



# 2013/2014 Annual Report

An aerial photograph of a large industrial ship, possibly a liquefied gas carrier, sailing on the open sea. The ship is viewed from an elevated angle, showing its complex deck structure with various pipes, railings, and equipment. The hull is dark, and the superstructure is white. The ship is moving towards the bottom right of the frame, leaving a white wake. The sea is a deep, textured blue-grey. Overlaid on the center of the image is the text "STSA" in a bold, blue, sans-serif font, followed by a small red square containing a white cross, which is the Swiss flag. The letters "LPG" are visible on the side of the ship's superstructure.

**STSA** 

# 2013/2014 Annual Report

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01 **STSA**  
Introduction

# Message from the President



Dear STSA Members,

This year's annual report is the first publication of the newly created Swiss Trading and Shipping Association, and I am both honoured and proud to address you as the organisation's first president.

We have successfully united the Associations of Geneva, Lugano and Zug to create a single representative body for the whole of our industry. It was a necessary step and I am certain that our sector will be stronger for speaking with one voice.

For many years we have benefitted from the international, open and commercial environment in Switzerland, complemented by the expertise and support of Switzerland's authorities. In this environment our industry has evolved to an extent that no one could have foreseen a few decades ago.

With growth, comes responsibility and an increased need to explain our role in the world. We know that creating jobs and contributing economically to Switzerland is not sufficient, and that we are measured against the standard of corporate behaviour beyond Switzerland's borders.

Our business is global – in essence we move commodities around the world to satisfy an evolving demand picture. In today's global economy, only those who take the time and trouble to understand the requirements and culture of the many markets in which we operate will succeed and all of us have to abide by the laws of these jurisdictions.

For this reason we recognise the importance of dialogue across jurisdictions and with a broad range of participants - without dialogue consistency across jurisdictions is impossible and, for global operations, consistency in some key areas is imperative.

We are proud to be part of Switzerland's economy. The establishment of a nationwide trading and shipping Association is an important step in our evolution and a strong indication of our sector's commitment to the country. I would like to thank Stéphane and teams in Geneva, Lugano and Zug for their hard work and dedication and, without whom, this significant step would not have been possible.

**David Fransen**  
President

## STSA: addressing the commodity trading challenges in Switzerland



In 2013-2014, STSA has continued professionalising its structure in order to be able to address the issues facing the commodity trading sector in Switzerland. Not only has it succeeded in unifying the three regional Associations in one national body, STSA, but has also demonstrated its ability to address complex issues and explain the industry's position on important topics. Corporate Tax Reform III, transparency of payments, the Financial Market Infrastructure Act (FinfraG), due diligence obligations, and speculation on food prices are ever so many of the varied topics the Association has had to address, with the active participation of its members.

The commodity trading industry operates with multiple layers of regulation, a fact that few people are aware of outside our industry. We commend the work being done by the Swiss government to harmonise Swiss regulations with internationally recognised standards, but highlight the real costs associated with implementing regulations. These costs are ever rising, and are especially difficult for SMEs in the sector, at times threatening their survival. Consequently, STSA is committed to finding new and sustainable ways to maintain the diversity of our industry and its SMEs, by challenging the implementation of unnecessary regulations, and strongly advocates self-regulation measures where they have proved to be more efficient.

This work has begun in the field of due diligence, where we believe that extensive regulation is not the best way of achieving the desired result. Practical experience shows that more government regulation does not create better results. Instead, we are committed to developing, together with the Swiss authorities, voluntary standards through multi-stakeholder dialogue, thus creating industry-wide, user-defined standards. These industry-based initiatives are best placed to keep up with the evolving ethical requirements of stakeholders.

Best practice shows such an approach to be more effective than one imposed from the top down. We are confident that STSA, with the support of its members, will play a leading role in building the standards of tomorrow.

Commodity trading has thrived in Switzerland for many years due to favourable business conditions, political stability, and an enviable quality of life for its employees. But this successful framework is very fragile as illustrated by the current political debate on corporate taxation and immigration, which has brought a great deal of uncertainty for Switzerland as a place to do business. STSA is very concerned that the international competitiveness of Switzerland as a world-class commodity trading hub is being eroded, and has become the instrument through which its members ensure that these conditions are maintained. It will continue to monitor the situation and strongly press for a fair business environment for the industry.

The final challenge is one of perception and understanding. Despite its crucial role in daily life, the commodity trading industry suffers from an information deficit in public discourse. It continues to be unfairly stigmatised, leaving it often in a position of weakness when it comes to negotiation and discussion. It is STSA's principal duty to fight for its members and ensure their voices are heard. It is also one of its most important undertakings to ensure the industry, in all its diversity, is represented, and its importance to the Swiss economy and everyday life is understood. That is our promise to you, our members, in the coming year: to ensure you have a powerful voice in the public, and are fairly and strongly represented in the ongoing debates about our industry.

We work in a constantly evolving industry, making it an exciting but challenging place to work. In the coming year, STSA will continue to face these new and continuing challenges head on; to defend the interests of its members, and ensure the diversity and dynamism of the commodity trading industry are preserved.

You, our members, are the STSA. We thank you for your ongoing support in achieving our aims, and look forward to your continued partnership as we start a new chapter as a national commodity trading industry body.

**Dr Stéphane Graber**  
Secretary General

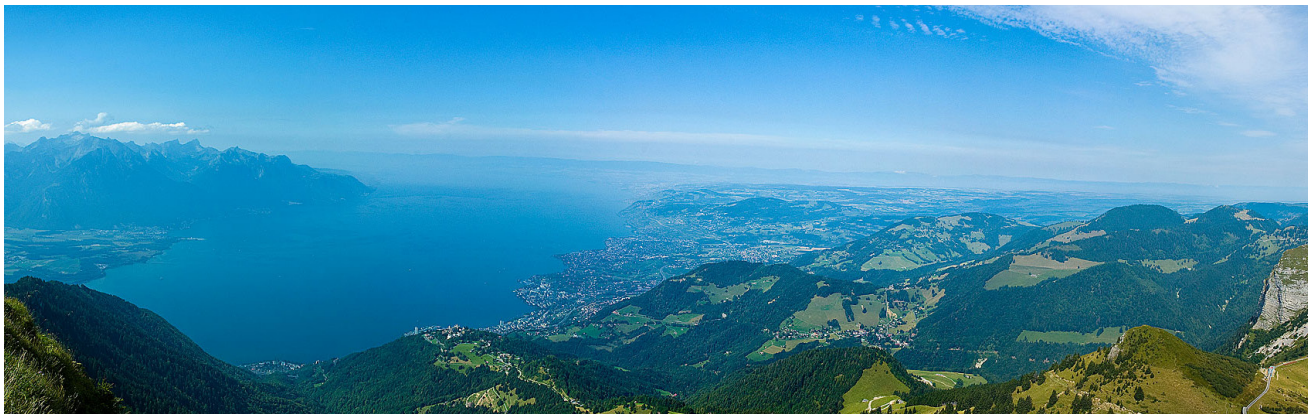


02 About  
STSA

## Switzerland: A major actor in a competitive and globalised environment

Switzerland benefits from a wide combination of competitive factors. Its specificities lie in the high density of expertise along the entire value chain: commodity trading, shipping financing, logistics, distribution, inspection, certification, insurance, services and training.

### Lemanic Region



Geneva and its surroundings are host to 50% of the world's coffee trading, thanks to the historical presence of Nestlé and Nespresso, as well as 50% of the world's sugar trade, 35% of each of the world's oil and cereal trade, and 22% of worldwide commodity shipping movements (container, dry and liquid). It is the world's number one centre for trade finance and commodities inspection and certification. The industry employs over 8000 people in the region.



## Lugano



Lugano is home to approximately 70 companies in the commodity trading sector, providing over 1000 jobs and contributing 2% of the Canton of Ticino's GDP. Transportation, insurance, trade finance, and legal and diplomatic operations all figure strongly in Lugano's commodity trading network. The region is a hub for metals trading, with a particular focus on precious metals and gold.

## Zug



Zug's proximity to the major financial centre of Zurich and its business-friendly political climate make it a natural home for the commodity industry, with the extraction and production sector particularly well represented. It is host to 200 commodity companies spanning the entire commodity value chain, and the sector contributes an estimated 25% of the Canton's gross value added, employing some 3000 people in the Canton directly or indirectly.

