



2012/2013 **Annual Report**

An aerial, high-angle photograph of a large industrial vessel, likely an offshore supply ship or a specialized cargo ship, sailing on the open ocean. The ship is viewed from a perspective that shows its length and the complex structure of its deck, including various cranes, pipes, and equipment. The ship's hull is dark, and the superstructure is white. The water is a deep blue-grey, and the ship's wake is visible. The overall image has a slightly desaturated, professional look.

GTSA 

Partners beyond differences

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01 **Secretary General's**
Introduction

A Wind of Change

Dear Members,

During the year under review, our association went through profound changes in order to better address the challenges the commodity trading industry faces. GTSA, the main professional association of commodity trading and shipping in Switzerland, works closely with its members to get a comprehensive view of the evolution of our industry and the impact of new regulations and political trends on Swiss based trading houses. Our industry remains at a turning point. Globalization and convergence have reshaped the way commodity trading firms operate. The fast growing demands of emerging countries and the development of shale oil in the US have upset traditional commodities' flows. Buyers are more demanding and commodity merchant firms need to be more flexible and secure quick access to the requested standard and quality of commodities. This encourages commodity merchants to invest in strategic assets such as storage capacity, port terminals or refineries to increase infrastructure efficiency and delivery. The need for merchants to finance their operations in the post-2008 world at a time where banking loans are more difficult to obtain, has forced companies to become more open and to vary their financing sources. Their creditworthiness and reputation in such a context have never been so critical.

The profession of merchants is evolving and the politicians and general audience are looking to better understand an activity that plays a significant economic role in Switzerland, representing 3.5% of Swiss GDP (more than tourism or the pharmaceutical industry). Commodity merchants historically suffer from a low level of acceptance by local communities due to their innate character of nomadism and therefore prefer to stay discrete. With the globalization of the economy, the relation between nations and international spaces is being redefined with the emergence of a global playing field. In such a context, it is key to promote a better understanding of commodity trading and its economic utility in engaging proactively in dialogue with all stakeholders. GTSA has taken up the challenges faced by the industry and engaged with the authorities, NGOs and the media. The association has also taken the lead in Switzerland to partner with the authorities in order to provide a comprehensive understanding of current and future regulations applying to our sector and to support cantonal and federal authorities in the forthcoming Swiss corporate tax reform.

GTSA has also committed to represent the industry in the Multi-stakeholder Dialogue on Transparency and Corporate Social Responsibility called by the federal authorities in its Background Report on Commodities published in March 2013.

In the past year, GTSA has developed specialized working groups focusing on the main current issues faced by the industry and on which the association needs to position itself on behalf of its members. These working groups are fundamental in providing GTSA with a clear position of the industry in the current debate and to share relevant knowledge with its members. GTSA can fulfill its mission only if it can rely on the participation of all its members. That's why GTSA also strives to improve to a better involvement of small and medium companies in the association.

The traditional activities of the association have also been further developed with the successful launch of the Operator's Certificate, which addresses the needs for non-academic training and education. Services to the members have been extended including news alerts, monthly newsletters, weekly press review, arbitration services (together with the CCIG), organization of bespoke trainings and the spin-off of TRAFEC, GTSA Trade Finance Console, which has now its own governance. More than ever, GTSA needs to count on the mobilization of all its members: leading trading firms as well as small and medium commodity merchants, operating in soft, metal or energy markets, shipping companies, and associated services covering trade finance banks, inspection and certification companies, legal firms and consulting services. All together we share the same objective to enhance the understanding and acceptance of the commodity trading industry, the defense of the prosperity of Switzerland and our industry in developing settlements that are adapted to our activity and applied internationally and multilaterally by all actors involved in the market. More than ever unity is necessary beyond our differences.

Dear Members, the whole GTSA team thank you for your great support and is strongly committed to continue to protect your and the commodity trading and shipping industry's interests!

Dr Stéphane Graber
GTSA Secretary General



02

Geneva, a leading
community trading hub

Geneva, a leading community trading hub

Over the years, commodity trading has strongly developed into one of the most important economic sectors of Switzerland. Along with Singapore, Hong Kong, New York and London, the Lake Geneva Region is one of the most dynamic trading hubs in the world.

Switzerland's competitive advantage

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

The importance of the Swiss commodity sector in numbers:

- 500 companies
- + of 10'000 direct jobs
- 3.5% of Swiss GDP

SOURCE: Background Report on Commodities, Swiss Federal Council, 27 March 2013. Commodities to the Federal Council

Who is GTSA ?

GTSA is a non-profit-making association, incorporated on 30th September 2006 under Swiss law, in the area of raw material, the shipment of goods and commodity trade finance. With the increasing importance of commodity trading in Switzerland, the call for a common representation of the industry grew louder. As the most important umbrella organization of commodity trading in Switzerland, GTSA represents the industry as a collective voice, on behalf of the interests of its members to the outside world, and expresses their concerns.

The source of power of GTSA is therefore its members. For this reason, its tasks according to priorities focus on:

- the creation of a talent pool for the various demands of the commodity sector
- awareness of the sector's economic and social significance
- workshops that deal with industry and policy-related issues and are in contact with the authorities and society

In order to enhance coherence, coordination and a better positioning of the Geneva trading hub in international competition, GTSA (originally known as Geneva Trading and Shipping Association) has extended over the years to Vaud in 2008 and selected members in Basel, Zurich and Zug.

GTSA has encouraged and supported the creation of ZCA and LCTA in order to liaise with the trading hubs in Zug and Ticino.

GTSA draws its force from its members

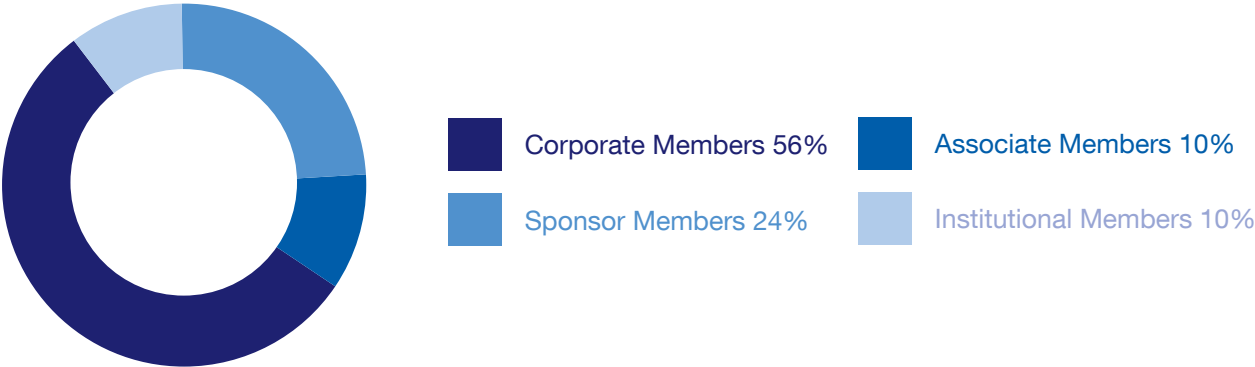
Today, GTSA is the leading professional association for the trading and shipping of commodities in Switzerland. GTSA currently has over 80 member companies, from leading names to smaller “niche” specialists. Among its members, GTSA promotes diversification and encourages companies of all sizes to participate.

