



Comité du Commerce des céréales, aliments du bétail, oléagineux,  
huile d'olive, huiles et graisses et agrofournitures de l'U.E.

European Association of cereals, rice, feedstuffs, oilseeds, olive oil,  
oils and fats and agrosupply trade

Annual report 2011

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COCERAL is the acronym for «Comité du Commerce des céréales, aliments du bétail, oléagineux, huile d'olive, huiles et graisses et agrofournitures»<sup>1</sup> and is the voice representing the European cereals, rice, feedstuffs, oilseeds, olive oil, oils and fats and agrosupply trade.

The members of COCERAL are the national trade organisations of the EU Member States, who for their part represent collectors, distributors, exporters, importers and agribulk storers of the above mentioned commodities. The members are composed of essentially private traders and in some countries also farmers cooperatives.



- 30 National sector associations, including
  - 1 associate member (Switzerland)
  - 1 EU sector association (UNISTOCK)

**COCERAL's mission** is to represent and promote the interests of the grain, feedstuffs, rice, olive oil and agro-supply trade associations operating within Europe and to promote strategies for provision of safe food ingredients and feed raw materials for the benefit of EU processors and consumers. COCERAL contributes to the development of an appropriate framework in which issues such as market, food and feed safety, environmental matters and sustainability are dealt with in a holistic manner, underpinned by robust data, management and effective communication.



In delivering this mission, COCERAL, in close cooperation with its members, operates as an active, committed and responsible stakeholder. COCERAL's permanent secretariat, based in Brussels, maintains close contacts with European and international institutions and has become a major partner in consultations on food, feed and non-food related developments.

#### COCERAL is Member of



**IGTC**  
International Grain Trade Coalition  
<http://www.igtcglobal.com>



**CELCAA**  
European Liaison Committee  
for the Agricultural and Agri-Food Trade  
<http://www.celcaa.eu>



**EFIP**  
European Feed Ingredients Platform  
<http://www.efip-ingredents.org>

# President's Welcome

Marcel Combot



Marcel Combot  
President

*COCERAL is on a positive and strong journey to represent our trading and merchandising activities at the European level and I am very pleased to introduce to all of you our Annual report 2011.*

*This past year, Europe has been in the middle of major disturbances, directly or indirectly impacted by the geopolitical and economical events in the world and the forces in action. The debt crisis, the slow growth environment, the commodities and energy high prices and the fast changing flows around the world have set a challenging and unpredictable landscape for our activities.*

*COCERAL mission is a "must" for our community in this complex environment: anticipating, analysing, warning, educating, proposing adequate solutions and lobbying policy evolution is the daily work of our team. This has been achieved with maturity and professionalism, thanks to the Secretary General, and our young and fast developing team of policy advisors in Bruxelles always in contact with the unique COCERAL network of experts across Europe within our members organisations and companies.*

*COCERAL is at the crossroad of multiple stakeholders in the supply chain and this unique position is giving us a great responsibility to coordinate and lead alignment. Key milestones have been achieved in 2011 as regards to food and feed safety; GTP Code, mutual recognition with other schemes and alignment within EFIP platform; sustainability in coordination with the processing industry; continuous efforts to reach a workable way forward when dealing with Genetically Modified Organisms (GMOs) in food and feed at European and international level. In the market section, financial reform and Common Agricultural Policy (CAP) reform have been central to our activities: interacting with farming community and authorities has proven to be critical to demystify and position the key role of the markets in risk management for our industry as well as highlight the incidence of the CAP reform debate in the food security one.*

*COCERAL is yours, at your service, and I invite you to discover extensively all the positive contribution achieved all along this past year. I am enthusiastic to continue our journey in 2012 and convinced that COCERAL will continue to deliver beyond our expectations.*



# Secretary General's Introduction

Dr. Teresa Babuscio



Dr. Teresa Babuscio  
Secretary General

As COCERAL is moving towards its fifty-four year of operation and presence in the European landscape, the activities of the Association continued to intensify and issues placed on the table are increasingly challenging and demanding. In my capacity as Secretary General for the second year, I have continued to conduct the Association towards clear priorities for the benefit of all membership and the trading sector.

The re-organizational phase initiated in 2010 continued throughout the year 2011 during which I led the association towards an adequate structure and tools to cope with these increased tasks: several significant steps were taken in that direction in the last 12 months and additional ones will be taken in the year to come. A dedicated staff and the support of the members are critical to make the difference in our lobbying activities.

Governance, mission and core values of the association have been the three pillars of the management activities in the last twelve months. They will surely stay in place in order to be shaped and strengthened while becoming more visible contributing raising the profile of the business represented. The cooperation across the supply chain, the transparency of lobbying and representation as well as the leadership to defend and move the category to success complemented COCERAL activities in 2011.

Besides these aspects and thank to its internal policy making process, **COCERAL has continued to be the voice of the European trading sector** in a wide range of issues affecting the day to day operations of our members. Trade negotiations and market access concerns both on export and import, complex food safety legislation developments, the

future framework of the agriculture policy, the various mandatory and soft law initiatives at European level in regard to sustainability were some of the headlines of COCERAL's activities.

