest level, to further develop our Group."

## Water soluble market to continue to see huge growth

**GLOBAL DEMAND** for water soluble fertilizers for use in fertigation and foliar applications is expected to increase dramatically over the next five years, according to a recent report.

The water soluble fertilizer market, valued at \$2.5 bn in 2012, is expected to see a constant annual growth rate of 5.6% through 2019 and reach \$3.5 bn by 2019,

according to Transparency Market Research.

Fertigation accounted for more than 70% of the water soluble fertilizer market in 2012, according to the report, while foliar feeding accounted for 30% (\$ value, not tonnage).

China and India are expected to continue exhibiting strong growth for the Asia Pacific region, as evi-

denced by figures presented at the New Ag conference in China earlier in June and as will appear in papers at the New Ag conference in Delhi in 2015. In North America and Europe, increased fertigation and foliar application are expected for turf and specialty horticulture crops as well as for use in greenhouses.

## Deere, BASF team up on precision farming tools

**FURTHER DEVELOPING** their partnership, John Deere and BASF have signed an agreement which covers the joint development of integrated precision farming solutions aiming to significantly enhance arable farming productivity. Developed in close collaboration with growers, these IT enabled solutions will combine BASF's agronomic and crop protection expertise with John Deere's application and farm data management know-how to provide customers with enhanced agronomic decision support.

Initial projects covered by this agreement will predominantly address markets in Europe and Latin America to include cereals, sugarcane, oilseed rape and corn growers. First integrated tools are expected to become available during 2015. With regard to system and data security, these applications will meet the highest possible standards of the agricultural industry and will be compatible with the field proven data exchange standards AgGateway and AEF/ISOBUS.