



Zug Commodity Association

Annual Report 2021

Dear members and friends of the Zug Commodity Association,

We greatly appreciate your membership and interest in the Zug Commodity Association (ZCA), and we are delighted to report on the completion of our tenth year.

2021 was still a pandemic period, which kept most of us working from home. Consequently, we held most of our events in the form of webinars with one hybrid event – we also held our ZCA General Assembly virtually.

On 3 December 2021, the Federal Council adopted the implementation provisions of the Responsible Business Initiative (RBI) after having taken note of the results of the public consultation procedure. The new duties of care are based on EU rules and will apply for the first time in the financial year 2023.

At the beginning of July, the Federal Department of Foreign Affairs (FDFA) launched an informal consultation on the future orientation of the Swiss flag and maritime fleet. The ZCA umbrella association, the Swiss Trading and Shipping Association (STSA) collated responses from all the interested stakeholders, including from our members.

Last September, STSA also presented a White Paper on Shipping Decarbonization during a Parliamentary Dinner in Bern to encourage the Swiss Government to take a stricter position on GHG emissions.

We have launched a new concept of networking drinks together with the CTA (Commodity trading Alumni), CT Club and WISTA (Women in Shipping & Trading Association) where our members meet industry stakeholders on a monthly basis, either in Zug or Zurich.

We have broadened our collaboration with STSA. For example, last October our members were able to join the STSA taking legal action against the Swiss radio and television fee (SERAFE) to protest against the fee structure which disproportionately affects trading companies.

The challenges our industry faces are not getting easier. However, the ZCA has a hugely experienced board and membership, and will continue to meet those challenges. The ZCA will continue doing what it does best: liaising with stakeholders, organizing events and educating.

1. Tenth year anniversary

ZCA did reasonably well during 2021. We held a whole series of interesting events via ZOOM. Despite the pandemic, our membership increased slightly, and it continues to provide a substantial base for our activities.

We have renewed and deepened collaboration with both the Lugano Trading and Commodity Association (LTCA) and the STSA. Our multi-stakeholder dialogues with governments and NGOs remain an important part of our work.

As we will be celebrating our 10th year anniversary in 2022, we wish to mark this milestone with all our members during a special event which will take place in the autumn.

We thank you for being our member, and for your continued loyalty. We look forward to many further interactions and interesting discussions with you and your team members going forward.

2. Activities in 2021

a) Board Members

No changes took place during 2021.

Executive Board:

- Martin Fasser (President)
- Giandomenico Dormio (Vice-President)
- Ashwath Mehra (Vice-President)
- Yasmina Rauber (General Secretary)

Board:

- Phil Edmonds
- Steve Hodgson
- Irina Limonova
- Bryce McFerran
- Patrick Nützi
- Margarita Zvezda

The Board held six meetings during 2021.

b) Member and educational activities

ZCA welcomed in 2021 as new members:

- Maxwer Group AG
- Traderoad AG
- Ifchor (Switzerland) SA
- EP Resources AG
- Freight Force AG

The following members resigned in 2021:

- SSY Simpson Spence Young (Zug) AG

Margarita Zvezda, Andrea Villiger and Yasmina Rauber have handled a series of events with great dedication and inspiration. Generally, these events are open for non-members for a nominal charge and free for ZCA Members. The ZCA will continue to offer dedicated events to its members and their employees and to interested parties in 2022 – either in person or virtually or even as hybrid event. We are confident that our events are an opportunity to debate many vital topics in the commodity world and they are also a great place for speakers and sponsoring partners to build their network and generate new business out of these activities.

The following is a list of meetings and activities which took place during 2021.