## An Association for its members

### Mission Statement

GTSA was incorporated in 2006 as a non-profit, umbrella organisation that gives voice to all the actors in the diverse commodity trading industry as it continues to grow in importance for the Swiss economy. It focuses particularly on raw material trading, goods shipping, and commodity trade finance and related services.

Its mission:

- To be a professional organisation, representing the diverse members and interests of the Swiss commodity trading industry, and to actively engage with the Swiss authorities, the Swiss government, economic stakeholders, and the general public to promote the interests of the industry.
- To offer a platform for all actors to discuss on relevant business issues.

### 6 Key Areas of Action

- **Sharing.** Being a forum for all actors in the commodity trading industry.
- **Representing.** Being the united voice of the industry in dialogue with the authorities, NGOs, and other stakeholders.
- **Servicing.** Providing value added services for its members.
- **Training.** Being a partner in, and a provider of, academic and practical education and training for commodity traders and supporting the rise of emerging talent.
- **Informing.** Providing useful content and information for its members, and fostering knowledge of the industry in the public.
- **Monitoring.** Providing professional information services linked to the regulatory and political environment, as well as seminars and conferences for its members and the public.

## An Association of its members

GTSA draws its strength from the active participation of its members, and as such facilitates working groups made up of interested and relevant parties to tackle important current issues in commodity trading, as well as organising networking events for its members and others interested in the commodity trading sector.

### Working groups and their activities

Regularly, GTSA arranges working groups on topics of significant interest to members, where participants can discuss current issues in commodity trading. As with the sector as a whole, these groups cover a diverse range of themes and topics, and the groups produce background papers and position papers that may be used in relations with the authorities.

In March 2013, the Federal Council released its Background Report on Commodities Trading, and as such a number of working groups focused on its recommendations. Working groups in 2013-2014 were convened in:

- Transparency of payments to governments (Background Paper Recommendation 8)
- Taxation, including the Corporate Tax Reforms III and tonnage tax
- Speculation on commodity prices
- Due Diligence (Recommendation 11)
- FinfraG

### Networking events

- **GTSA Anniversary 3 October 2013**  
100 guests from 50 companies attended the anniversary dinner at the Buddha Bar. The GTSA took the opportunity to thank its partners and their members for their support.
- **GTSA Commodity Dinner 4 November 2013**  
To launch Commodity Week 2013, GTSA invited its members and their guests to an exclusive dinner at the Restaurant de Parc des Eaux-Vives. Pierre-François Unger, Health and Economy Minister of the Canton of Geneva, and Isabelle Chevalley, federal parliamentarian, attended as guests.
- **GTSA Christmas Drinks 19 December 2013**  
The GTSA office hosted an apéro for its members to mark the end of 2013 and begin the holiday season.
- **GTSA Summer Event 26 June 2014**  
Local Wine Tasting. GTSA invited its members' representatives to a wine-tasting event at Domaine Dugerdil. Oenologist and owner Sophie Dugerdil walked the participants through a wine tasting and explanation of the specificities of the terroir genevois, and a World Cup tipping competition added to the informal atmosphere.

## GTSA Activities in Numbers

### Governance, Networking, Liaising with Authorities

- 12 Governance meetings
- 3 Networking events
- 8 Meeting with the authorities

### Working Groups

- 23 GTSA working groups meetings
- 7 Federal working group meetings
- 18 Working group meetings in co-ordination with other economic associations

### Education and Training

- 2 GTSA Operator's Certificate sessions with 40 participants
- 2 Bespoke Trainings in Geneva and Zurich with 28 participants
- 2 Graduation ceremonies

### Education in partnership with the University of Geneva

- 7<sup>th</sup> Master in Trading intake with 22 students
- 7<sup>th</sup> Diploma in Commodity Trading intake with 30 students
- 5<sup>th</sup> Career Days participation
- 3<sup>rd</sup> Speed recruiting session
- 4 Opening ceremonies
- 1 Graduation ceremony

## Conferences, Seminars, Special Projects

16 Conferences and seminars

3 Special Projects:

- **ACT:** 1 Selection committee, 1 workshop elaboration, 3 workshop preparation meetings, 8 meetings
- **TRAFEC:** 5 Board of Directors meetings, 4 Technical Committee meetings, 8 Commercialisation Committee meetings, 2 General Assemblies
- **SMART:** 5 Preparatory meetings, 1 presentation to members, 1 mailing to Swiss trading companies

## Media Relations

129 Media contacts

103 Articles in the Swiss press, 6 appearances on Swiss radio, 5 appearances on Swiss television, 3 appearances in German media, 3 in France, 2 in the UK, 5 in the USA, 1 article in Brazil

## Communications to Members

1 Activity Report

4 Press releases

5 Position papers

6 Communication alerts

**Weekly** Press Review

**Weekly** Highlights

**Monthly** Insight





03

**Conferences**  
and Seminars

## Conferences and Seminars

Throughout the year, GTSA arranges and participates in conferences and seminars in commodity trading and related fields, in order to explain and enhance the understanding of the industry, participate proactively in debates surrounding the industry, and meet with the industry's many and diverse actors.

### Agriculture and Raw Materials

- 28.08.13** Agricultural Investments Discussion, Commodity Club Zurich
- 20.03.14** Cereals Europe, Geneva
- 29.03.14** Forum sur la spéculation sur les matières premières agricoles, Lausanne

### Trade and Finance

- 27.09.13** Bürgenstock conference, Geneva
- 16.10.13** Genève Place Financière, Geneva
- 14.11.13** Conférence sur la Piraterie Maritime, Brussels
- 19.03.14** Trading Forum, Geneva. Organised by the University of Geneva in partnership with GTSA
- 21-27.03.14** BCV Press Tour to Dubai
- 03.04.14** Swiss-Arab Financial Forum, Geneva
- 26.06.14** Annual Marine Money Geneva Forum, Geneva

### Commodity trading, Geneva, and Switzerland

- 09.12.13** Conférence Institut National Genevois, Geneva
- 27.03.14** Cyclope Club Geneva
- 23.05.14** AIBL and GTSA Conference, Geneva
- 16.07.14** FINMA Seminar – GTSA Conference, Bern

### Energy

- 05.12.13** Global Energy: GTSA Seminar, Geneva





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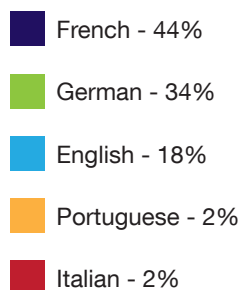
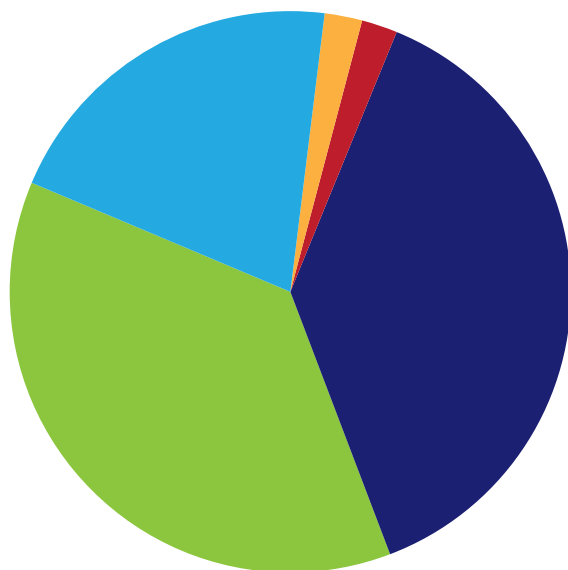
**Media**  
Relations

## Media Relations

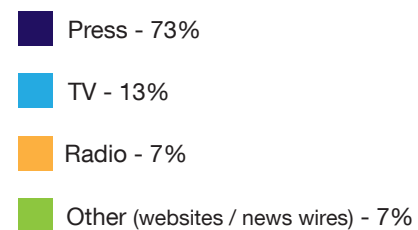
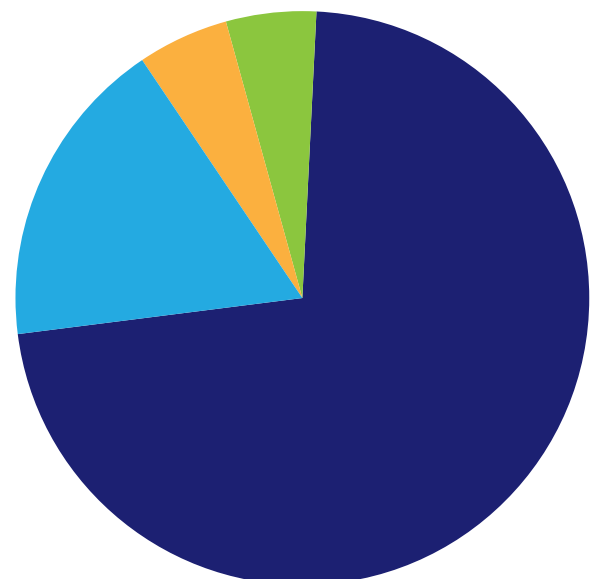
GTSA sees it as beneficial to maintain a strong media presence, and is becoming a sought-after media authority when an understanding of the industry and its challenges is needed. To this end, it has been active in giving interviews in English, French, German, and even Portuguese, across the entire media spectrum. Over 50 such interviews were given in 2013-2014 concerning a vast array of topics.

