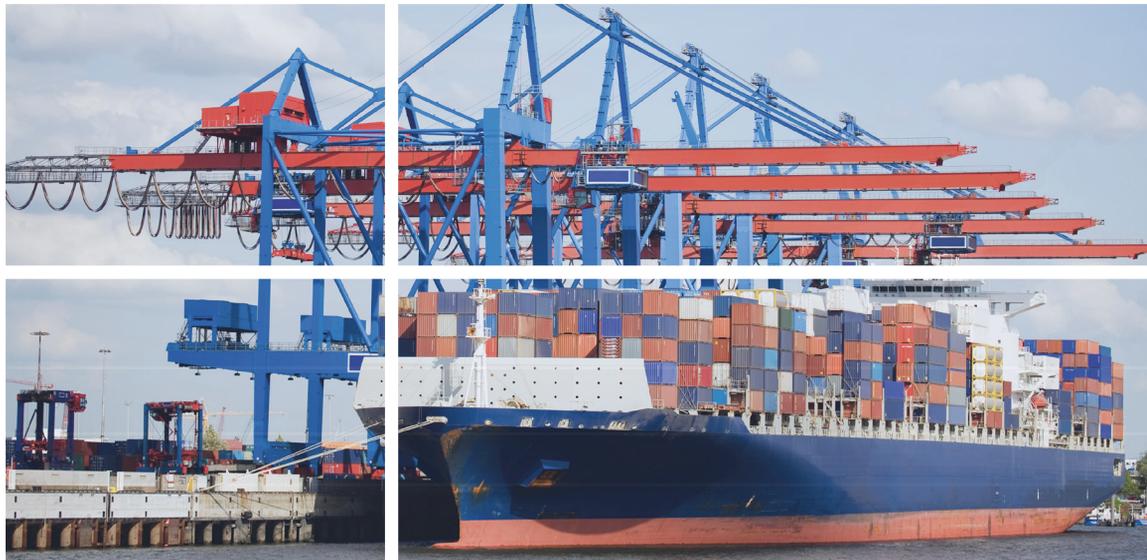


60
YEARS

ASSUC

European Association of Sugar Traders



ANNUAL REPORT 2019

60 YEARS ASSUC

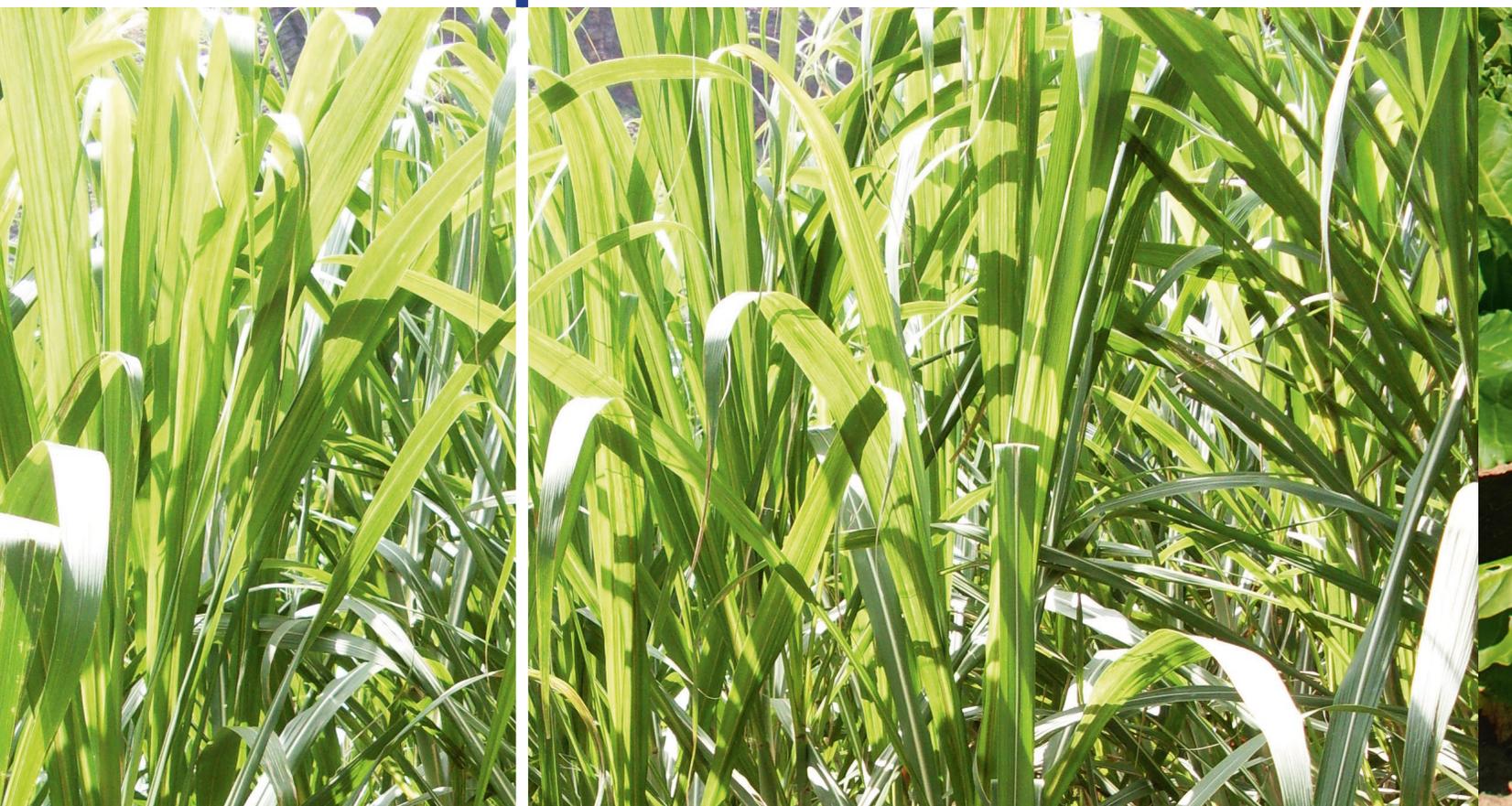


Foreword

Dear ASSUC Members,

After my first year as President of ASSUC, I have the honor to present the latest Annual Report, prepared as usual in impressive style and details by our Secretary General Daniel Pérez Vega and Caroline Le Grand. As is the custom, I am glad to add a personal statement in this Foreword.

It so happens – and it seems to have remain unnoticed so far – that our Association is presently having its 60th anniversary, I am not saying celebrating as we are not giving it more attention than to our previous Annual General Meetings. However, it is surely worth noting that we can look back at a reasonably long time of mutual work and interest in the promotion of the role and concerns of the European Sugar Trade – and Traders – in a political and economic environment which presented opportunities as quickly as it took them away. I wish I could say the same about obstacles, which had however, as I don't have to remind you, shown a remarkable capacity to prevail.



But – we should not complain, this is the fate of the Trade. It so happens that we are most genuinely needed in, as I would like to say euphemistically, unbalanced situations. When there is too much or too little merchandise, when difficult logistical conditions have to be developed, when buyers or sellers try to evade their commitments, when political considerations lead to unfair practices, in times of "trade wars" – when, to summarize, things go wrong. Does any of this sound familiar to you today? You bet.

Over the years, our challenges have changed. For a long time our main concerns and issues dealt with the intricacies of the Common Agricultural Policy, with the Commission as our addressee and sometimes – not always – as our adversary. Today, with very few regulations or administrative hurdles left, we find that our endeavors and intentions are mostly – not always – supported by, or support, the official line of the Trade Policy of the European Union. For example, the maintenance and development of Free Trade Agreements, aiming at unencumbered and voluminous export and import alike. In this, however, we find ourselves moving, occasionally, into different directions than those followed by some of the other stakeholders in our sugar sector.

This however, is not only natural, but also necessary, as indeed the Trade does have its own logic and interests, and therefore its "raison d'être". And it must not be, or be considered, a path to controversy. The common goal of Beet Growers, Sugar Industry, Worker's Unions, Refineries, the Trade and I certainly include the Sugar Users as well, is a sector which is sustainable (in the literal sense of the word) and remunerative. Where there is room to live and let live. In this sense I want to conclude with an appeal for the continuation and intensification of our open dialogue, not only with the Commission, but between the stakeholder's Associations as well. We all have a role, and we all have a lot to gain.