Diversification of the sector ensures healthy competition between the economic actors. The political authorities as well as the wider society are sensitive to a competitive market, which avoids oligopolistic positions.

Therefore, GTSA offers its members a unique platform on which commodity trading companies can cooperate with their partners along the logistic chain.

GTSA listens to its members to define work themes in order to promote a better understanding of the commodity trading industry and an innovative approach to business. The members are fully involved in the related working groups to contribute to accurate outcomes.

GTSA - Members by Membership Type



GTSA - Members by Core Business



GTSA Members - Service Companies by Activity



GTSA Governance

GTSA governance is structured into four bodies: the Bureau, the Executive Board, the Advisory Board and the General Meeting, which are composed of representatives of GTSA members and the Secretary General.

The Bureau *(4 members)*

The President, the Vice-President, the Permanent Expert and the Secretary General of GTSA form the Bureau and are responsible for managing the association within the limits fixed by the Executive Board.

Elected by the latter, the Bureau is in charge of the coordination, assistance and monitoring of all on going GTSA projects. In addition, the Bureau prepares the Executive Boards, Advisory Boards and General Meetings:

President: Jacques-Olivier Thomann

Vice-President: Norman Hay

Permanent Expert: David Fransen

Treasurer: Paul Rieveley

Secretary General: Stéphane Graber

The Advisory Board *(all sponsor members)*

The Advisory Board consists of all sponsor members and of five additional corporate members in the future. It meets at least once a year.

The members of the Advisory Board approve the projects the association will get involved in, taking into consideration the interests of its members and the Geneva trading hub.

The Executive Board *(10 members)*

The Executive Board of GTSA is the managing body of the association and meets at least twice a year. It handles the applications for membership and initiates, as well as promotes programs, which serve and improve the purpose of the association. The Executive Board annually appoints a President, a Vice-President and a Secretary. According to the Articles of association, the Executive Board is constituted by a minimum of 4 members up to a maximum of 8 members who are elected by the Advisory Board.