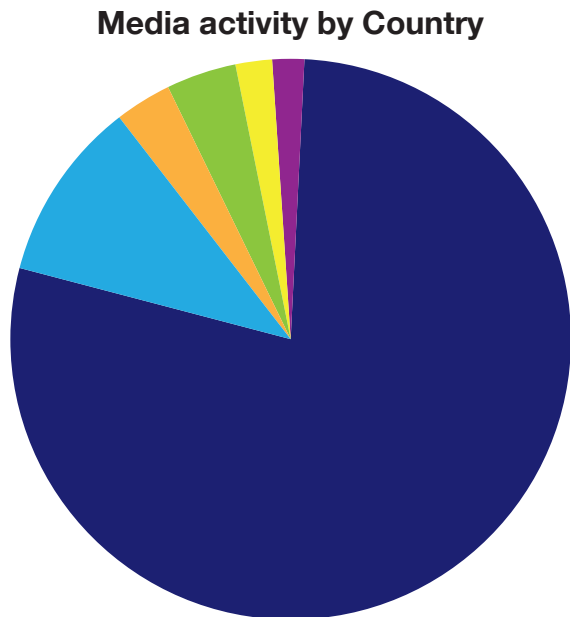
In addition, GTSA issued press releases on the election of its new president, and on the Corporate Tax Reform III.

**Media activity by Language**

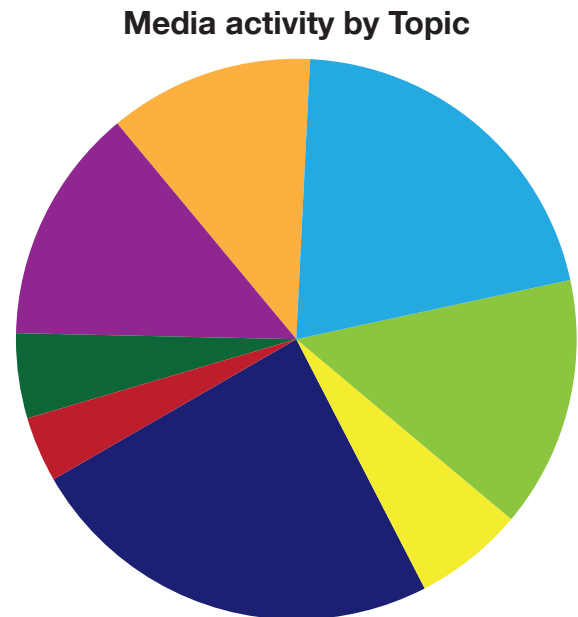


**Media activity by Platform**





- Switzerland - 78%
- US - 11%
- Germany - 3%
- Great Britain - 4%
- France - 2%
- Brazil - 2%

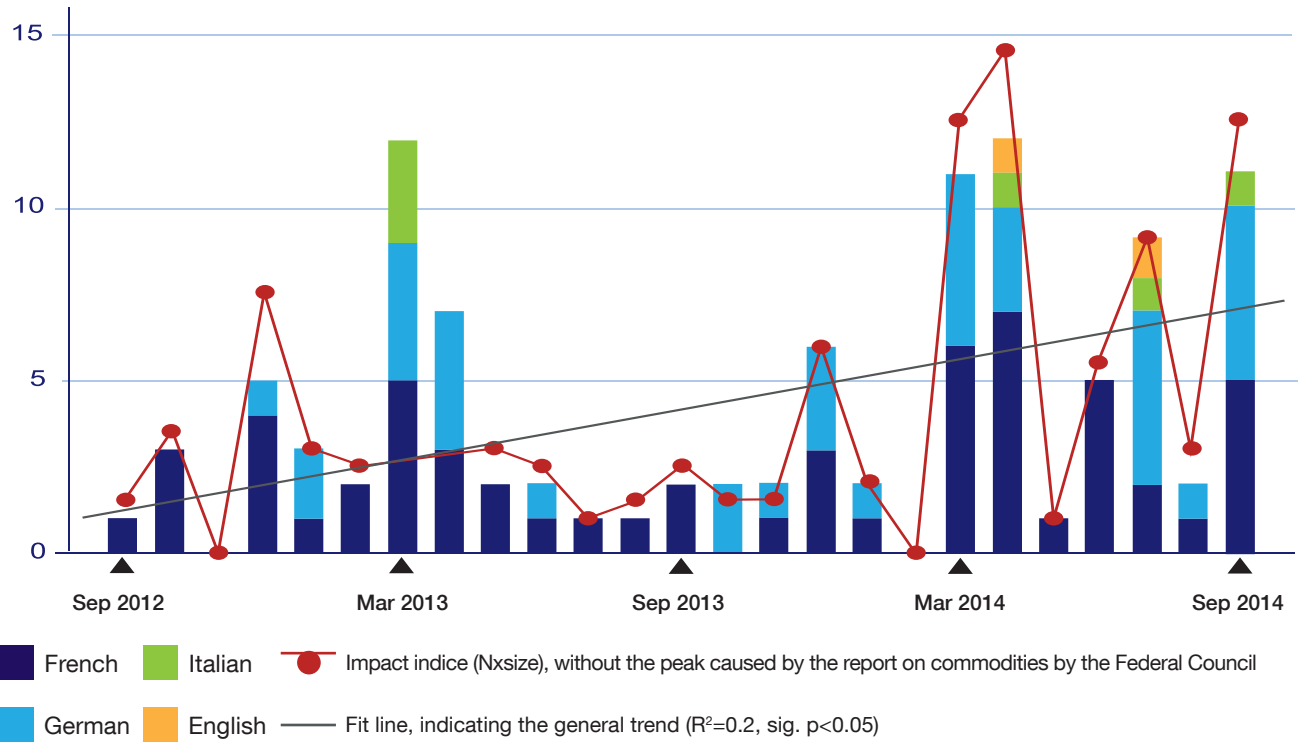


- GTSA Geneva / Swiss Hub - 19%
- Ukraine Crisis and risks for Switzerland - 17%
- Tax - 6%
- Trade Finance - 24%
- Speculation / JUSO Initiative - 4%
- Forums and Conferences - 6%
- Due Diligence / Transparency / CSR - 13%
- Miscellaneous - 11%

## Press coverage in Switzerland

In the previous two years, GTSA has seen a continuous increase in its media coverage in the Swiss press, with 104 articles mentioning the Association, of which a small majority were printed in French, just over one-third in German, and a small share in Italian and English. The French press was overall positive towards STSA and the industry, whilst the German press conveyed a generally neutral tone. Only four of the 104 articles were perceived to be negative.

The trend (see graph) of continuously increasing media coverage shows that STSA's focus on increasing public awareness of commodity trading in Switzerland is beginning to bear fruit, and that STSA's role as an authoritative source of background information on the industry is growing.