Henning KOCH,
ASSUC President 2018 - 2019



ASSUC

About

- Founded in 1959, ASSUC is the voice of European Sugar Traders.
- ASSUC is able to make its views heard through regular contacts with the different European institutions as well as other international organizations. The association's role is to provide expertise on market issues and promote the views and good reputation of the sugar trade on behalf of its members.
- ASSUC is officially recognised by the European institutions as the only representative body for the European sugar trade and, as such, is regularly consulted on all relevant matters affecting the sector.
- Besides its various representation activities, ASSUC is also the platform for cooperation, discussion and exchange of information amongst sugar trade companies in strict compliance with EU competition law.
- Today, through its membership, ASSUC represents over 60 sugar trading companies across the EU including affiliated members in the EU and in neighbouring countries.

Mission

- To highlight and promote the professionalism of all who work in the European sugar trade.
- To represent and defend the general interests of our members.
- To inform members of developments at European level.
- To provide a networking platform for all European sugar traders of sugar and its derivatives, be they importers, exporters, dealers, brokers or distributors.

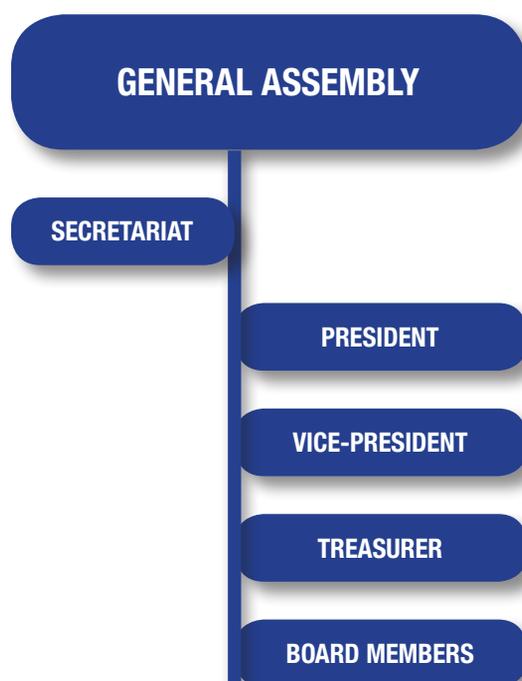


Activities

- Monitoring of EU legislation and policy developments in the fields relevant to our members, for example, international trade, agriculture, internal market, customs, tax, financial services, enlargement and development policy.
- Ensuring a permanent link with the European institutions and with other European trade associations in the agri-food sector.
- Collection and distribution of news, information and documentation to our members on subjects concerning the agri-food sector in general and the sugar trade in particular.
- Strategic advice and coordination of lobbying activities. Adoption of common positions in the name of the sugar trade where necessary.
- Liaison with various representatives of Member States, third countries and international organisations.

Structure

- ASSUC is led by a Board, which meets 3 to 4 times a year. The Board has full competencies in terms of management and administration, subject to the mandate of the General Assembly.
- Only full members of ASSUC are eligible to serve as members of the Board. Board members take office for one year. Every year, the General Assembly elects a President, Vice-President and Treasurer based on a proposal from the Board.
- The General Assembly, open to all ASSUC members, takes place once a year in Brussels.
- Day-to-day management and general activities are delegated by the Board to the Secretary-General. Mr Daniel Pérez Vega was appointed ASSUC Secretary-General in October 2016.
- Historically a *de facto* organisation, ASSUC was officially constituted as a non-profit making international association (AISBL) under Belgian law on 23 May 2007.
- ASSUC is registered in the European Transparency Register (ETI) with the identification number: 73074372526-61.
- The current ASSUC Board was last elected for a one-year mandate at the ASSUC 2018 General Assembly on 30 May 2018.



Members

Full membership

At present ASSUC has 12 full members in 15 EU Member States. (Belgium, Bulgaria, Denmark, Finland, France, Germany, Hungary, Italy, Lithuania, Netherlands, Poland, Romania, Spain, Sweden and UK.)

Full membership is open to trade associations or groups of companies established in any European country in which they represent traders (importers, exporters, dealers, brokers and distributors) in sugar and its derivatives.

