

Egypt

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| Project title: | Custom made NPK fertilizer blends |
| Location: | Cairo |
| Sector: | Agriculture |
| Applicant: | N.J. Zeeman Diervoeders BV, The Netherlands |
| Local partner: | Kanza Group, Joint Stock Company, Egypt |
| Start project: | 1 January 2011 |
| End project: | 31 December 2013 |
| Total budget: | EUR 1,500,000 (50 percent PSI contribution) |

Project summary:

Strengthening agricultural development is a critical element of sustainable economic development in Egypt. The agricultural sector provides for the livelihood of about 55% of the inhabitants and accounts for almost 35% of the total employment and labour force. Nearly 20% of Egypt's gross domestic product consists of agricultural output. Agricultural products make up about 20% of the total exports and foreign exchange earnings. Through this PSI project proposal, N. J. Zeeman BV and Kanza Group aim at increasing the productivity and competitiveness of the Egyptian agricultural sector by investing in the production of high-quality NPK fertilizer blends.

Fertilizers allow farmers to supplement the nutrients which are normally present in the soil, and therefore match the supply of nutrients with the needs of the crops. Fertilizers are, in fact, the only nutrients which can be tailored to meet the crops' exact requirements. They provide guaranteed contents and can be applied as and when required. In this manner fertilizers are a cost-effective means of achieving sustainable crop production and improvements in the quality of food.

Currently compound NPK fertilizers are not produced in Egypt itself, but imported mainly from Europe, which makes them an expensive factor of production for small local farmers. Because imported compound fertilizers are so expensive, the local market is overwhelmed with counterfeit products. The last ten years Egypt has frequently seen shortages of compound NPK fertilizer on the market, resulting in ever higher prices of genuine complex fertilizers and an increase in counterfeit NPK fertilizers.

Another reason to blend NPK fertilizer locally is the fact that imported fertilizers consist of standard mixes. One can imagine that these readymade compounds do rarely meet the exact local soil and crop needs, resulting in excess use of some ingredients and a deficiency of others. Soil analysis of farmers soils will be carried out in order to blend fertilizer according to the soils needs. This is a truly new and innovative approach in Egypt.

Zeeman and Kanza will jointly bring a wide range of high-quality NPK fertilizer blends on the market, tailored made to the specific local nutrition needs.