February 2014 | L'Agefi | Monthly supplement | N°02

# INDICES

L'AGEFI

## Commodities

The trading industry at a turning point

**THE ROLE OF TRADERS**  
Between perception and reality PAGES 6-8

**A TIME FOR TRANSITION**  
Adapting to changing flows PAGES 9-12

**TRADE FINANCE**  
Innovation for new challenges PAGES 14-18

**ETHICS AND TRANSPARENCY**  
Opening to new partnerships PAGES 24-26

**A GUIDE TO CAREERS** PAGES 28-30

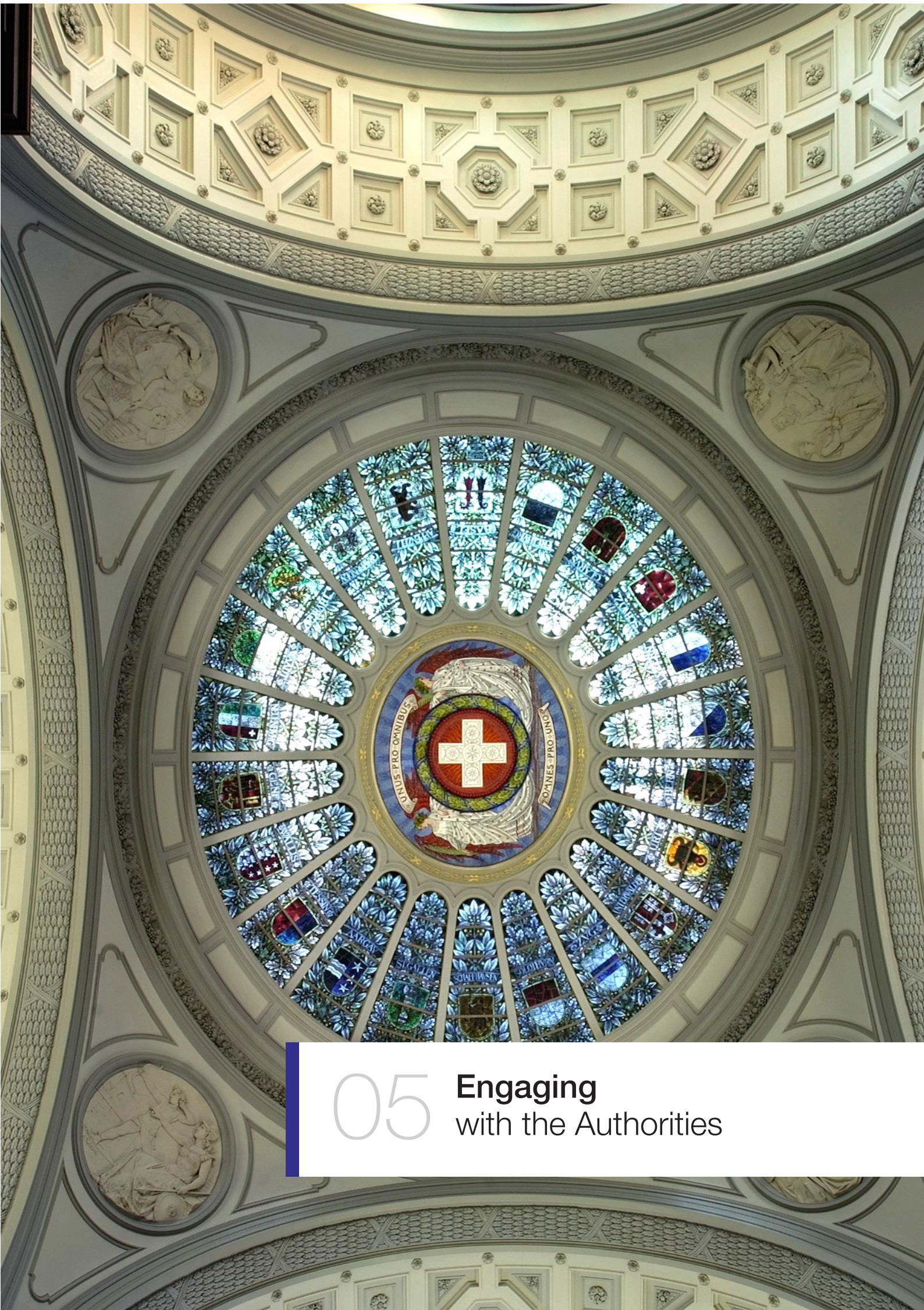
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**KENDRIS**  
YOUR NEEDS. OUR SOLUTIONS.

KENDRIS is the leading international team of experts in the field of energy and infrastructure. We provide a full range of services from project development and construction to operation and maintenance. Our expertise covers all sectors of the energy and infrastructure markets, including power, water, and transport. We are committed to providing high-quality, cost-effective solutions to our clients.

## Indices Publication

A major project of GTSA in 2013-2014, with a view to the industry's promotion, has been the publication of *Indices*, a bilingual special-issue magazine produced with the participation of GTSA members. It was an initiative of the Association to enhance understanding of the industry, its activities, and its evolution, as well as promote career opportunities in commodity trading.



05

**Engaging**  
with the Authorities

## Engaging with the Authorities

An important part of GTSA's activities is to facilitate discussion between its members and federal, cantonal, and communal policymakers. In 2013-2014, GTSA arranged a number of events to allow these different stakeholders to meet and interact.

14 April 2014  
Geneva

### Meeting with the Federal Councillor for Economic Affairs

The GTSA Executive Board met with Federal Councillor, Head of the department of Economic Affairs, Johann Schneider-Ammann, in Geneva on 14 April 2014. The meeting discussed the competitive pressure on Geneva's commodity trading sector, taxation and regulatory uncertainties, misperceptions of the commodity trading sector, and the Federal Council's Background Report on Commodities Trading.



Councillor Schneider-Ammann testing a Sucafina product; Sucafina CEO and GTSA Vice-President Nicolas Tamari explaining the different products to participants – Meeting with the Councillor 14.04.2014.

**28 October 2013**  
Geneva

### **Lunch with the Mayor of Geneva**

GTSA arranged a lunch with Sandrine Salerno, Mayor of Geneva, on 28 October 2013. She and GTSA members discussed ethics and corporate social responsibility in commodities trading, and GTSA members took the opportunity to remind the City of Geneva of the industry's vital importance to the local economy.

## **Parliamentary dinners**

**25 November 2014**  
Bern

### **Background Report on Commodities Trading**

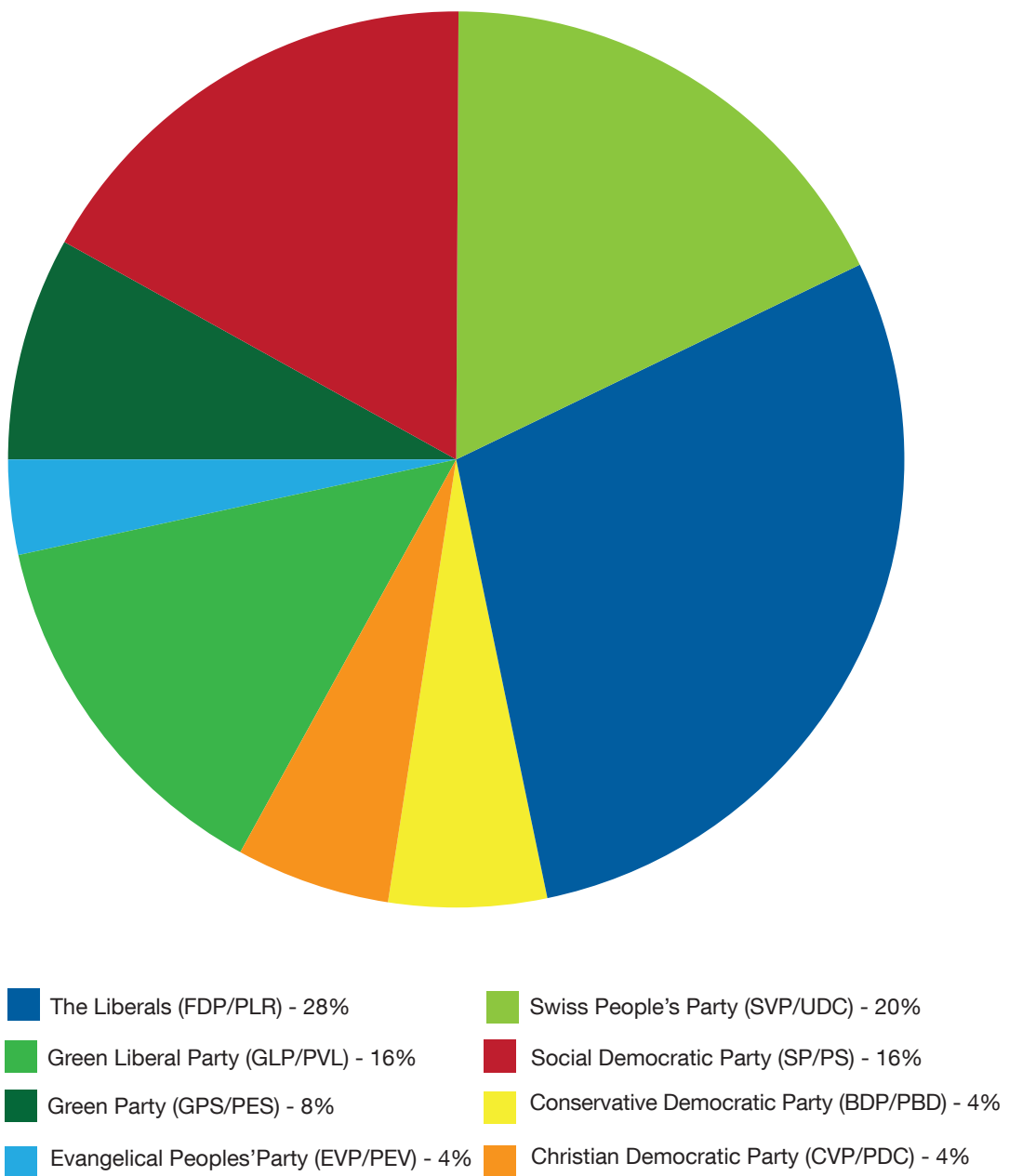
In 2013-2014, GTSA travelled to Bern twice for dinners with federal parliamentarians. The dinner at the Schweizerhof on 25 November 2013 discussed the March 2013's Background Report on Commodities. GTSA spoke to the politicians in attendance of the profile of commodities trading – its evolution, how it is regulated, the role about reputation within the industry, and the importance for commodity traders of ensuring sustainable partnerships with other stakeholders in the commodity value chain. It also made clear its support of a multi-stakeholder initiative on Corporate Social Responsibility launched by the government. The dinner was attended by 18 parliamentarians from all the Parliament's parties, as well as by a number of GTSA members.