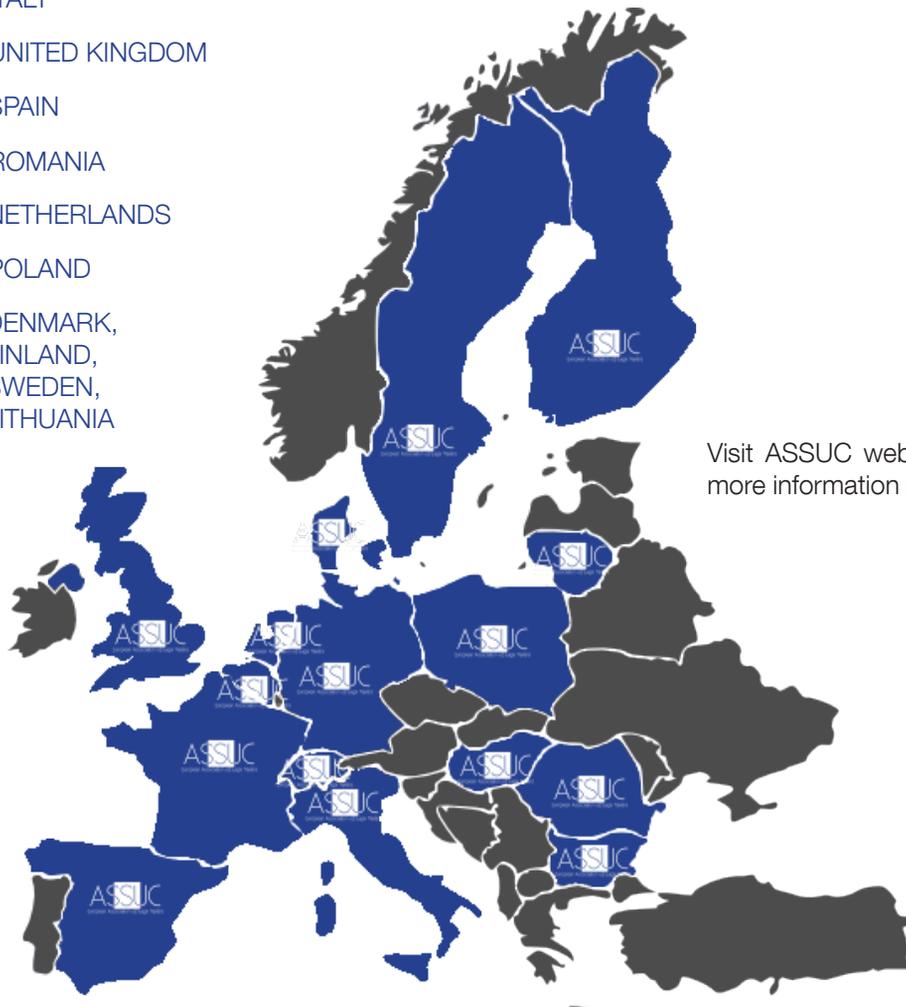
Affiliated membership

ASSUC has affiliated members in Algeria, Malta, the Netherlands and Switzerland.

Affiliated membership is open, under specific conditions, to representative trade associations, individual companies or groups of companies which are active in the agri-food trade in general and the sugar trade in particular, and wish to contribute towards the objectives of the Association.

-  BELGIUM
-  BULGARIA
-  FRANCE
-  GERMANY
-  HUNGARY
-  ITALY
-  UNITED KINGDOM
-  SPAIN
-  ROMANIA
-  NETHERLANDS
-  POLAND
-  DENMARK,
FINLAND,
SWEDEN,
LITHUANIA

-  ALGERIA
-  MALTA
-  NETHERLANDS
-  SWITZERLAND



Visit ASSUC website www.assuc.eu for more information on our members.

Benefits of ASSUC membership

- Receive accurate and reliable information, advice and early warning on EU regulatory developments that may impact the sugar trade or the markets for sugar.
- Influence the European decision-making process through the provision of reliable information about the sugar trade and markets, advice and lobbying activities. ASSUC's openness with European institutions contributes to the evidence base on which policy proposals are made and hence enhances the quality of decision-making at the European level.
- Exchange views and expertise and, where possible, develop common positions with other ASSUC members engaged in similar activities.
- Enjoy the networking opportunities offered by an association with a European dimension as well as access to the services and support of a permanent office in Brussels.
- Benefit from preferential access to internal and external meetings and conferences at European level.