- **24 March 2021**
Online Event - How to unlock Alternative Capital for small/medium commodity traders:
The role of technology for creating trust and removing frictions
- **22 April 2021**
Online Event - Trade and Commodity Finance Series:
Alternative Funding in Support of Trading?
- **5 May 2021**
Online Event - Annual General Meeting:
A REV'ed up start to 2021
- **22 June 2021**
Online Event - Commodity, Covid-19 and decarbonization:
Impact of Covid-19 on trade logistics
- **1 July 2021**
Physical Event in the Hotel City Garden Zug
Get Together – Summer Celebration
- **29 September 2021**
Online Event - Regulatory Developments and evolving Cyber Risks for Commodity Traders
- **12 November 2021**
Hybrid Event in the Hotel City Garden - Commodity Finance:
Challenges and solutions in a shifting landscape

c) Cooperation with other Associations

As in prior years, ZCA cooperated closely with the Commodity Association in Lugano (Lugano Commodity Trading Association) and the STSA in Geneva. The STSA acts as the "Umbrella" Association for all three associations and takes the lead on the federal and international level, representing the entire Swiss commodity trading community.

d) Political activities

The ZCA focuses our political activity on the German Speaking part of Switzerland. At the Federal level, the STSA leads the work with the government and politicians. STSA is the first point of contact at the Federal level for any questions around commodities. STSA has also organized dinners for the members of the federal parliament during the parliament sessions.

During 2021, ZCA met regularly with fellow Industry Associations in Zug. The Chairman has also met with all Cantonal Councils of the Zug government three times last year. We have open access to the Zug government and administration whenever needed to discuss any matters of interest.

e) Media / public relations

We field many approaches from national and international journalists for comments on commodities and trading. We always coordinate our responses with the STSA and the LCTA to ensure a consistent approach. All ZCA members should support the Association in these activities to ensure that a truthful view of the role and value of our industry in everyone's daily life is firmly anchored in the public's mind.

f) Cooperation with Lucerne University of Applied Sciences and Arts

ZCA will continue collaborating with the Institute of Financial Services Zug IFZ, which is part of the Lucerne University of Applied Sciences and Arts (www.hslu.ch). The IFZ is serving as the association's secretariat, administrating the daily needs of ZCA.

Lucerne University of Applied Sciences and Arts will in 2022 again offer a Certificate of Advanced Study course, called CAS Commodity Professional.

3. Use of resources

The ZCA Board will continue to manage costs carefully. As a priority, it will aim to grow the membership base again. In addition, further events are planned, thereby generating income from sponsors and non-members alike.

The ZCA will insource some activities from the STSA. In turn, STSA and ZCA have agreed on a fee sharing model for the years to come. This model currently defines that CHF 500.- (out of CHF 3'000.-) of the membership fee paid to the ZCA will be transferred to the STSA to mainly support their PR efforts.

We remain confident that our financials will continue to develop soundly.

ZCA is planning to keep its yearly membership fees unchanged at CHF 3'000.- per company and year. Please bear in mind that with this yearly contribution, all employees of a membership company have full beneficiaries of all ZCA services.

4. Ambition, plans and outlook

ZCA will continue to be the first point of contact in the Swiss German speaking part for all interested parties, companies, Federal and Cantonal Administration, politicians, journalists as well as students, for commodity related interactions.

We will continue to offer education – jointly with the IFZ.

In addition, networking events and informal networking gatherings together with the Commodity Trading Alumni, Wista and the Commodity Club in Zurich will take place regularly.

We are very happy to welcome Ramon Garcia as the new driving force for the "Certificate of Advanced Studies Commodity Professional" offered by Lucerne University of Applied Sciences and Arts. More than hundred students have successfully completed this course so far and we wish him lots of success with the next cohorts.

Several sources such as Reuters and Goldman proclaim the dawn of a new commodity super cycle. Energy transition will have a fundamental impact on many commodities. The increased demands on social and environmental aspects within the commodity supply chain and the constraints on the financing side remain major challenges for our commodity trading community. ZCA strives to smoothen these developments.

I would like to thank my fellow board members and the IFZ team for their great work.

For the future, I wish you all success.

Very kind regards,


Martin Fasser
President of the ZCA