**4 June 2014**  
Bern

### **Dinner and discussion on Corporate Tax Reform III**

On 4 June 2014, GTSA returned to Bern, hosting a dinner and discussion on Corporate Tax Reform III. It took the opportunity to remind the participants of the importance of the industry to Switzerland in terms of tax revenues, as well as outlining the necessity of reducing the ordinary tax rate, implementing a tonnage tax, to achieve a sustainable and internationally accepted tax approach that is also predictable to business and in turn reinforcing Switzerland's structural competitiveness. In addition, it underlined the importance of maintaining tax flexibility for the cantons, so that they themselves can choose which taxation measures to implement according to their economic and social profiles. 15 parliamentarians (11 newcomers to GTSA dinners), again representing all the Parliament's parties, joined a number of GTSA members for this somewhat more technical discussion at the Hotel Bellevue.

## Parliamentary dinners - Attendance by party







06

**Focal**  
Points 2013-2014

## Focal Points 2013-2014

Transparency, taxation, and speculation have all been hot topics in parliamentary and public debate in 2013-2014. GTSA has sought to engage in the public debate on all these topics, ensuring the position of the commodity trading industry is heard and understood.

### FinfraG

In order to come into line with the US' Dodd-Frank Act and the EU's European Market Infrastructure Regulation (EMIR), the Swiss Government has prepared a consolidated market regulation bill (the FMIA or FinfraG). Having already been consulted in the drafting of the bill, GTSA was invited to take part in the official consultation process, and did so by having its OTC working group prepare a response to the proposed bill. Among the topics discussed in the working group were definitions in the bill, the possibility to waive adherence provided a party is already compliant with an equivalent foreign regulatory framework, reporting mechanisms, and access to foreign regulated markets. It also pointed out the specificities of the commodity trading industry, noting that it is extremely active, by its nature, in physical transactions, and that traders use OTC transactions to hedge their risks.

In all of these areas GTSA's intervention was significant and the final bill had modified many clauses of concern to GTSA members. The bill was signed by the Federal Council in September 2014, and is expected to come into effect in late 2015.

### Speculation

Much has been made in 2013-14 of volatile food prices, with speculation over the prices of agricultural goods the victim of a poor reputation in both the public and political eye. In March 2014 the Federal Chancellery accepted the Swiss Young Socialists' popular initiative to ban speculation in food-related instruments. In preparing for the likelihood of an initiative on the issue, GTSA had already set up a speculation working group in 2012. The work of this group has made clear that food prices are not a direct function of agricultural speculation, and are rather related to supply and demand imbalances.

Unwieldy measures to prohibit speculation could in fact mean increasing prices and volatility by depriving the markets of necessary liquidity, as proven by experience with non-financialised markets. A better solution to high and volatile prices would be a sustained increase in agricultural investment. Thanks to the expertise on and consciousness of excessive speculation of the working group members, the group is studying alternative solutions to the initiative, which address the concerns of the proponents without affecting the efficiency of the markets and ensure that the position of Switzerland is in line with international regulation.

## Taxation

In June 2013 the Swiss Government and the EU Economic and Financial Affairs Council resolved a nine-year standoff over business taxation, with the Swiss agreeing to modernise taxation law to bring it into line with international norms. The EU, for its part, is expected to ease its countermeasures implemented against Corporate Taxation Reform (CTR) III. GTSA has remained active in the debate surrounding CTR III and has had fruitful discussions with the parliament in 2013-2014.

In particular, it has asserted that taxation regime compatibility is important to attract and retain international business, and that lowering the corporate tax rate to 13% should be seen as an investment in Swiss jobs and business. Specifically for the commodity trading industry, a reduction in income tax coupled with the introduction of a tonnage tax, bringing the Swiss system in line with international standards and maintaining Switzerland's international competitiveness, is the only sustainable approach.

Parliamentarians who attended GTSA's dinners in Bern were largely sympathetic to these views.

## Education

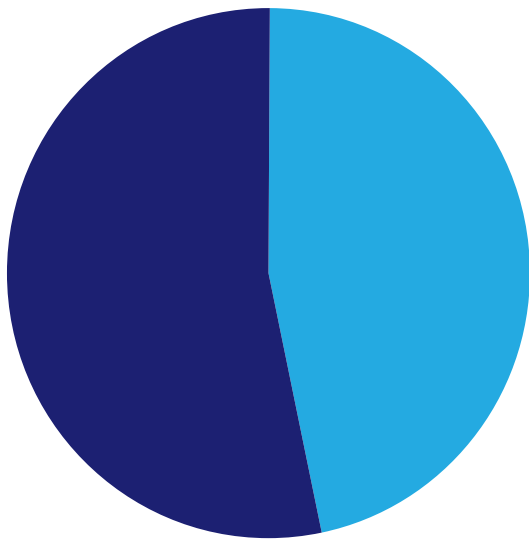
Continuing education and a highly qualified workforce are vital to both the competitiveness of trading companies, and the continued success of the Geneva trading hub. GTSA is therefore committed to increasing quality education in the commodity trading field, and continues to expand its offer of education and training both in partnership with the University of Geneva and through its own programmes.

- The **Master programme** has now welcomed 118 students, including 22 in the 2014 intake. GTSA members play a vital role in maintaining the attractiveness of the programme through their taking of the Master students as interns. This year GTSA has led by example through taking on an intern at the GTSA office.
- Young professionals continue to flock to the **Diploma of Advanced Studies**, with 32 commencing in 2014, bringing the total to 136.
- The **GTSA Operator's Certificate**, the Association's own programme, continues to welcome participants, with 20 beginning in 2014. Previous participants have had much success in finding jobs within the industry.
- In addition, GTSA offers its 2-day overview course, **Commodity Trading Fundamentals**, at periodic intervals, with two organised in 2013-2014. These courses offer an opportunity for professionals to enhance their knowledge of the industry as a whole, and interactions between its components. It is also a tool for professionals within the industry to improve their interaction within their companies.
- **Bespoke courses**, which in 2013-2014 travelled as far as Lausanne, Zurich, and even Dubai, are available to companies on request.

