

March 1, 2023

## Executive Director's Message

SIMSA's 10<sup>th</sup> Anniversary event on March 30<sup>th</sup> is coming together.

We are currently creating a video on how and why SIMSA was formed, featuring interviews with the original 8 members. We expect several mining and energy company persons to attend – so this is also going to be a great networking event.

There is no limit on the number of tickets – in fact – bring a date or a “plus one!”

The event will celebrate “Look what we’ve built together,” as SIMSA’s success was due to our members, Board and management, as well as several industry, Government, and Indigenous partners.

Simply put, there is a bright light shining on Saskatchewan with the world coming to us to build capacity elsewhere. We are now providing not just finished goods, but also services, expertise, best practices, and solutions to the world.

Draft agenda:

- 4:30 p.m. Reception
- 6:00 p.m. Dinner
- 7:00 p.m. Presentations and acknowledgements
- 7:30 p.m. Video presentation and close of program
- 8:00 p.m. Networking
- 9:00 p.m. Close

Ticket and other information is [HERE](#).

SIMSA should move into its new offices around April 1<sup>st</sup>.

# Members' News

[Falcon Equipment's Regina Branch is Expanding!](#)

[SRC Signs Memorandum of Understanding with Star Group Inc. on Further Developing the REE Supply Chain](#)

[Team Power Solutions – Business Builder Awards Finalist](#)

# Sector News

There has been a lot of talk about world events causing a focus on Saskatchewan. Here are some highlights of a story that summarises a lot (plus it has a great picture of a Russian potash deposit).

## Russia and China Have a Stranglehold on the World's Food Security

*Moscow's invasion of Ukraine highlighted the role of fertilizers — and who controls them — as a strategic lever of global influence.*

From - <https://www.bloomberg.com/news/features/2023-02-20/feed-the-world-without-fertilizer-why-crop-nutrients-are-suddenly-political?srnd=premium>



Measuring the concentration of harmful gases in an underground potash mine at the Usolskiy Potash Complex in the Perm region of Russia in 2017.  
*Source: Bloomberg*

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About [20%](#) of Malawi’s population is projected to face acute food insecurity during the “lean season” through March, making the use of fertilizers to grow crops all the more vital. It’s one of 48 nations in Africa, Asia and Latin America identified by the International Monetary Fund as most at risk from the shock to food and fertilizer costs fanned by Russia’s invasion of Ukraine. One year on, the upheaval caused to world fertilizer markets is seen by the UN as a key risk to food availability in 2023.

Yet alongside humanitarian considerations, it’s the realization that much of the world relies on just a few nations for most of its fertilizers — notably Russia, its ally Belarus and China — that’s ringing alarm bells in global capitals. . . .

That’s pushed fertilizers — and who controls them — to the forefront of the political agenda around the world: The US State Department is beefing up its expertise on fertilizers, [presidents](#) are tweeting about them, they’re featuring in election campaigns, and becoming the focus of tensions between countries as well as an unlikely currency of diplomacy. They’re also being pulled into the contest of narratives over who’s to blame for the fallout from Russia’s war on Ukraine.

“The role of fertilizer is as important as the role of seed in the country’s food security,” said Udai Shanker Awasthi, managing director and chief executive officer of the Indian Farmers Fertiliser

Cooperative, the country's largest producer. "If your stomach is full then you can defend your house, you can defend your borders, you can defend your economy."

Last year's jolt to the \$250 billion global fertilizer industry highlighted the role of Russia and Belarus as exporters of almost a quarter of all world crop nutrients. While Russia's agricultural products including the three main types of fertilizer — potash, phosphate and nitrogen — are not targeted by sanctions, exports remain curtailed through a combination of disruptions to ports, shipping, banking and insurance.

. . . . The African Development Bank has warned that curtailed use is likely to mean a 20% drop in food production, while the WFP sees smallholders in the developing world at risk of "a major food availability crisis as the fertilizer crunch, climate shocks and conflict upend food production."

Indonesian President Joko Widodo warned at the Group of 20 summit he hosted in November of "a more dismal year" ahead without immediate steps to ensure availability of affordable nutrients. Indian Prime Minister Narendra Modi, who now holds the G-20 chair, pledged to focus efforts to "depoliticize" global fertilizer supply, "so that geopolitical tensions do not lead to humanitarian crises," he wrote in the Times of India in December.

The geopolitical fallout is being felt as far away from Ukraine as Canada, the world's biggest potash producer (Russia and Belarus are No. 2 and No. 3 respectively). Brazil's agriculture minister traveled there immediately after the war's outbreak to secure more shipments for the food-exporting superpower, while Prime Minister Justin Trudeau's government has said it's looking at increasing exports to Europe of "strategic commodities" including potash.

Nutrien Ltd., the world's largest fertilizer company and the biggest private employer in its home base of Saskatoon in Canada, is expanding production at its potash mines, helping fuel the city's spread out into the great prairie lands of central Saskatchewan. BHP Group Ltd gave the green light to build its own massive potash mine in Saskatchewan about 18 months ago; it's already looking at options to accelerate an expansion that would see total output double.