ASSUC Board Members 2018/19

GERMANY	Henning Koch	PRESIDENT	Verband des Deutschen Zuckerhandels e.V
FRANCE	Cyril Moine	VICE-PRESIDENT	Syndicat Français du Commerce des Sucres
BELGIUM	Paul Kronacker	TREASURER	Group Sopex
BELGIUM	Peter Loomans		Südzucker AG – Belgian Branch
BULGARIA	Ivaylo Mochukov		Association of Sugar Traders in Bulgaria
DENMARK, FINLAND, SWEDEN, LITHUANIA	Jesper Lindskog Martin Eckstrom*		Nordic Sugar
FRANCE	Cyril Moine Pierre- Henri Dietz*		Syndicat Français du Commerce des Sucres
GERMANY	Henning Koch Dr Stefan Feit* Vincent Schlüter*		Verband des Deutschen Zuckerhandels e.V
HUNGARY	Gergely Kovacs		Hungarian Sugar Industry Association
ITALY	Leonardo Bonsembiante Antonio Fabiani*		Associazione Nazionale Grossisti Zucchero
NETHERLANDS	Daniël Kerkhof		Limako
POLAND	Michał Gawryszczak		PAST- Polish Association of Sugar Traders
ROMANIA	Emilian Dobrescu		Agrana Romania
SPAIN	Carlos J. Fernandez Alejandro Martín Guerrero*		Asociación de Fabricantes de Azúcar de España
UNITED KINGDOM	John Ireland		STAUk- Sugar Traders Association of the UK

* *substitutes*

DISTRIBUTION OF INFORMATION TO ASSUC MEMBERS

Key issues 2018/19

The ASSUC Secretariat provides ASSUC members with news and regulatory developments at EU level on a regular basis. During the past year in review, the main issues examined have been:

Market Management:

- Management of the supply and demand of sugar in the EU domestic market;
- Monitoring the reform of the CAP and the end of quotas;
- Regime for the import and export of sugar, expiry of licences and new requirements.

Regulatory issues:

- Monitoring of possible safeguards in the MENA region.
- Single CMO delegated and implementing regulations on sugar following the entry into force of Single CMO n°1308/2013 (notifications and TRQ management).
- Review to eliminate the anti-dumping duties and counter-veiling measures in place by Canada on EU sugar exports since 1995.
- Regulatory reform of the EU derivatives market i.e. MiFID II;
- Implementation of new CAP and post-quota regulations e.g. Trade Mechanisms and market monitoring;
- Voluntary Coupled Support and its possible export implications;
- Updates to the Inward Processing Relief (IPR);
- Mandatory Country of Origin Labelling;
- Trade Mechanisms.



Free trade agreements and EU trade preferences:

- EU trade negotiations with:
 - › Australia
 - › ACP countries
 - › India
 - › MERCOSUR
 - › Mexico
 - › Tunisia
 - › Turkey
 - › Thailand/ASEAN
 - › Vietnam
- EU trade preferences:
 - › Market Access Regulation governing relations with ACP/EPA countries;
 - › Consultation on the functioning of the Generalised System of Preferences (GSP).
- Developments at the WTO:
 - › Australia, Brazil vs. India
 - › Brazil vs Thailand
 - › Implementation of the Trade facilitation Agreement
 - › 11th ministerial in Buenos Aires, and 12th ministerial scheduled in 2020 in Astana

Publications in the EU Official Journal

ASSUC members are regularly informed of the publications in the EU Official Journal regarding EU legislation relevant for the sugar market and trading.

REPRESENTATION OF MEMBERS' INTEREST

Info alerts

The ASSUC Secretariat circulates email alerts as information becomes available, together with in-depth analysis on EU regulatory and policy developments, both general and sugar-specific. ASSUC members are informed without delay of the latest news and facts of vital relevance for the sugar trade. As much as possible while respecting confidentiality, ASSUC members receive the original, official documents, proposals and working papers of the EU institutions.

Reports on meetings at EU level

The ASSUC Secretariat regularly informs ASSUC members of the news and regulatory developments discussed at the Management Committee on the Common Organisation of Agricultural Markets, DG Agriculture Civil Dialogue Groups (CDGs), Sugar Market Observatory meetings, High-Level group on sugar, as well as the Expert Group on Horizontal Questions, the Expert Group on Agricultural Commodity Derivatives & Spot Markets, Agriculture Councils, and Expert Committees among others.