## GTSA Operator's Certificate : a successful GTSA programme

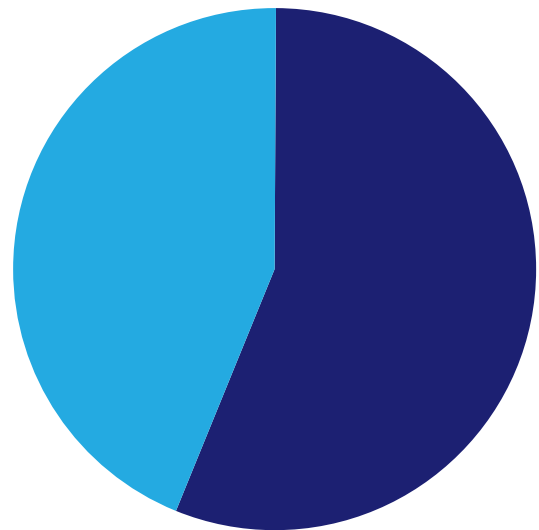
Average age: 32, successful completion rate: 76%

### Industry Experience



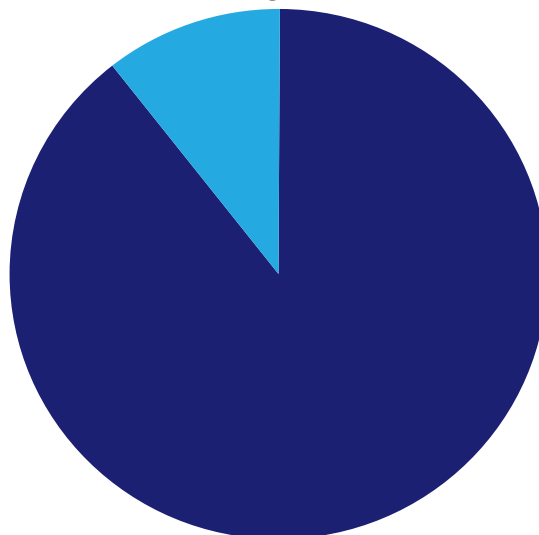
■ New to the Industry - 49%  
■ Working in the Industry - 51%

### Participation Male / Female



■ Males - 57%  
■ Females - 43%

### Background



■ Academic - 87%  
■ Non-academic - 13%

## Services to Members

As well as providing members with a representation and forum for discussion, GTSA also offers solutions for its members on a number of practical matters.

Members can benefit from **SMART**, a health insurance pool negotiated by GTSA that offers additional benefits to company employees and their families, thanks to the company's GTSA membership.

**TRAFEC**, the Association's multibank e-platform, is a tool for communication between traders and their banks, where they can exchange financial instruments safely and confidentially. TRAFEC also addresses the need for traceability in changing financial compliance trends.

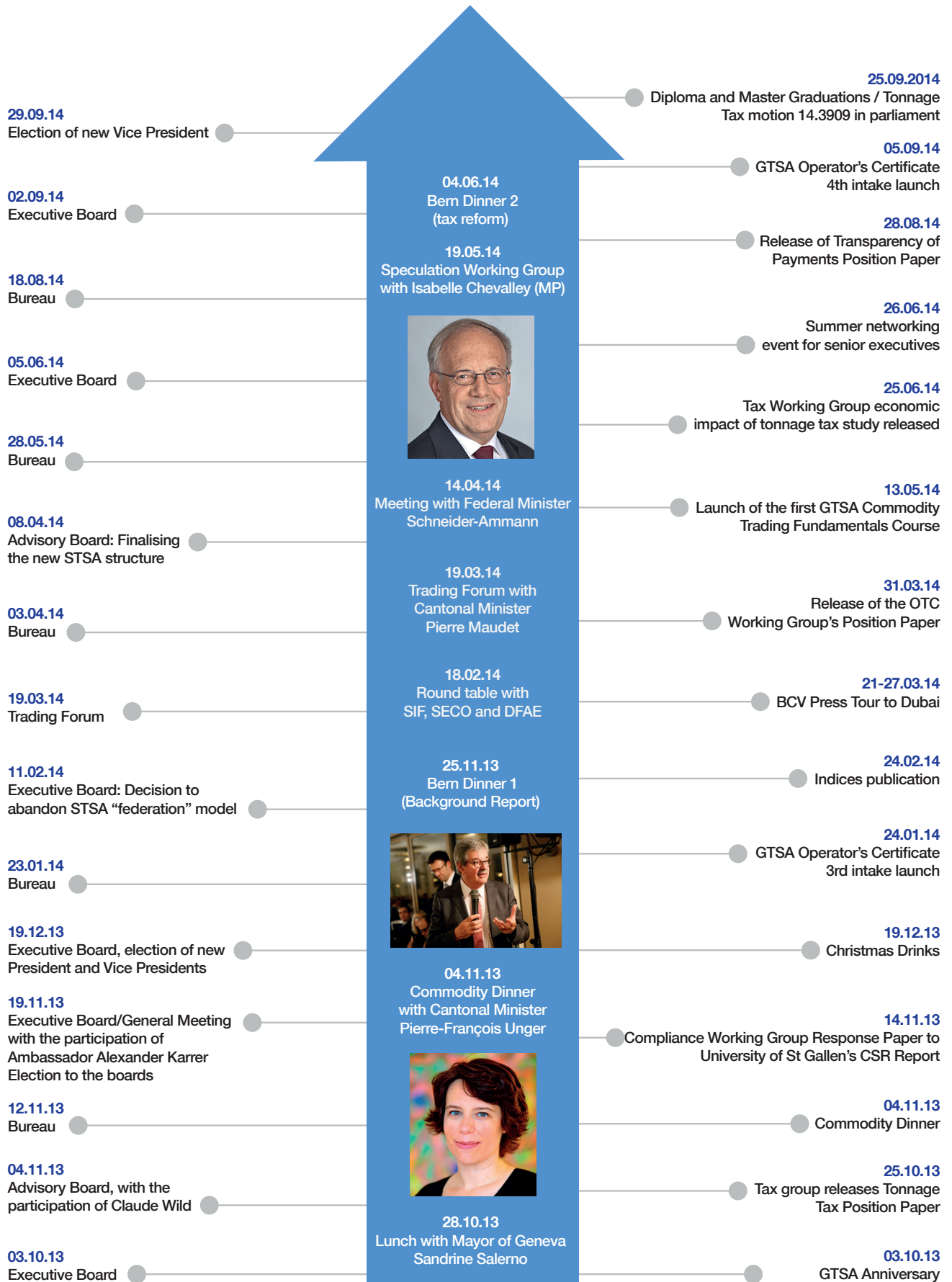
GTSA also undertakes an annual Swiss Trading & Shipping Compensation **SURVEY**, to better understand the financial profile of workers in the industry. It allows employees in commodity trading companies to compare their remuneration against the industry-observed average, and their salary competitiveness relative to the overall Swiss market.

**ACT**, Alternative Dispute Resolution for Commodity Trading, Shipping and Trade Finance, is a tool created by GTSA in conjunction with CCIG (Geneva Chamber of Commerce, Industry, and Services) to simplify dispute resolution within the industry. Members can tailor text written by our experts to their own needs, and have a ready-made arbitration clause ready to insert in their contract in a few short clicks, as well as access to a list of arbitrators and mediators selected for their knowledge of the industry and legal expertise in mediation and arbitration. The ACT is becoming a more and more common tool for members who value its efficiency and cost-effectiveness.

## STSA

The Advisory Board has worked hard in 2013-2014 to finalise the formation of STSA, an umbrella organisation for the three regional commodity trading Associations in Switzerland. Previously, GTSA had worked on different options to unite the three Associations, going as far as drafting Articles of Association for a federation model, but these efforts were abandoned in early 2014. The new model, with GTSA assuming the role of STSA, and ZCA and LCTA joining STSA governance has now been concluded in the direction envisaged by the Advisory Board, with the Articles of Association remodelled and rewritten, and the new organisation coming into existence at the start of the 2014-2015 year.

**01.10.14**  
**GTSA becomes STSA**



A photograph of a tea plantation. In the foreground, there are rows of tea bushes with vibrant green leaves. The background shows rolling hills under a bright, hazy sky, suggesting a sunrise or sunset. The overall tone is warm and natural.

07

**Looking**  
Forward to 2014-2015

## The birth of STSA

The birth of STSA as an umbrella organisation for the GTSA, ZCA, and LCTA, was clearly one of 2013-2014's most momentous events, and will in future contribute to providing the commodity trading industry with a single strong voice. In the coming year, the focus will be on honing the mission, objectives and activities of this new Association, as well as consolidating the information and experience of each of these organisations and the way they work together.

