

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:386
ANSWERED ON:03.05.2012
SETTING UP OF FERTILIZER PROJECTS
Tagore Shri Manicka

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether agreements have been signed or are contemplated with foreign countries in the matter of setting up of projects for production and off take of fertilizers;
- (b) if so, the details thereof;
- (c) whether the Union Government and the Government of Qatar has signed an Agreement of Intention for exploring possibilities for an Ammonia-Urea project in the country;
- (d) if so, the details thereof; and
- (e) the time by which the same is likely to be completed?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 386 TO BE ANSWERED ON 03.05.2012 REGARDING SETTING UP OF FERTILIZER PROJECTS ASKED BY SHRI MANICKA TAGORE

(a) & (b): Department of Fertilizers encourages the Indian fertilizer entities for acquiring fertilizer assets / resources and to set-up joint venture fertilizer projects abroad in the resource rich countries and also to enter in to long-term off-take agreements for supply of fertilizers / fertilizer inputs at some preferential prices from such countries. The Department of Fertilizers, during the recent past has signed the MOUs with some countries viz. Syria, Ghana, Indonesia, Belarus and Russia for co-operation in Fertilizer Sector. Details of these MOUs are given at Annexure to the statement.

(c) No Madam.

(d) & (e) Does not arise.

ANNEXURE TO THE STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 386 TO BE ANSWERED ON 03.05.2012 REGARDING SETTING UP OF FERTILIZER PROJECTS ASKED BY SHRI MANICKA TAGORE

Syria: The MOU has been signed between the GECOPHAM and the DOF in May'2009 for carrying out a Consultancy Study for assessing feasibility of upgradation in infrastructure and mining sector for production of rock phosphate and setting up of facilities for production of phosphate fertilizers in Syria. In pursuance of this MOU, a consortium of Indian entities viz. M/s MECON, RITES and PDIL have carried out the said consultancy studies and submitted the report to GECOPHAM. Ghana: An MoU was signed on 6th July, 2010 between the Government of the Republic of India and the Government of the Republic of Ghana for exploring the feasibility of setting up of Gas based Ammonia – Urea Fertilizer Project in Ghana. In pursuance of the MOU, the matter has been progressed a lot. The Ghanaian Government has approved formation of Ghana – India Joint Venture Fertilizer Company. The work of 'Site Related Studies' and 'Topographical Studies' has been awarded by Rashtriya Chemical & Fertilizer (Public Sector Company nominated by GOI) to the selected firm after completing due process. Indonesia: MOU between India and Indonesia for setting up an Ammonia-Urea Plant in Indonesia and agreement for off-take of surplus urea produced in the plant, and the draft terms of agreement for off-take of surplus urea from Indonesia to India were signed between India and Indonesia on 25th January 2011. Department of Fertilizers has nominated Rashtriya Chemical & Fertilizer (RCF) to pursue with concerned entities / authorities of Indonesia in the matter. Russia: During the visit of the Russian Prime Minister to India in March 2010, IFFCO and IPL signed a medium term (3 years, 2010-11 to 2012-13) contract for 3 million MT of DAP (one million each year) with PhosAgro of Russia and 1.1 million MT of NPK grade 10-26-26 for 2010-11. An MOU between the Department of Fertilizers, GOI and Trade and Industry Ministry of the Russian Federation was also signed on the subject of cooperation in mineral fertilizer sector. M/s IPL and IFFCO are off-taking the material to India as per agreement and the Department of Fertilizers is pursuing with the concerned authorities in Russia about exploration of a JV Fertilizer Project in Russia. Belarus: On 27th August 2011, a protocol was signed between the India and Belarus envisaging, inter-alia, the

following:

(i) Exploring possibilities for entering into long term agreement for supply of potash from Belarus to India.

(ii) Exploring possibilities of equity participation by the Indian Fertilizer entities in Belaruskali

In pursuance of the protocol, M/s IPL is taking up the matter of long term supply of Potash from Belarus to India and M/s IFFCO is engaged for carrying out due diligence w.r.t. the possibilities of acquiring equity in Belaruskali.