EU statistics on sugar imports and exports

The ASSUC Secretariat provides all ASSUC members with the latest statistics of the European Commission on sugar imports (under the EPA-EBA regime and TRQs), as well as sugar price reports.

ASSUC website

In 2019, ASSUC will launch its new website. After reviewing the use and purpose of the current website, as well as its technological limitations, it was decided to work on a brand new design and format. The new fully responsive, single-page website will provide a one-stop shop for visitors, with a simple overview of ASSUC, an interactive members' register and basic contact information.

ASSUC Newsletters

The ASSUC newsletter is sent out to all ASSUC members. It provides an overview of ASSUC latest activities and a background to the latest regulatory developments at EU level. ASSUC newsletter is a tool to keep members updated throughout the year and communicate on the association's meetings.

Contributing to EU policy making

ASSUC has long-standing and a well-established network in Brussels. Through its various contacts, ASSUC voices the common interests of its members towards EU policy makers and other stakeholders. The association regularly interacts with EU public authorities and other interested parties to seek common ground to improve the functioning of the sugar market within the political ramifications.

Key priorities in 2017-2018 were:

- Discussions at the High-Level group on sugar
- The monitoring and management of and rules for EU imports and exports after 2017
- Trade Mechanisms
- Trade negotiations
- Brexit

ASSUC position papers and press releases

Whenever deemed necessary (e.g. when potential regulatory issues that might affect the interests of ASSUC members have been identified through constant monitoring activities), the ASSUC Secretariat has prepared, in cooperation with ASSUC members, position papers and letters addressed to the relevant DGs of the European Commission, European Parliament and/or other key players.

MEETINGS AND MONITORING ACTIVITIES

ASSUC Board meetings

This year ASSUC Board Meetings were held on the following dates:

- › 30 May 2018
- › 22 November 2018
- › 11 April 2019

The main issues on the agenda were:

- Sugar market: management of the supply and demand of sugar in the EU Market, sugar exports, preferential imports, discussions in the High-Level group on sugar, trade mechanisms (licences & TRQ management), Brexit, and the Expert Group on Agricultural commodity derivatives and spot markets. In this context, the Board held informal meetings and exchanged letters with the Commission.
- In terms of administrative affairs, the Board discussed ASSUC finances, a modification on the conditions of ASSUC membership and the update of the website.

ASSUC 2018 General Assembly

The ASSUC 2018 General Assembly took place on 30 May 2018 in Brussels. The event started with the statutory administrative session followed by an open conference. Ms Sandra Gallina, Deputy Director-General in DG Trade of the European Commission, and Mr. Miguel Garcia Navarro, Deputy Head of Unit in DG AGRI of the European Commission shared their views on the EU's sugar policy, market management, and EU's trade negotiations. The conference concluded with a panel discussion moderated by ASSUC President, Mr. Henning Koch. A cocktail and networking dinner were organized at the Hotel l'Amigo, on the Grand Place, in Brussels.

DG Agriculture Civil Dialogue Groups on sugar and international aspects of agriculture

ASSUC is recognised via SACAR under Commission decision of 18 July December 2014 as the representative organisation for the import and export trade in sugar. As such, the Association is represented at Civil Dialogue Groups (CDGs) of DG Agriculture, which gather representatives of the agricultural sector (producers, industry, trade, consumers), as well as NGOs, and meets regularly throughout the year (see below). Also, ASSUC participates via SACAR in the CDG on International Aspects of Agriculture which takes place twice a year:

- › 16 October 2018 – International Aspects of Agriculture
- › 21 November 2018 – Sugar
- › 9 April 2019 – International Aspects of Agriculture
- › 12 April 2019 – Sugar

European Commission's expert group on agricultural commodity derivatives and spot markets

In 2012, the European Commission set up an Expert Group on Agricultural Commodity Derivatives and Spot Markets. The Expert Group is a consultative entity whose tasks is to provide advice and expertise to the Commission services in relation to the functioning of the agricultural commodity derivatives and spot markets, the implementing of existing EU legislation and policies and the preparation of legislative proposals and policy initiatives in this field. ASSUC's seat, one of twenty, on the Expert Group was the result of a successful joint application together with the Sugar Association of London and the Refined Sugar Association. ASSUC is represented by Mr Barry Callingham with Mr Nick Penney as substitute.