## Enhancing public understanding of commodity trading

The new Association will launch a number of projects in the new year to bring the industry closer to the general public.

- **Yearly Magazine on Commodity Trading**

Building on the success of *Indices*, the Association will produce a special yearly magazine on commodity trading, in particular focused on tracking the evolution of the industry.

- **Commodity Trading Exhibition**

The City and the Canton of Geneva have given the green light for a special commodity trading exhibition to be held in 2015. The exhibition will illustrate and explain the supply chain, from producer to end consumer, highlighting the role of commodity traders in the process.

- **Study Trip to Ghana**

The Association has begun organising study trips for parliamentary representatives, and federal authorities, to allow participants to see first-hand the realities of the industry. The first of these, to Ghana in October 2014, is an opportunity for interested parliamentarians to familiarise themselves with the processes and actors at the beginning of the commodity chain.

- **SRIC**

After launching two academic programmes in the field of commodity trading, the University of Geneva has taken the step of creating the SRIC – the Swiss Research Institute on Commodities, dedicated to the study of the commodity industry. This new, unique research institute has emerged from the necessity to have a more profound public debate on the role of the commodity trading industry – confronting the facts through a better understanding of the mechanisms of commodity trading, rather than relying on perceptions and misinformation.



# Participating in the political debate

## Speculation

Food price speculation will likely to continue to be a significant point of discussion in the coming year, particularly in light of a forthcoming vote on the Young Socialists' (JUSO) initiative. GTSA's speculation working group will continue to be active during the coming year and consider different alternatives to the issues raised in the JUSO initiative.

## Taxation

On the taxation front, bilateral discussions between Switzerland and the EU are likely to be superseded by OECD discussions on tax-system compatibilities. GTSA is looking forward to continued improvement on the taxation situation, particularly in the development of a competitive, sustainable, internationally defensible corporate tax regime. It will continue to monitor the situation and discuss a taxation scheme with the authorities that continues to entice commodity trading business into Switzerland.

## Due Diligence

After Recommendations 10 and 11 in the Background Report on Commodities Trading targeted Due Diligence and Corporate Social Responsibility, GTSA commissioned a working group on this issue. In the coming year it will seek to formulate, within a multi-stakeholder environment, a set of voluntary Due Diligence/ CSR guidelines that may be adopted by its members. GTSA believes in such a constructive approach, which is the most effective way to work with the authorities and local players, and avoids inappropriate regulation imposed from the top down.

## Transparency

The Federal Council's 2013 Background Report on Commodities Trading addresses the issue of transparency of payments, with its Recommendation 8 requesting that the Parliament consider the possibility of implementing transparency laws similar to those in the US' Dodd-Frank Act and the EU's EMIR. The Parliament responded by issuing Postulate 13.3365, requesting that the Federal Council look closer at a framework both in line with the current international norms but also respecting the nature and diversity of the Swiss commodity trading industry. The Federal Council has accepted the Parliament's postulate and has begun the work of designing transparency legislation.

GTSA warmly welcomes Bern's commitment to reform in line with current international norms, and hopes to work closely with the authorities as legislation takes shape. The Transparency working group will continue to be active in liaising with the Federal Department of Justice and Police to ensure the industry's needs are heard and met.



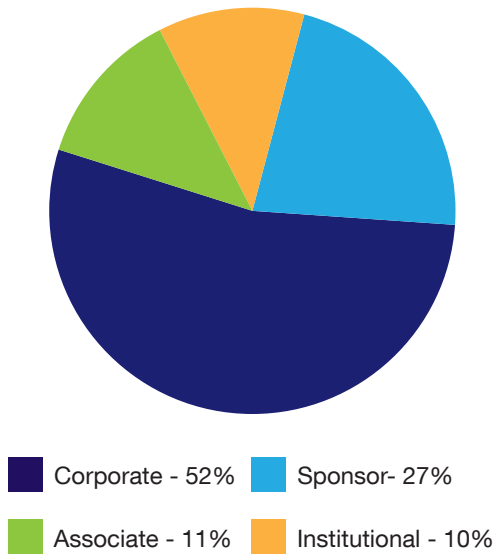


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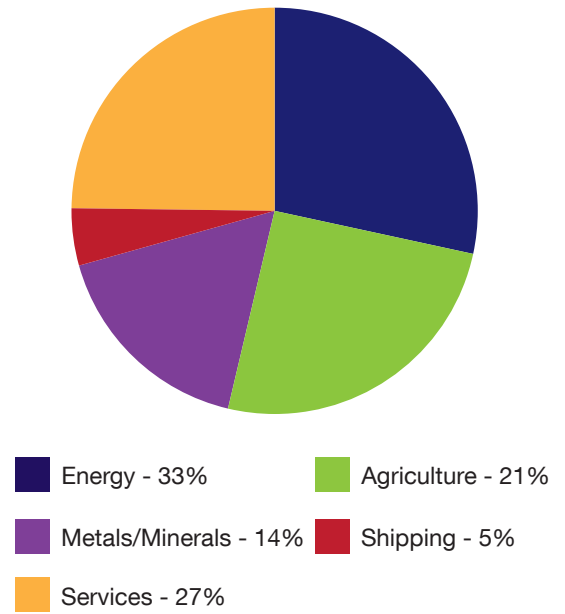
**STSA**  
At a Glance