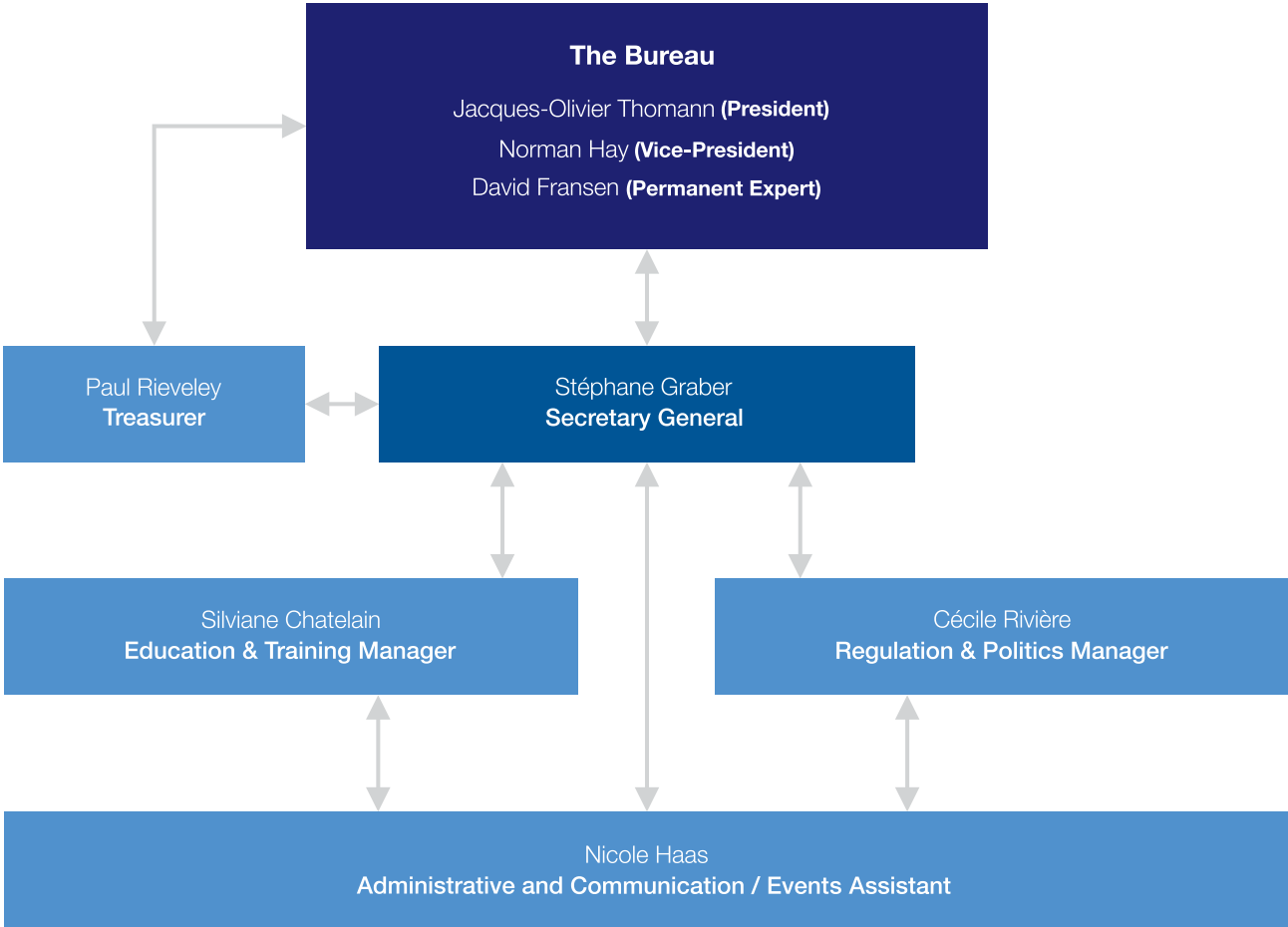
The General Meeting *(all members)*

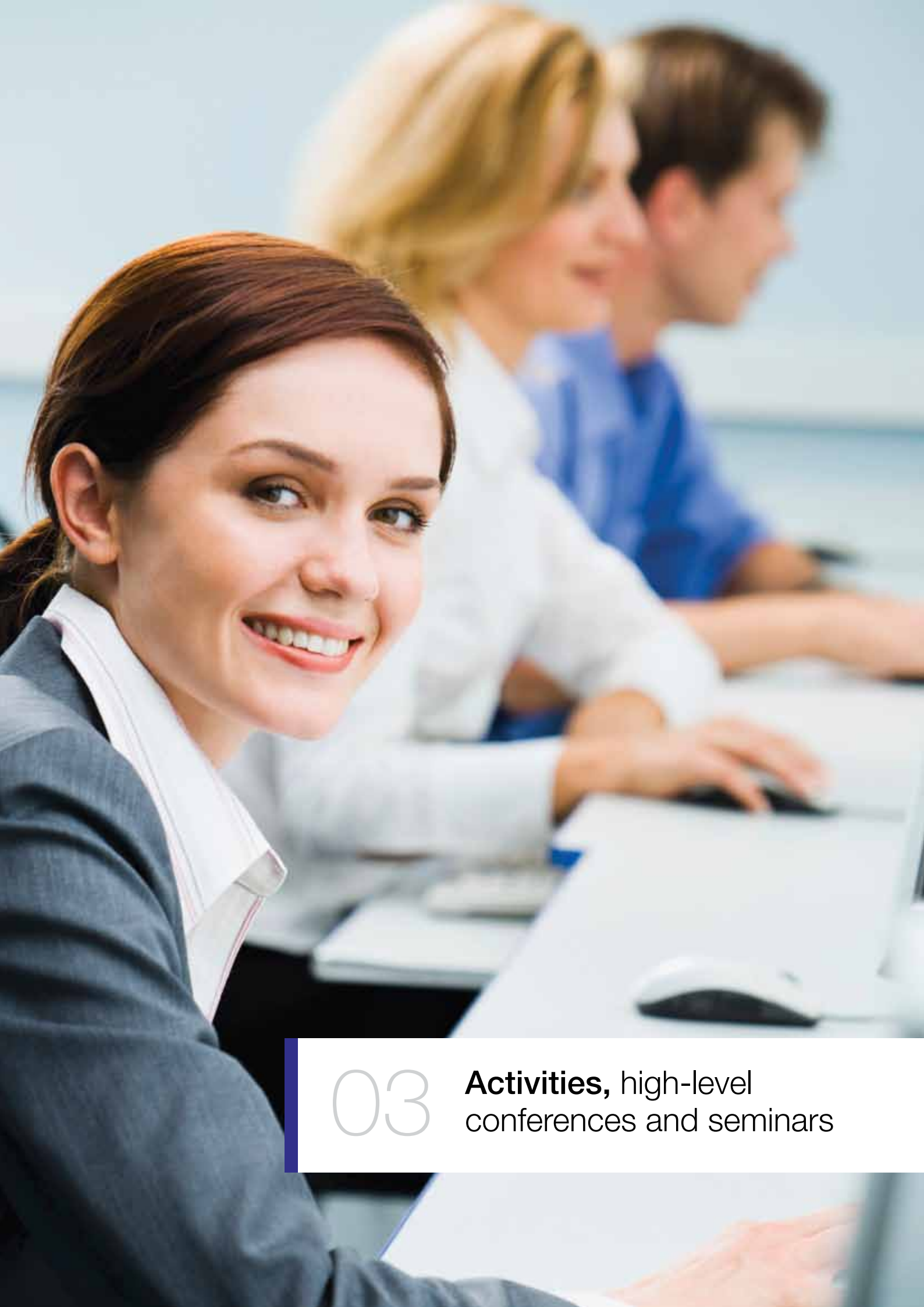
Once a year all members gather to approve the annual report and annual accounts, to discharge and designate the Executive Board, to nominate the auditors and eventually to amend the Articles of Association. The General Meeting also validates the strategy adopted by the Association.

The members of GTSA:

- + 80 Members across Switzerland
- + 60 Commodity trading, inspection and shipping companies
- + 11 Trade Financing Banks
- + Institutional and Associate Members

Organization Chart





03

Activities, high-level
conferences and seminars

Activities Overview

GTSA has taken up the challenges faced by the industry and engaged with the authorities, NGOs and the media.

The association has also taken the lead in Switzerland to partner with the authorities, in order to provide a comprehensive understanding of current and future regulation relevant to our sector and to support cantonal and federal authorities in the forthcoming Swiss corporate tax reform.

GTSA has also committed to represent the industry in the Multi-stakeholder Dialogue on Transparency and Corporate Social Responsibility called by the federal authorities in its Background Report on Commodities published in March 2013.

Working Groups

These working groups have been launched in response to requests by the GTSA members to provide platforms to discuss topics of interest for the commodity industry. They are coordinated by GTSA. **Not all of them are currently active. Activity corresponds to the needs of the members and authorities.**

Basel III Working Group

Objectives	Assess and follow up Basel III regulations Evaluate its impact on commodity trade financing Coordinate the commodity industry position Liaise with Swissbanking and Geneva Financial Center
Participants	Banks active in commodity trade financing
Launch	July 2013 upon request of members
No. of meetings	1
Output	Position paper to define the commodity trading financing industry's statement Liaise with stakeholders lobbying at EU level (International Chamber of Commerce)

Communication Implementation Working Group

Objectives	Provide GTSA with relevant industry experience Support GTSA in elaborating the content of GTSA's communication Coordinate GTSA's communication activities
Participants	Communication, Corporate Affairs
Launch	February 2013
No. of meetings	3
Output	Advocacy arguments, facts and stories, awareness paper, media kit

Compliance Implementation Working Group

Objectives	Provide GTSA with appropriate high-level expertise to liaise with cantonal and federal authorities Support GTSA in detailing and consolidating the content of GTSA positioning for compliance-related issues
Participants	Compliance - restricted to high level technical knowledge
Launch	July 2013
No. of meetings	3
Output	Analysis of relevant regulations Technical documents

Dodd Frank Act Working Group

Objectives	Assess the impact of the Dodd Frank Act for corporations Information sharing among members Follow up of implementation stage in conjunction with Swiss authorities
Participants	Compliance
Launch	November 2012
No. of meetings	1
Output	Position paper Coordination with Swiss authorities

Legal Working Group

Objectives	Address specific recommendations from the federal report on commodities Provide GTSA with expertise required to participate in the federal Multi-stakeholder dialogue (see federal working groups section)
Participants	Compliance, Legal
Launch	July 2013
No. of meetings	1
Output	Position paper related to selected recommendations of the Background Report on Commodities Analyze Postulate 13.3365 Coordinate with Swiss authorities

OTC Derivatives Working Group

Objectives	Follow up the introduction of the forthcoming OTC regulation and its impact for corporations Evaluate its implementation in Switzerland Liaise with Swiss financial authorities
Participants	Compliance, Corporate Affairs
Launch	November 2012
No. of meetings	3
Output	Position paper Information sharing among members Coordinate with Swiss authorities