Sugar market Observatory

The Commission has set up a European Sugar Market Observatory to provide the EU sugar sector with more transparency as the new regime entered into force. The Obvervatory is composed of experts on sugar and isoglucose markets. ASSUC successfully submitted an application for membership as is represented by 2 experts. As a member, ASSUC contributes by providing expertise and "first hand" information about the situation and prospects of the sugar markets both in Europe and globally. ASSUC has provided a presentation in all meetings that have taken place:

- › 3 July 2018
- › 15 November 2018
- › 26 April 2019

DG Trade Civil Society Dialogue meetings and Market Access Advisory Committee (MAAC)

The DG Trade Civil Society Dialogue (CSD) is an important instrument for the exchange of views on trade policy between DG Trade officials and a wide range of stakeholders' representatives. Within the framework of the CSD, the ASSUC Secretariat took part in several meetings organised on issues such as the reformed GSP, agriculture trade and EU FTAs. The Market Access Advisory Committee (MAAC) is organised by DG Trade to discuss with stakeholders and Member States specific market access issues in third countries in order to find joint approaches to address these.

- › Civil Society Dialogue with EU Trade Commissioner Malmström – 28 May 2018
- › Update on EU-Mercosur Trade Negotiations – 6 September 2018
- › EU Agricultural Outlook by 2030, 7 December 2018
- › Civil Society Dialogue with DG Trade Director General Jean-Luc Demarty – 19 March 2019
- › Civil Society Dialogue on Australia and New Zealand – 4 April 2019

High-Level Group on sugar

The High-Level Group on the EU sugar market, first announced by EU Commissioner for Agriculture Phil Hogan late 2018, had its first meeting on 29 January 2019. The group gathers senior representatives from Ministries, and it was chaired by the Director General of DG AGRI. Only Member States representatives and Commission officials were present at this first meeting.

The aim of the High-Level Group is to discuss the current sugar market situation as well as Member States' concerns in light of the sugar reform and explore possible measures in the post-quota era. A series of questions were discussed including on risk management tools, effects of voluntary coupled support, contractual relations between beet growers & sugar producers and financial viability of the different stakeholders in the sector.

The second meeting of the High-Level Group took place on 19 March 2019. The meeting started by a presentation of the Commission about the EU sugar market and an analysis of the EU sugar sector from stakeholders (beet growers, producers, refiners, users, consumers, traders). ASSUC took part in the meeting and presented its views on the EU sugar market.

The next meeting is scheduled in summer 2019. A report produced by the European Commission is expected prior to this third meeting. ASSUC and other stakeholders should be invited to provide comments to the Commission about the report.

Brexit

In the context of the ongoing Brexit negotiations, ASSUC has been regularly consulted together with other agri-trade stakeholders by the European Commission Task Force for the preparation and conduct of the negotiations with the United Kingdom.

ASSUC has seized the opportunity to present its concerns and priorities for the negotiations and will continue providing expertise and information to European institutions throughout the Brexit negotiations and the establishment of the future trade relations between the United Kingdom and the EU.

Conferences

- › Medium -Term outlook for the EU Agricultural Commodity Markets – 22 October 2018
- › 27th ISO seminar – 27-28 November 2018
- › 9th Annual Kingsman EU Sugar Seminar, Geneva, 2-3 April 2019

Other meetings

- › DG TRADE
- › DG AGRICULTURE
- › European Council
- › European Economic and Social Committee
- › European Parliament INTA & AGRI Committees
- › CIBE – International Confederation of European Beet Growers
- › CEFS – European Association of Sugar Producers
- › CIUS – European Sugar Users Association
- › ESRA - European Sugar Refineries Association
- › Copa-Cogeca - Umbrella Association for the EU Farmer & Cooperatives
- › CELCAA – Umbrella Association for the EU agri-trade sector

The ASSUC office in Brussels

Daniel Pérez Vega
Secretary General

(General enquiries, ASSUC activities, membership information, lobbying & advocacy)

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Email: daniel.perezvega@assuc.eu

Juliel Byalugaba, Office Manager
Romans Vorss, Food Policy Adviser
Caroline Le Grand, Communications Officer

English is the working language of the ASSUC secretariat.
Contact can also be made in Spanish and French.

The ASSUC office is based Rue de Trèves in Brussels,
at the heart of the European Institutions between DG
Agriculture and the European Parliament.

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YEARS

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