# STSA Membership

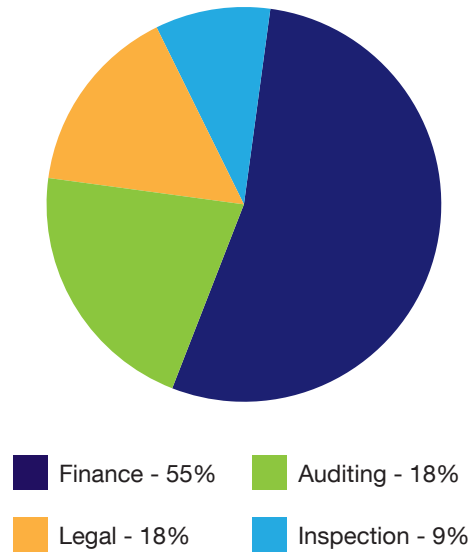
### Members by Type



### Members by Activity



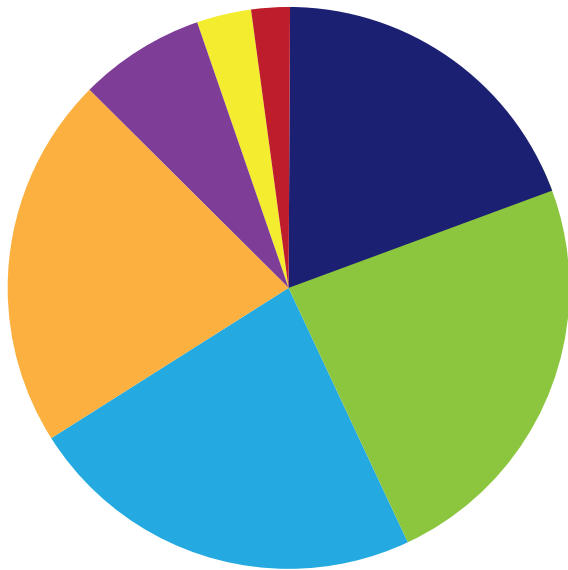
### Service Companies by Activity





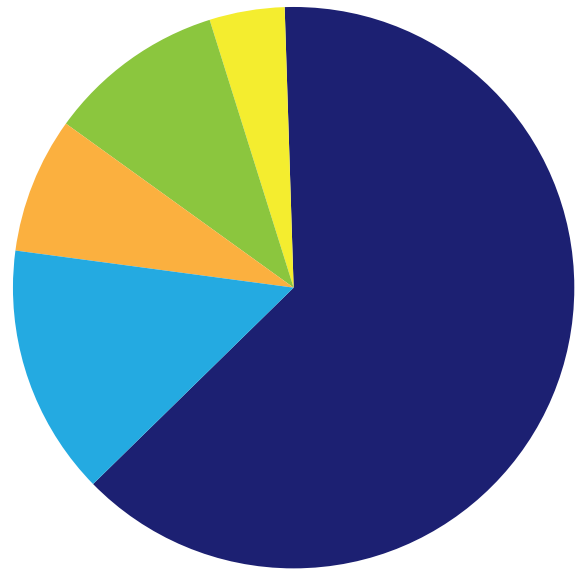
# STSA Finances

**Income by sector**



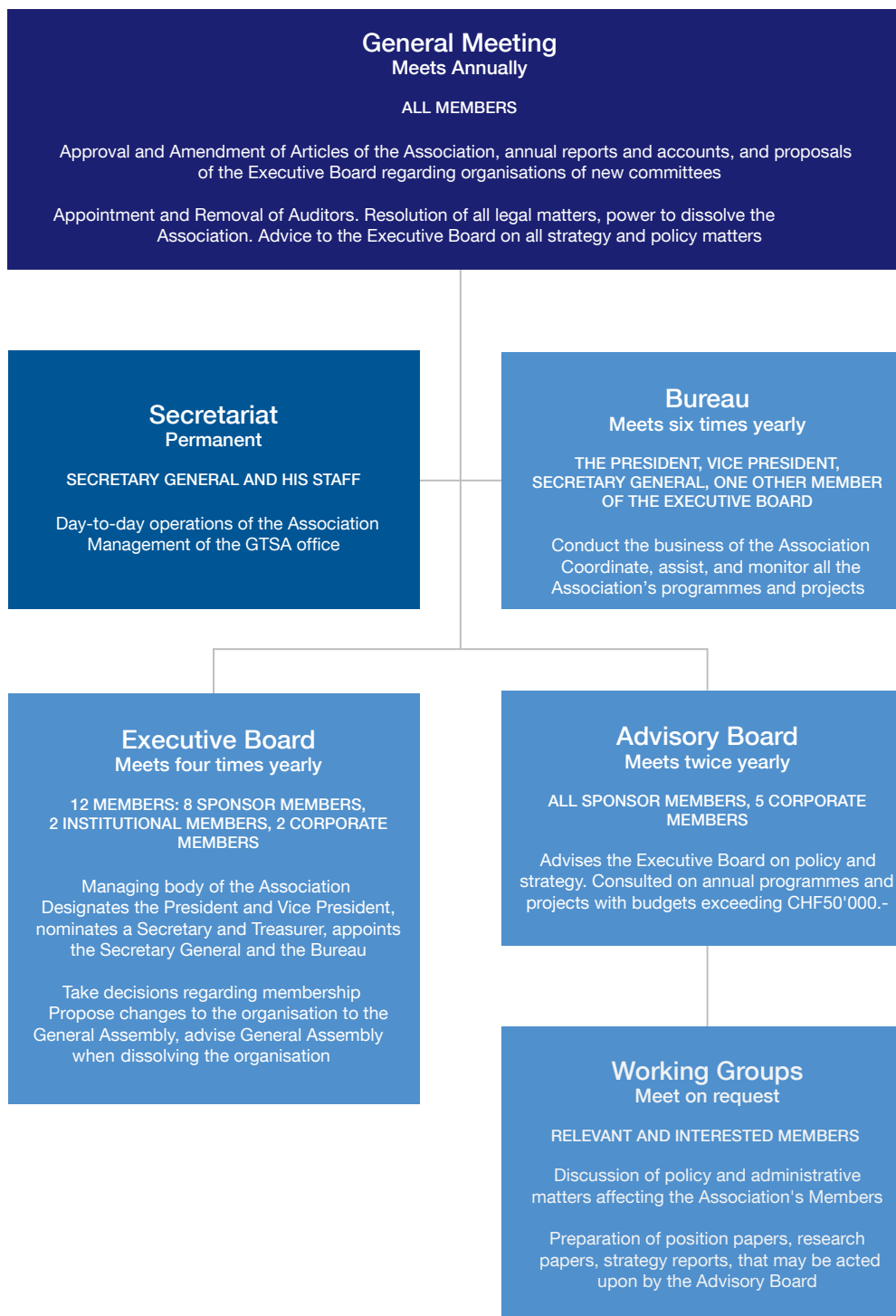
- Education - 22%
- Energy - 22%
- Trade Finance - 20%
- Agriculture - 18%
- Other Services - 10%
- Shipping - 5%
- Metals and Minerals - 3%

**Expenditures by Type**



- Personnel - 63%
- Education, Trading & Events - 14%
- Marketing & Communication - 10%
- Office rent & Expenses - 9%
- Professional fees - 4%

## STSA organisational structure



## Executive Board 2014-2015

**David Fransen**

President

*Vitol SA*

**Dominique Le Doeuil**

Vice-President

*Cargill International SA*

**Nicolas Tamari**

Vice-President

*Sucafina SA*

**Roland Eigenmann**

Corporate Members' Representative

*Lia Oil SA*

**Martin Fasser**

ZCA Representative

*AOT Holding Ltd*

**Jean-Marc Foucher**

Sponsor Members' Representative

*Louis Dreyfus Commodities Suisse SA*

**Pierre Glauser**

Sponsor Members' Representative

*Credit Agricole (Suisse) SA*

**Daniel Jaeggi**

Sponsor Members' Representative

*Mercuria Energy Trading*

**Chris Kirk**

Sponsor Members' Representative

*SGS SA*

**Thomas Patrick**

LCTA Representative

*Duferco SA*

**Yasmina Rauber**

Corporate Members' Representative

*Alcoltra SA*

**Christophe Salmon**

Sponsor Members' Representative

*Trafigura PTE Limited*

**In attendance :**

**Stéphane Graber**

Secretary General

*STSA*

**Jean-Yves De Both**

Secretary

*Schellenberg Wittmer*

**Christophe Bellino**

Treasurer

*KPMG SA*

**Jacques-Olivier Thomann**

Honorary Past President

*STSA*

## The Bureau 2014-2015



**David Fransen**  
**President**

Mr Fransen is the Managing Director of Vitol, where he has worked since 1986, and has served on the Executive Board since GTSA's inception in 2006. With Vitol and BP he has a wide range of experience in many aspects of commodity trading, from gasoline trading to management and the creation of the Vitol central management information system. He is a board member of the Vitol Group. Mr Fransen holds a BSc (Hons) in Mathematics and Computer Science from Royal Holloway College, University of London.



**Dominique Le Doeuil**  
**Vice President**

Mr Le Doeuil has been with Cargill SA since 1998, serving as the Business Unit Leader of Food Processes – Russia, the Director of Business Processes – Food Europe, Treasurer, and currently Vice President of Finance. A French national, he studied Accounting and Finance at the Instiut Supérieur du Commerce, Paris, and is a newcomer to the Bureau.



**Nicolas Tamari**  
**Vice President**

Mr Tamari is a Geneva local, having attended primary and secondary school here, before completing his BSc in Economics at the London School of Economics. He joined his family's business, Sucafina SA, in 1994, and currently serves as its CEO. He has served as President of the Swiss Coffee Traders Association since 2002, and has been a member of the Executive Board for a number of years.



**Stéphane Graber**  
**Secretary General**

Dr Graber has served as GTSA's Secretary General since October 1, 2012. Previously, he has worked for the Economic Development Office of the Canton of Geneva. He holds an MBA and DBA from the University of Geneva, and has taught marketing courses there and at the University of Lausanne since 2005, as well as serving on the steering committees of a number of Executive Master programmes.





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**Social  
Projects**

## Social Projects: GTSA in the Community

GTSA takes seriously its responsibility to contribute to the wider goal of sustainable, equitable development. Each year, it supports a social project which meets these requirements to support.

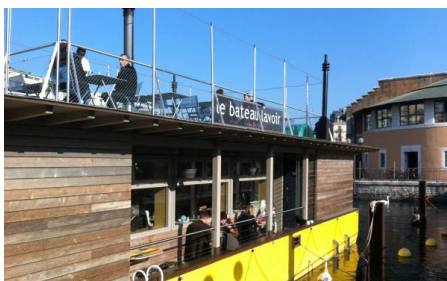


### 2013 Nouvelle Planète

The 2013 Commodity dinner proudly supported *Nouvelle Planète*, a Swiss-based NGO, in their project to empower villagers in the Peruvian Amazon to purchase land.

### 2012 Terre & Faune

A project encouraging the creation of new economic activity through the promotion of recycling.



### 2010 Bateau Lavoir

A local organisation working with disadvantaged youth, the Bateau Lavoir offers training in hospitality to adolescents with social, professional, or scholastic problems.

### 2008-2009 Bateau Genève

Another local organisation offering meals, reintegration programs, and other support to people in need, from its old boat docked in Eaux-Vives.







**STSA** 

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