This activity report will guide you through the structure of the association while evaluating our activities during the last 12 months based on our strategic priorities.

My warmest thank, appreciation and acknowledgement go to my tireless colleagues in the Secretariat, for their support, professionalism and ethical values at work.

# Market and Agricultural Policy Section

Stefan Vogel



Stefan Vogel  
Market and Agricultural  
Policy Section

The year 2011 has seen COCERAL Market and Agriculture Policy Section very active on various issues.

The Association kept high its visibility and reputation continuing issuing its crop forecasts each 3 months as well as assuring the Vice Presidency of the Advisory Committee Cereals, Oilseeds and Protein Crops at the European Commission.

**The Market in Financial Instruments Directive** (MiFID) and its on-going reform led to the constitution of an ad hoc, internal, Task Force of experts heavily supporting the secretariat as well as the sector through the process. In that framework a key factor has been the understanding and the illustration of the importance of hedging tools for the agricultural supply chain as well as the role of traders.

Price risk management is a key challenge for farmers, processors and traders of agricultural commodities. Coceral members perform an essential role in the supply chain as they are a key risk mitigation partner for farmers as well as processors in the European supply chain. In most cases farmers in the European Union do use the existing exchanges (Euronext, Chicago Board of Trade (CBOT) for price determination. However farmers use these exchanges seldom themselves as a hedging tool. Nevertheless, farmers need the possibility to hedge their risk at any given time during the production cycle and also afterwards for the grains stored on farm. Traders play this crucial risk mitigation function in that respect. Via spot and forward contracts, farmers can sell their grains and oilseeds to Coceral members, even before the crops are harvested. Coceral members also provide similar risk management services to customers who want to buy products, e.g. livestock farmers who want to buy feedstuffs for a longer period of time without having to store them on farm level for the whole time, or for processors like flour millers, oilseed crushers or compound feed producers. Whenever Coceral members buy or sell via spot

or forward contracts they face a price risk themselves. In order to be able to provide such risk management services to farmers and processors, traders need to be able to access efficient and low cost risk management tools. The exchanges in Europe and in the United States are key instruments used by Coceral members to hedge the risk. On top of hedging their own risk while purchasing from farmers, physical traders also need efficient tools to hedge the risks related to this business e.g. for hedging the currency risk, the freight rates and bunker fuel.

COCERAL reflections on the Common Agricultural Policy (CAP) reform resulted in the written contributions to the public consultation launched by the EU Commission as well as in a first COCERAL position paper anticipating the legislative proposal.

## Advocating for a better business environment

The intense activity for a better business environment in Ukraine and Bulgaria complemented COCERAL agenda of activities to promote a level playing field in the trading sector.

## Sustainability following the developments

The implementation of the Renewable Energy Directive and of biofuels sustainability requirements continued all along 2011, although it is far from being completed. The challenges for traders supplying the biofuels outlet are numerous, among which the hurdles created by the non-harmonization of the implementing systems at national level. Mapping the progress in national transposition has helped identifying possible trade disrupting provisions, although several member states still had to finalize the implementation in 2011.



COCERAL welcomed the recognition of seven voluntary schemes for the certification of biofuels sustainability, providing a basis for a harmonised framework that is able to overcome the problems arising from differing transposition of the Directive's provisions by Member States. COCERAL actively called at the Commission to promote the inclusion of a recognition clause that would grant recognition between schemes when multiple schemes are used throughout the supply chain. As this initiative was successful, more schemes now mutually accept certificates, however further improvements are needed to guarantee a smooth movement of feedstock and processed material. The harmonization of the mass balance period allowed within the different voluntary schemes is equally important and it should be set considering the workability and effectiveness of the supply systems.

The swift approval of the remaining voluntary schemes submitted to the European Commission has also been promoted by COCERAL, to guarantee a broad choice for sustainability certification. The finalization of other important elements in the framework of RED implementation such as the update of the greenhouse gas emission default values and the definitions of highly biodiverse grassland and degraded land has been pursued.

The debate over indirect land use change (ILUC) has spiked over the year and has not yet concluded as the Commission impact assessment has not yet been released. There are growing concerns that the EU policy on biofuels could be undermined based on uncertain science and ungrounded evidences. Penalising measures deriving from the disputable conclusions of the currently available science on ILUC could threaten the multi-feedstock sourcing potential

which is necessary for reaching the 10% EU biofuels target. The operators in the biofuel supply chain started a fruitful cooperation that resulted in a common message about securing an effective response to the ILUC debate in EU biofuels policy and addressed to the relevant Commissioners.

The debate on food sustainable production and consumption has been on the rise and is likely to gain importance, also at a policy level, in the coming years. COCERAL continues its involvement on the Roundtable on Food Sustainable Consumption and Production which is close to finalizing its protocol for the environmental assessment of food and drink products.