Piracy Working Group

Objectives	Evaluate the security situation for trading and shipping in the Gulf of Guinea region Elaborate possible GTSA actions towards relevant authorities
Participants	Shipping companies, Shipping desk of Trading corporates
Launch	September 2011 – reactivated in May 2013
No. of meetings	3
Output	Liaise with African, Swiss and European authorities handling the piracy issue

Speculation Working Group

Objectives	Enhance understanding of price mechanisms Promote a better knowledge of food price factors Explain the role of the trading companies in producing countries
Participants	Soft commodities traders, inspection companies
Launch	October 2012
No. of meetings	3
Output	Position paper Presentation in public conferences and seminars

Tax Experts Working Group

Objectives	Gathering of high-level tax experts to design technical solutions for the industry that GTSA can introduce to the federal Tax administration Provide GTSA with appropriate technical knowledge to liaise with cantonal and federal authorities
Participants	Tax experts – restricted to high level technical knowledge
Launch	July 2013
No. of meetings	3
Output	Technical tax document Coordination with: <ul style="list-style-type: none"> • Swiss authorities • Business associations (i.e. Swiss Holdings, Economiesuisse, Think Tax and GEM) • Other commodity trading associations (i.e. ZTA, LCTA, SCTA)

Tax Working Group

Objectives	Assess the impact of the coming Swiss corporate tax reform Share solutions elaborated by the Tax experts working group with all GTSA members Discuss and validate GTSA solutions and coordinate activities
Participants	Tax
Launch	2008 – reactivated in October 2012
No. of meetings	5
Output	Information to Tax officers of all GTSA members Discussion and validation of tax strategy

Transparency Working Group

Objectives	Address specific recommendations from the federal report on commodities Ensure that GTSA receives the needed input to appropriately represent the industry in the Multi-stakeholder Dialogue on commodity trading (see Federal Working Groups section)
Participants	Compliance, CSR
Launch	June 2013
No. of meetings	3
Output	Map best business practices Identify proposals for corporate social responsibility principles

Upcoming GTSA Working Group

Shipping Working Group

Objectives	Assess the tonnage tax regime and its potential implementation in Switzerland Address other relevant legal and fiscal issues for shipping activities
Participants	Shipping companies, Shipping desk of Trading corporates, Tax
Launch	Due to be launched during autumn 2013
Output	Provide insight to the Tax working group

Federal Working Groups

These working groups have been launched by the federal administration and are lead by one or several federal departments. GTSA is invited to participate as the commodity trading and shipping industry representative to communicate the position of the sector. **GTSA members are not individually involved, but might be invited directly by the authorities.**

Biodiversity Working Group

Objectives	Multi-stakeholder dialogue launched by the federal authorities in order to define a working plan for the Swiss biodiversity strategy
Participants	Representatives of all stakeholders: regional and federal authorities, professional associations, corporates and NGOs
Meetings	1st meeting in May 2013 Federal authorities will organize another meeting during the Autumn to present their report Consultation phases ends on November 13th, 2013
Output	Swiss biodiversity strategy to be presented to the Federal Council

Multi-stakeholder Dialogue on UN guiding principles on business and human rights

Objectives	Design a “Swiss Ruggie strategy” to promote the implementation of the UN guiding principles on business and human rights
Participants	Co-lead FDFA and SECO Multi-stakeholder group invited by the Federal administration
Meetings	Second round of meeting to start on August 30th
Output	Draft Swiss “Ruggie strategy” to be presented in a report to the Parliament by the end of 2014

Multi-stakeholder Dialogue on commodities trading

Objectives	Follow up with Recommendation 11 from the Background Report on Commodities published in March 2013
Participants	Co-lead FDFA and SECO Multi-stakeholder group invited by the Federal administration
Meetings	Due to start its activities in October 2013
Output	Prepare proposals for corporate social responsibility principles for the commodity trading industry

REACH Working Group

Objectives	Inform about the coordination between the Swiss and European authorities with regards to REACH regulation
Participants	Multi-stakeholder group invited by the Federal administration
Meetings	As needed (usually once a year)
Output	Information documents to be circulated among GTSA members

REMIT Working Group

Objectives	Inform about the revision of the Swiss law in accordance with EU regulation
Participants	Multi-stakeholder group invited by the Federal administration
Meetings	1-2 per year
Output	Information documents to be circulated among GTSA members

Coordination working groups with other economic associations

These working groups are coordinated by other economic actors. GTSA is invited to participate as the commodity trading and shipping industry representative to express the position of the sector. **GTSA members are not individually involved, but might be directly invited by the working group coordinator.**

Swiss Banking Commodity Trade Finance Working Group

Objectives	Coordinate common activities with respect to commodity trade finance industry Share information
Members	Multi-stakeholder group invited by Swiss Banking
Meetings	6
Output	Study on commodity trading (published in May 2013) Specific position paper related to commodity trading issues

Swiss Holdings and Economiesuisse CSR Working Group

Objectives	Define common CSR approach among multinational companies Presentation Brochure “CSR Landschaft Schweiz”
Members	Multi-stakeholder group invited by Swiss Holdings and Economiesuisse
Meetings	1
Output	Coordinate with other stakeholders such as UN Global Compact

Think-Tax

Objectives	Coordination of economic actors impacted by the tax reform
Members	Multi-stakeholder group invited by GEM and FER
Meetings	2-3 per year
Output	Coordinate with other stakeholders at the Geneva Canton level

Education & Training

For a dynamic company, keeping colleagues' knowledge up to date and efficiently training young recruits to secure the future is a constant and time consuming challenge.

Moreover, it is a crucial objective for a trading hub, such as the Lake Geneva Region, to offer a wide range of training programs to ensure the sustainability of the location.

In 2008, GTSA launched a partnership with the University of Geneva to support the training efforts of its members. Since then, GTSA has extended its offer and proposes additional training programs with different models to cover the vast spectrum of industry needs.

Master in International Training, Commodity Finance & Shipping

For new graduates

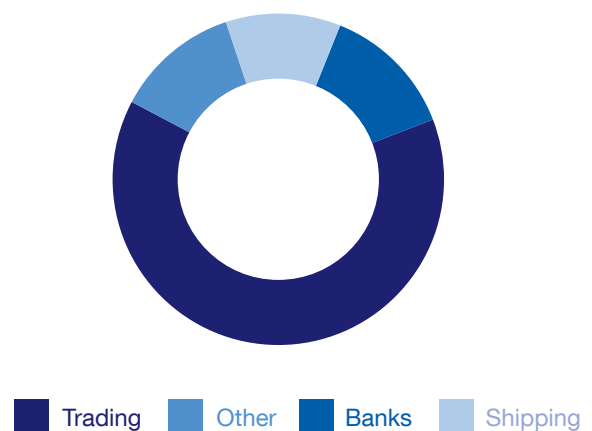
Set up in collaboration with the University of Geneva (HEC), this Master is taught in English during an intensive 18-months academic course, combined with an internship in a commodity trading or finance related company. The program therefore combines the academic rigor of a Master level course with practical on-the-job experience.