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The Saskatoon-based company is targeting a 40% increase in production from 2020 levels by 2026. "We think the world's going to need it," says Ken Seitz, Nutrien's chief executive officer. He cites the "knock-on effect of all this geopolitical uncertainty," adding: "It's going to be bumpy."

"Our soils are used to fertilizer, so without applying fertilizer we can't harvest anything," he said. "Our situation remains dire."

# Carbon Reduction (a new segment)

## **What's the Efficiency of your Boiler? Maximize Savings with Economizers**

Boiler efficiencies of 95% are possible, so what is your boiler efficiency?

One way to achieve quick ROI and continuous is by installing a condensing economizer and/or feedwater economizer.

Condensing economizers can improve overall heat recovery and steam system efficiency by up to 10%. Feedwater economizers can contribute an additional 3-5% efficiency. Many boiler applications can benefit from this additional heat recovery, such as district heating systems, wallboard production facilities, greenhouses, food processing plants, pulp and paper mills, textile plants, and hospitals.

It's important to note that condensing economizers require site-specific engineering and design, as well as a thorough understanding of their effect on the existing steam system and water chemistry. However, both of these economizers typically have quick payback periods, in the 1-2 year range, and a new boiler doesn't need to be purchased to achieve efficiency gains.

In addition to economizers, making your system "smart" can also lead to significant long-term savings. For more information on "smart" heat systems, companies can reach out to SIMSA.

To further optimize efficiency gains and determine payback periods specific to your company, tools are available to model your steam system and perform user-specific analysis. By implementing these waste heat recovery initiatives, companies can reduce energy costs, improve sustainability, and increase profitability.

### **Tools, Funding, Further Reading:**

- [Steam System Modeler](#)
- [Software tools for optimizing your plant's systems and equipment.](#)
- [Enbridge – Take Control of your Gas Costs](#)
- [SaskEnergy - Commercial Space and Water Heating Rebate](#)
- [SaskEnergy Commercial Boiler Rebate](#)

# Advocacy

SMR work is continuing with funding being sought, to enable SIMSA to hire a nuclear expert. This person will drive business-development work on SMR and nuclear fuel manufacturing for SIMSA members.

On March 6, SIMSA is connecting Saskatchewan “brain power” with the Government of Kazakhstan to study the development of the Kazakh potash basin. Numerous Saskatchewan suppliers and miners will meet with Kazakh persons to see what can be done. This should create hundreds of millions of dollars of business for Saskatchewan companies.

SIMSA was approached to help foster partner development between the experienced Saskatchewan mining supply chain and those in the Republic of Mali, Burkina Fasso, and Guinea. The goal was to establish ties between Saskatchewan and West Africa, and to provide improved products and services to the West African Mining industry.

Then on February 1<sup>st</sup> and 2<sup>nd</sup>, SIMSA hosted the Virtual Canada-West Africa Mining Event. We were joined by Barrick Gold procurement persons, the Canada-Mali Chamber of Commerce, Ambassadors from both Canada and West Africa, and the Canada Trade Commissioner Service to learn about the multi-billion-dollar opportunity that in the West African Mining Industry. There were 100 total attendees including panelists on Day 1. Day 2 saw 30-40 B2B meetings with West African mining suppliers.

# Upcoming Events

Register for Upcoming Events [HERE](#)

- **Lunch & Learn: Saving Money With Gas Heat Pumps – March 9, 2023**  
Learn how to save money on your heating, cooling, and hot water needs by switching to Gas Heat Pumps.
- **Tools for Success: An Introduction to Competitive Bidding – March 14, 2023**  
Learn the 7 Steps of Public Procurement, tips and tricks of proposal writing, and SaskPower’s bid expectations and procedures.
- **Saskatchewan Aerospace and Defense Forum – March 22, 2023**  
Don't miss your opportunity to connect with Multinational Primes in the Aerospace and Defence industry and learn how you can get connected. *Note: this is not a SIMSA-run event.*
- **SIMSA's 10th Anniversary Celebration Event – March 30, 2023**  
SIMSA will be celebrating our 10th anniversary with an evening social event at Prairieland Park in Saskatoon. Recognizing that SIMSA alone did not build its successes, SIMSA will mark the occasion with an event to celebrate “Look what we’ve built together.” The event will celebrate the success of the partnership between resource producers, Government, Indigenous persons, and the supply chain.
- **Saskatchewan Mining Supply Chain Forum (MSCF) – April 18 & 19, 2023**  
The MSCF continues to be the event to attend to find out how manufacturers, construction, equipment and service providers can access mining supply opportunities. As always, this event will take place at Prairieland Park in Saskatoon, SK.
- **SIMSA’s 2023 AGM – May 16, 2023**  
Save the date! SIMSA’s AGM will be on May 16, 2023 at Prairieland Park in Saskatoon, SK.
- **Saskatchewan Suppliers Energy Forum (SSEF) – October 4, 2023**  
Save the Date! The 9th Annual Saskatchewan Suppliers Energy Forum will be on October 4, 2023 at the Delta Hotel in Regina, SK.

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