

# History of the Canpotex Market Development Program in China

By Perry Onstot

*The Balanced Fertilizer Demonstration Program (BFDP) sponsored by Canpotex Limited was introduced in China and has been an outstanding success. With its economy and agriculture doing well, China needs to invest more in its BFDP...and in agricultural research and extension. China needs more competition in fertilizer distribution and sales to ensure better farmer prices and services along with a more balanced fertilizer program. Retail fertilizer outlets must be located closer to farmers...to be sure adequate amounts of the right fertilizers are made available at the right place and at the right time.*

Canpotex Limited was formed in 1970 as a producer-owned potash marketing company. Its first potash sale to China was in 1972.

In 1984, Canpotex Limited made a long-term commitment to help Chinese agricultural development by hiring a person and establishing the basis for the BFDP. A market survey of 1,500 farmers was commissioned to learn of their knowledge about fertilizers, their sources of information and details on crops grown. Radio and newspapers were shown to be the best mass media means to reach farmers. Radio programs and newspaper articles on balanced fertilization were produced and used. Pamphlets were produced based on results of PPI/PPIC funded research to guide farmers on balanced fertilizer use. Requests came from farmers, extension personnel and scientists for more information. Many farmers became aware of the benefits of "Canadian Pink Potash."

Plans were made with China National Agricultural Means of Production Group Corporation (CNAMPGC) in 1986 for developing field demonstrations and field days in farmers' fields, which launched the BFDP. Guangxi province and the Guangxi Soil and Fertilizer Institute (SFI) were selected as the pilot project area and cooperator, respectively. PPI/PPIC worked with the SFI to ensure the scientific basis of demonstrations with sugarcane, rice and kenaf at each of two locations.

Six harvest field days were held to show farmers the benefits of balanced fertilization. Rice yields increased by 22 and 37 percent, kenaf by 39 and 88 percent and sugarcane by 32 and 37 percent. The pilot project in Guangxi was considered an outstanding success and became the model for expanding this initiative. A television documentary was developed based on this experience.

Two important criteria for program expansion to other provinces were:

- Availability of research data indicating need for potash. Recommendations for potash



*This scene is from a harvest field day of the BFDP in Zhejiang: "Seeing is believing."*

use were then developed from the data.

- A ready supply of all needed fertilizers.

Shortly after initiating the Guangxi pilot program, it became apparent that potash supply was lacking in many areas wanting to participate in the program. That was the decisive factor for initiating a field inspection day for leaders (policy-makers) to show them the benefits of balanced fertilization and, thereby, the need for increasing supplies of fertilizers, especially potash, throughout their province.

The BFDP expanded its influence to new provinces as information and resources permitted. Today, 22 provinces and regions in China are included in the Canpotex Limited BFDP.

This program is unique. Canpotex Limited has invested large sums of money and time to help farmers increase yields, improve crop quality, protect the environment and make profit for all concerned. In addition, Canpotex Limited has supported agricultural research and development programs through the Canada International Development Agency (CIDA), the PPI/PPIC China Program, and conferences, publications, etc.

As China moves to join world markets, the economics of fertilizer use becomes an issue of significant importance. Balancing present levels of nitrogen (N) and phosphorus (P) use with potassium (K) is highly profitable for farmers and the nation. However, China must increase potash importation to meet demand while improving marketing and distribution systems so farmers get their fertilizer products at the time crops are being planted or need to have fertilizer applied. BCI

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