To support the companies in their recruitment process, GTSA and the University organize two Speed Recruiting sessions. Ten companies participated in 2013 and around 400 interviews of 9 minutes each were given to students of different profiles and nationalities.

The Speed Recruiting was so successful among the students that within half an hour all interview slots were taken.

For this 6th intake, 24 students (of which 6 are women) have been hired, including 17 by GTSA members' organizations.

Hiring company by core business



Diploma of Advances studies in Commodity Trading

For professionals with a minimum of three years of experience

The University of Geneva (HEC) and GTSA have joined efforts to create this Diploma to answer the needs of young professionals who wish to study while working. This program of 11 modules, taught entirely in English, is dedicated to young professionals who want to stay at the cutting edge of the commodity trading practice, move up into a new area within their field, or make a career change.

The success of this Diploma continues and 30 candidates were selected from more than 70 applications in 2013. If possible, priority is given to GTSA members, as they participated in the development of the program and often act as teachers and/or speakers.

GTSA Operator's Certificate

Practical training for Junior or Aspiring Operators

The industry also needed a non-academic but practical course to support its training efforts for beginners. To develop the syllabus, GTSA organized a working group composed of industry experts specialized in Operations and Shipping with the input of HR managers under the coordination of the Association.

The program allows participants to understand the life cycle of a trade from the operational side and covers most types of commodities. The 9 modules are spread over four months allowing enough time to absorb and practice what has been learnt. The lectures are given by experts in the fields of commodity trading and shipping, with inputs from guest speakers to give further in depth and varying perspectives. The courses are planned to take place outside of working hours, in order not to interfere with professional commitments. Two intakes have already started and 35 participants, of which 40% are women and 90% with an academic background, have already followed the program. More than 50% of the candidates already worked in the sector.

Due to the high level of demand, a new session is scheduled for the end of January 2014.

This very specific training has rapidly gained a very highly regarded reputation and employers are increasingly contacting GTSA for good candidates. CVs are available for all GTSA members on the membership area of our website.

Bespoke trainings

Internal Company training

In 2013, GTSA provided three bespoke trainings to different types of companies (two major trading houses and one consultant firm) in different locations: Geneva, Lausanne and Dubai. These courses offered complete tailor made programs, adapted to the knowledge and experience of the participants, using the companies' own documentation to make it more efficient.

More than 70 people participated in these courses and the feedback has been so positive that some of the companies are already planning to have further sessions in 2014, to pursue specific topics in greater depth.

All GTSA courses are provided by professional trade experts with relevant hands-on experience. Each time GTSA worked with the company in a collaborative approach, to understand its requirements and the level of participants.

Commodity Trading Integrated Approach & Fundamentals

Open 2 days' Overview course

This program has been designed at a company's request to enhance its inter-departmental collaboration. The aim was to provide the participants with a comprehensive understanding of all steps needed to conduct a deal to its end. It stresses in particular the importance of each phase of a trading contract and emphasizes the interactions between them.

The course has been already delivered to 40 people. It has been such a success, that GTSA will organize an open session for its members in the first quarter of 2014. It will also be interesting for colleagues new to the industry, as well as for administrative positions, such as human resources, accounting, IT, etc.

Conferences & Seminars

In order to fulfill its mandate, GTSA participates in high-level conferences and seminars.

In the past year, GTSA selected over 15 conferences and seminars relevant to the commodity trading industry in order to:

- present the industry and raise awareness about its economic and social significance
- promote the values of the profession
- discuss regulatory and operational business issues faced by the industry
- address challenges facing the sector.

The participation in those conferences and seminars is crucial for GTSA, in order to promote the dialogue between professionals in commodity trading and other stakeholders such as the wider society, the authorities and the international bodies involved in this sector.

Shipping

27 June 2013

Geneva

First Annual Marine Money Geneva Forum

Marine Money launched its first Geneva Forum acknowledging the significant role of Geneva as a shipping and commodity trading hub. The shared common interests of commodity shippers and traders on issues such as financing, market connectivities, tax reform and regulatory framework were emphasized in GTSA's key note speech.

Energy

13-14 May 2013

London

6th Platts Annual Crude Oil Summit – “New Supply, New Demand and the New World Order”

GTSA was invited to participate in the panel discussion on “Understanding the impact of EU regulatory change on oil markets” along with Richard Baron, Compliance Manager for Noble Europe and Mike Davis, Director of Market Development at ICE Futures Europe. The panel debated the impact of EU regulations on OTC markets as well as the impact of REMIT, MAD and MAR on oil markets.

Multi-stakeholders

26 November 2012

Bern

Parliamentary Dinner

Jointly with LCTA and ZCA, GTSA invited representatives from the commodity trading industry and Parliament to a dinner at the hotel “Schweizerhof” in order to explain the commodity trading industry and to outline the question of commodity trading as Switzerland's source of wealth and the advantages as well as risks for the future of the business.

19-20 December 2012
Bern

Middle East Oil Seminar - Swiss Federal Department of Foreign Affairs

The Middle East and North Africa Division of the Swiss Federal Department of Foreign Affairs invited recognized experts in the field of oil to talk about the geopolitical and professional aspects of oil in the Middle East. The conference ended in a debate about the role of Geneva and the future challenges for the oil trading sector in Switzerland between the Declaration of Berne and GTSA.

It was an opportunity to offer a better understanding of the commodity trading industry and its challenges to an audience mainly composed of representatives of the Swiss Administration.

16 January 2013
Geneva

GTSA and SWISSAID presented the “Round table on the transparency in the commodity sector”

In a joint initiative, GTSA and SWISSAID invited guests from academia and the wider society to a public debate at the Palais Eynard in order to talk about transparency in the commodity trading sector. In the discussion, the participants took into account the role of EITI and Publish What You Pay, two initiatives pushing the trend for more transparency.

17 January 2013
Bern

Illuminate darkness: Transparency in the commodity trading business – how does the commodity hub Switzerland react?

SWISSAID invited GTSA and representatives from the authorities and the civil society to a panel discussion about Switzerland’s response to transparency in the commodity sector and the laws adopted by the United States and the European Union.

18 February 2013
Bern

Parliamentary Commission Hearing

Within the scope of the 2012 report on foreign trade policy published by the Federal Council, the Foreign Affairs Commission (FAC) of the Swiss National Council invited GTSA and the Declaration of Bern to present their point of view on the commodity trading industry. Following the presentation, the parliamentarians asked questions and discussed the subject.

12 March 2013
Geneva

5th Trading Forum - “Relevance of the Commodity Trading Hubs & Sustainable Factors of Success”

The Trading Forum is a half day conference open to the public, organized by the University of Geneva in partnership with GTSA. Prominent speakers from the commodity trading industry, the academic world and the Swiss authorities addressed their concerns on these topics and exchanged their experiences. More than 200 people attended and enjoyed the networking cocktail that always closes the Trading Forum.

18-19 March 2013
Palais de Nations
Geneva

UNCTAD Global Commodities Forum – “Recommitting to commodity sector development as an engine of economic growth and poverty reduction”

The 2013 Forum addressed energy markets and transparency in commodity markets issues. GTSA was invited to participate in the panel discussion of “Commodity trading: value chain and specificities to consider in the transparency debate”. GTSA took this opportunity to explain the challenges faced by the commodity trading companies and to defend the transparency approach adopted by the Swiss authorities.

15-17 April 2013
Lausanne

FT Global Commodities Summit

The second summit brought together the world’s largest trading houses, regulators, investment groups and natural resources groups. The program contained keynote addresses delivered by company leaders and panel debates about consolidating the industry and its challenges ahead. A highlight was the CEO’s Debate, where the CEOs of six of the world’s largest commodities traders, among them five GTSA members, discussed the outlook for the industry.

29 April 2013

Bern

Parliamentary Commission Hearing

On the occasion of the Background Report on Commodities published by the Federal Council, the Foreign Affairs Commission invited LCTA (following a proposal from GTSA), Economiesuisse, Alliance Sud and the Declaration of Berne to evaluate the results of the report.

13 May 2013

Bern

Parliamentary Commission Hearing

For a better understanding of the background report on commodities prepared under the aegis of three Swiss government departments (FDFA, FDF, EAER), the Swiss Committee for Economic Affairs and Taxation of the National Council (CEAT-N) invited experts from the sector to explain the economic aspects of the report.

On behalf of GTSA, ZCA represented the commodity trading industry in the discussion alongside representatives of Glencore, the Declaration of Bern and the University of Lausanne.

5 June 2013

Bern

Parliamentary Dinner on food prices: “What we should know?”

The second parliamentary dinner organized by GTSA, LCTA and ZCA drew the attention of the guests to the question of food prices and the impact commodity traders have on it. During this event, the CEO of Sucafina and President of SCTA, Nicolas Tamari, explained the role of traders in the producing countries. In a second presentation, GTSA examined the different factors determining the prices of commodities.

14 August 2013

Zurich

Meeting with the Tax Group from The National Council and Council of States and Representatives from Companies

GTSA presented the industry's position to representatives from the Parliament regarding the Swiss corporate tax reform and proposed some solutions for specific issues (i.e. transitory regime, shipping). Other organizations and KPMG also took part in this meeting.

16 August 2013

Bern

Workshop on corporate tax reform III

In this workshop, delegates of the tax administrations from the cantons of Geneva, Vaud, Zug, Ticino and Zurich, the federal authorities, as well as industry representatives were present to discuss different technical solutions within the corporatetax reform III.

Trade Finance

30 October 2012

Geneva

First Congress of Geneva Financial Center

Following the difficult situation and pressure encountered by the banking industry in Switzerland, Geneva Financial Center has decided to open the dialogue with management, employees and decision makers in Geneva on current issues faced by the industry. A presentation was given by Jacques-Olivier Thomann, President of GTSA and representative of GTSA to the board of the Geneva Financial Center on the theme: The Heart of Financing Commodity Trading. The presentation provided a comprehensive view of the commodity trading industry, its economic utility and its functioning. It also underlined the importance of the commodity trading sector to Geneva Financial Place.

4 April 2013

Zurich

SwissBanking – Expert meeting on commodity trading in Switzerland

GTSA was invited to give the sector's view on the regulatory scope of the commodity trading industry in Switzerland in the presence of media and representatives from the commodity trading sector, banks and politics. The conference was dedicated to the launch of the SwissBanking report on "Switzerland as the commodity trading center", in which working group GTSA takes part. On this occasion, experts were invited in order to comment on different disciplines of the commodity trading sector.

3 June 2013

Geneva

Second Congress of Geneva Financial Center

Following the success of the inaugural congress of the Financial Place on October 30th 2012, Geneva Financial Center pursued the dialogue between the management and staff of financial institutions based in Geneva. Jacques-Olivier Thomann, President of GTSA and representative of GTSA in the board of the Geneva Financial Center, represented our industry during this event.

18 September 2013

Geneva

Working lunch meeting between the State Council of the Republic and State of Geneva and the Geneva Financial Center

During this important gathering that brings together Geneva authorities and the official representatives of the Geneva Financial Center to exchange on the current issues faced by the banking industry in Geneva, Jacques-Olivier Thomann, President of GTSA and representative of GTSA in the board of Geneva Financial Center, represented our industry.

General

24 June 2013

Geneva

Cyclope 2013 World Commodity Yearbook

Filhet-Allard Maritime hosted the Geneva launch of Cyclope 2013 World Commodity Yearbook "Crisis and Punishments" in the presence of GTSA.

This year's book takes into consideration the difficult world economic activities and its impact on commodity trade. It is a summary of information on the developments in the major commodities markets of the last year. It is edited by Philippe Chalmin, Head of Cyclope and Chair Professor of Economic History at Paris Dauphine University.

Director General of the WTO, Pascal Lamy, held a speech on trade barriers as a result of export and import restrictions.

Expert Meetings

10 October 2012
Basel

Avenir Suisse: Autumn seminar “International trading in Switzerland - Risk or Opportunity“

Think tank Avenir Suisse invited GTSA to their annual meeting with speakers from different professional backgrounds. The four speakers discussed the question of how Switzerland can cope with commodity trading and its potential reputational risk without drying out the source of wealth by means of overregulation and anti-capitalist criticism. For instance, Daniel Jäggi, Co-Founder of Mercuria Group and GTSA member, gave his view on the commodity trader’s profession and Michael Ambühl, State Secretary for International Financial Matters, rejected in his speech the idea of overregulation but also urged to reduce current risks.

4 December 2012
Geneva

PwC Tax Forum

The conference focused on the latest challenges and developments of expatriate tax and corporate taxation with the participation of Sarah Busca Bonvin, Deputy General Manager of the Geneva Tax Administration. GTSA introduced the Swiss commodity trading sector and the tax issues for our industry in its key note speech, followed by a panel discussion, moderated by a Radio Frontier Journalist.

15 January 2013
Zurich

KPMG Press Conference “Yearbook & Outlook 2013”

The launch of the KPMG M&A Yearbook, an overview of mergers and acquisitions in Switzerland with focus on commodity trading companies, was accompanied by a press conference and invited journalists from major newspapers, radio stations and TV. In cooperation with KPMG, GTSA presented the commodity trading companies in Switzerland and their major characteristics and challenges.

12 February 2013
Ittigen

Meeting of the Federal Office of Energy (FOE)

In the course of the energy negotiation with the EU, the Federal Office of Energy invited GTSA to the meeting in order to discuss the impact of REMIT on gas trade in Switzerland. On the agenda were Switzerland's previous efforts to implement REMIT and how Switzerland will deal with REMIT in the future.

4 June 2013
Geneva

Deloitte Club: Swiss Tax System under Pressure

The conference focused on the main challenges and consequences of the forthcoming Swiss corporate tax reform on the attractiveness of the Geneva Lake Region. After a brief introduction on the current Swiss tax situation, Mr. David Hiler, State Councilor of the Canton of Geneva, in charge of the Finance Department, gave his political analysis of the evaluation of the Swiss tax system. This speech was followed by a presentation made by GTSA's Secretary General on the impacts of the fiscal changes for the commodity trading companies and the attractiveness of the Geneva Lake Region.

11 July 2013
Paris

Cyclope Club Paris

The "Cercle Cyclope" gathers six times a year representatives from relevant fields of the commodity trading sector to exchange business-related information. GTSA represented the Geneva commodity cluster and participated in the open discussion on current business developments.

Special Projects

ACT

Alternative Dispute Resolution for Commodity Trading, Shipping and Trade Finance

This arbitration and mediation service is the result of a lasting collaboration between GTSA, CCIG, professional merchants and lawyers with a solid expertise in the field of international dispute resolution.

The key concept of ACT is to speed up the dispute resolution process by offering various tools, such as the possibility of having an award rendered by a sole arbitrator in six months and the possibility to mediate at any time during the arbitration.

Contractual clauses can be tailor-made using an innovative online module (www.ccig.ch/ACT). ACT also offers an optional and non-exhaustive list of arbitrators and mediators who are specialized in commodity trading, shipping or trade finance. GTSA members can quickly access this list through our website.

TRAFEC

Trade Finance Exchange console

In October 2012, the Multi-Bank Platform project has been given a name TRAFEC and eGTSA, the company in charge of its commercialization has received its own governance, distinct from GTSA. At the end of 2012, the signature of an agreement freed the new company eGTSA SA to evolve outside of the GTSA sphere. The association fulfilled the first step in the emancipation process of eGTSA, but remained the unique shareholder of the newly established company.

The Executive Board of eGTSA is composed of Mr Jacques-Olivier Thoman, President, and of representatives of BNPP, Crédit Agricole, ING, Société Générale, and Trafigura. Technical and strategic committees are supporting the board to reinforce its governance.

TRAFEC enables the exchange of secured and encrypted information between commodity trading firms and their banks related to trade finance products (Letter of credits, Stand-by Letter of Credit, Letter of Indemnity, Documentary Remittances and Guarantees). In the last year, 42 contracts with 56 companies were signed and the flow of secured messages sent with the platforms went up from 302 in September 2012 to 1176 in September 2013.

Six banking members of GTSA are regularly using TRAFEC (BNP Paribas, Société Générale, Crédit Agricole, ING Bank, BCP and BCGE) among which three of them are planning to use the platform in Asia and US.

A satisfaction survey conducted in June 2013 with clients of TRAFEC shows that more than two thirds of the users were satisfied with the service. Recently two major corporate have signed a contract with eGTSA and every month four new customers decide to go with TRAFEC.

GTSA is very proud of the encouraging achievements of its sister company and will continue to support eGTSA development in the interest of its members.

Social Events

GTSA Anniversary

GTSA's contributors' exclusive event

For the first time in 2012, GTSA decided to celebrate its Anniversary and took the opportunity to thank Geert, our former Secretary General and GTSA founder. Geert Descheemaeker acted as a Secretary General for six years (from 2006) before leaving the position to Stéphane Graber, due to lack of time to dedicate to the growing association. The Vice President Mr. Norman Hay, warmly thanked Geert for his tenure and welcomed Stéphane, wishing him success in his new responsibilities.

This special event gave us a unique opportunity to invite and thank not only CEOs' members but also partners and all participants in the different working groups whose help is so precious to GTSA. About 150 people celebrated together, to the sound of Time Machine.

Neptune

CEOs' exclusive networking event

Every year GTSA invites its member representatives, mainly CEOs, to participate to a three hours cruise on "la Neptune". This event provides a good opportunity to meet and exchange point of views in a different environment.

This year, we welcomed around 40 people who enjoyed the perfect weather which, next to the rich discussions between our members, made hoisting the sails, a really unique experience.

Commodity Dinner

Members' exclusive gala dinner

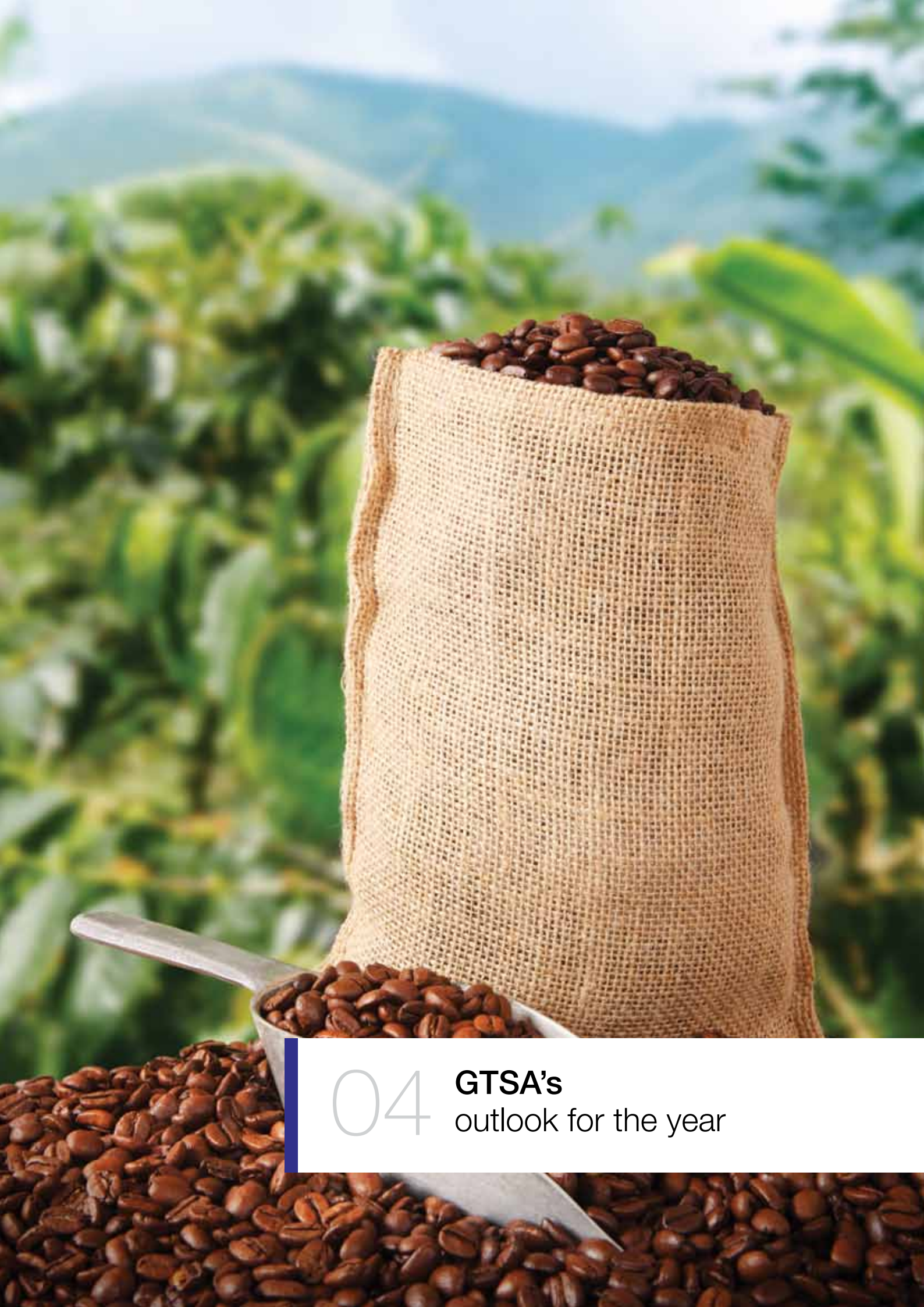
This gala dinner launches the start of the Commodity Week and GTSA seizes this opportunity to invite distinguished personalities from the authorities to meet with the industry.

All GTSA members can participate either individually or by booking a sponsor table to invite colleagues, partners, bankers and/or counterparties. Another purpose of this event is to collect funds that will be allocated to a charitable cause.

For the second year, 2012's Commodity Dinner took place at the Restaurant du Parc des Eaux-Vives. Victims of our success, we unfortunately had to turn down some of our members' sponsor tables, having already more than 170 participants.

We were very proud to welcome prestigious invitees, such as Mr Pierre-François Unger, Minister of the Department of Economy of the Canton of Geneva and Mrs Sandrine Salerno, Mayor of Geneva.

The proceeds of CHF 20'000 were donated to Terre & Faune for the project "Recycling and recovery of waste in Grande Comore". The valuation techniques of the waste implemented should allow financial returns that will create jobs. Depending on the success of this pilot project, the concept could be exported to other developing countries.



04

GTSA's
outlook for the year

GTSA's Outlook for the Year

After years of shaping and consolidating the association's role and mission, GTSA has entered a new phase of its development. The association is now fully recognized as the main commodity trading professional association in Switzerland. This is especially visible in the role GTSA plays in communicating with the national and regional authorities, as well as with the other stakeholders.

In 2014, GTSA will continue to address the two main challenges of the industry:

- the call for more sustainability and transparency in the commodity trading industry
- the preservation of a clear and stable tax environment

The commodity trading industry faces increasing demands to make the supply chain more sustainable and transparent. GTSA has proactively committed to the Multi-stakeholder Dialogue launched by the Swiss authorities after the publication of the “Background Report on Commodities” in March 2013.

This participative approach promoted by the authorities is a unique opportunity for the commodity trading industry, to engage in a process where all parties involved have a chance to share experiences, learn from one another and co-shape their future.

The Swiss based commodity industry is at a cross-roads and needs to develop best practices in order to operate under a 21st century paradigm. It is key to ensure that tomorrow's rules of the game are coherent, implementable, and applied internationally and multilaterally by all actors involved in the markets.

In order to ensure an efficient process, the following steps are planned:

- During the first semester of 2014, GTSA will actively engage with other stakeholders to reach a common language and commitment regarding CSR in the commodity trading industry
- During spring 2014, the Swiss administration will publish its first follow up report to show the progress made in this dialogue
- During the second semester of 2014, all involved parties will work together to co-shape CSR guidelines

GTSA will also continue to work closely together with all major economic players to promote long term tax solutions which are competitive and defensible towards other tax jurisdictions.

To do so, GTSA is engaged with the cantonal and federal authorities, and actively participates in a cantonal coordination platform with GEM (Groupement des Entreprises Multinationales) and FER (Fédération des entreprises romandes) and liaises at national level with Economiesuisse and Swissholding.

The forthcoming agenda of the reform is the following:

- By the end of the year, the Federal authorities will issue a final report
- During the first half 2014, the Corporate Tax Reform III project will be submitted to consultation
- In 2015, the federal government will issue its draft law
- 2015-2016, the draft will be discussed in the Swiss Parliament
- At the same time, the publication of the national project of Corporate Tax Reform in 2015 will enable the finalization of the Geneva Canton Corporate Tax Reform
- In 2017, a cantonal vote is expected to take place
- In 2019, the new cantonal tax reform will be implemented

GTSA will ensure that the interest of the Swiss commodity trading and shipping industry is efficiently represented and defended.

Along with these two processes, GTSA will pursue its mission of promoting a better understanding of commodity trading and its economic utility by the authorities and the general audience.

The association will enhance its dialogue with NGOs and the media.

GTSA will also continue to lead the outcome of its specialized working groups dealing with the main issues faced by the industry, and ensuring that the forthcoming regulations are applied in a coherent way internationally and are not detrimental to the Swiss commodity trading industry. Last but not least, GTSA will further develop its services to the members and its education activities, in order to enhance its contribution to the trading and education of local pool of talent.



05

**Upcoming
Events**

Upcoming Events

5 December 2013
Geneva

GTSA Panel at the Global Energy Summit

Upcoming sustainability challenges in energy markets - What can be learnt from the Swiss approach?

Switzerland plays an important role in the promotion of multilateral dialogue at international level. It is a global hub for energy firms and at the same time is host to international organizations. Trade firms are regularly challenged on their practices and on their corporate social responsibility. What innovative initiatives could be a creditworthy alternative to increased regulation? Is Switzerland a unique laboratory to promote and implement a new way of tackling the corporate social responsibility issue?

9 December 2013
Geneva

Debate GTSA and Bern's Declaration organized by the Institut National Genevois

Is Commodity Trading sustainable?

GTSA and Bern's Declaration have been invited by the Institut National Genevois to debate on the challenge of promoting sustainability by best practices in the commodity trading industry.

5 February 2014

Geneva

Joint UNCTAD and GTSA workshop

One-day workshop on transparency in the commodity trading industry – title to be confirmed soon

This workshop will be co-organized by GTSA and UNCTAD to define transparency and reach common literacy and commitment on transparency-related issues from the commodity trading industry, the international organizations, and civil society representatives.

18 March 2014

Geneva

The Trading Forum

In 2014 the conference will address the theme “Commodity trading industry at a turning point”

It will be the opportunity to welcome prominent speakers from the commodity trading industry, the academic world and the Swiss authorities in order to address their concerns on these topics and exchange their experiences.





GTSA 

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