# Food and Feed Safety Policy Section

Jean-Michel Aspar



Jean-Michel Aspar  
Chairman Food and Feed  
Safety and Environment  
Section

## Asynchronous and isolated foreign authorisation of GMOs

COCERAL has been constantly active on the European scene on all trade aspects dealing with the presence of GMOs not or not yet authorized in Europe. In particular the issues of asynchronous and isolated foreign (asymmetric) authorization of GMOs remained the topic of highest importance for the association throughout the year 2011.

Thanks to COCERAL efforts and of other interested parties of the food and feed chain, last year the so-called **technical solution applicable to GMOs not yet authorized in Europe in feed** entered into force in the European Union. Under the zero tolerance policy for GMOs this technical measure has to be seen as a first step in the right direction helping reducing the likelihood of a disruption in feed supplies. By harmonizing the testing and sampling results, the technical "solution" helps boosting legal certainty for operators dealing with imports into Europe. However, COCERAL has continued to support the viability of the supply of raw materials in the EU that will be only ensured by establishing a more efficient EU authorization system on GMOs and a science-based and robust **Low Level Presence (LLP) policy for GMOs not authorised in Europe in grains, seed and food and feed products** based on a workable threshold.

COCERAL, as the association representing the EU within the International Grain Trade Coalition (IGTC), has also been constantly active on the international fora. During this year COCERAL participated to several international events by giving its perspective on the impact that LLP has on the European trade and downstream the food and feed industry.

COCERAL is constantly engaged in other GMOs related issues which could have an impact for the trade. COCERAL has started constructive discussions with the European Commission on pragmatic solutions to these arising issues. Although specific solutions could help business operators in the short-term, only the implementation of a science-based and sound European legislative framework on GM food and feed will

address the challenges posed by the global developments related to GM products.

GMOs related files will remain one of the areas of the highest priority for COCERAL as additional efforts need to be made in order to drive the European legislators in recognizing the need to implement more forward-looking and pragmatic approaches in managing GMOs. A further step in this direction is the **inclusion of food within the scope of the technical solution and the establishment of a similar technical tool for seed**.

## Mycotoxins and contaminants

COCERAL and its working group on Contaminants have continued working to highlight the importance of mycotoxin management as well as its economic impacts and to keep these issues high in the institutional agenda. The publication of the article "Mycotoxin management in the European cereal trading sector" in the International Journal for Food Control contributed to shed light on the role of collectors and traders in managing the risk of mycotoxin contamination and the impacts deriving from strict regulatory policies which do not take into account the reality of bulk trade. If research and development of tools for managing the risk of mycotoxins in field, such as fusarium-resistant varieties or improved fungicides, are key factors for controlling contamination, this has to be prioritized and given the right focus also in the EU-sponsored research programme. COCERAL contributed to recall the strategic importance of managing the risk of mycotoxin development through research to contribute to the global goal for food security.

The end of the year brought along the EFSA scientific opinion on **T-2 and HT-2 toxin** in food and feed. After having established a new tolerable daily intake (TDI), EFSA concluded that the long term dietary exposure for consumers is in all cases below the TDI and therefore there is no health concern. COCERAL expects the legislators to ground the EU policy on T-2 and HT-2 on these comforting scientific findings and will recall the hurdles and cost implications related to mycotoxin limits in the course of the discussions that will take place in 2012.



## Feed labelling

COCERAL is constantly playing an active role within the feed chain platform in the implementation of Commission regulation on the placing on the market and use of feed. These efforts resulted this year in the entering into force in the European Union of the first update of catalogue of feed materials. Late this year COCERAL and the other feed chain partners have initiated a constructive discussion with the European Commission in developing the second update of the catalogue.

## Plant Protection Products

The use of grain protectants in post-harvest conditions continues to be undermined by the little availability of authorized active substances and by the limiting residue limits allowed. In this context, COCERAL welcomed the EFSA reasoned opinion on the risk assessment for **pirimiphos-methyl** residues resulting from cross-contamination, as strongly advocated by our association. Mostly based on data provided by operators in the food chain, the occurrence of **pesticide residue cross-contamination** is finally recognized after several years of efforts in flagging this issue, i.e. the transfer of residues from treated grain and/or silo walls/handling equipment to untreated grain. Although directly related to pirimiphos-methyl, the EFSA opinion acknowledges the phenomenon of cross-contamination per se: this must now be taken into consideration when other active substances' maximum residue limits (MRLs) are reviewed, as it is the case for Chlorpirifos-methyl.

Further to the dioxin incident in Germany in December 2010, **measures to better prevent dioxin contamination in food and feed** were approved by the Standing Committee of the Food Chain and Animal Health on October 21st, 2011. COCERAL, together with the other interested parties of the feed chain, has been a very active contributor to this file. COCERAL's active engagement on the file resulted in the adoption of measures taking more into account the peculiarities of the trading sector.

The gaps of the EU pesticide MRL legislation often translate in non-harmonized national enforcement leading to disruptions in the internal market. COCERAL has stepped in to contribute solving some of these issues and promoting harmonization of workable solutions at European level. Setting MRLs for crops exclusively destined to feed, based also on animal health risk assessment, is a direction that has been supported by COCERAL and that we hope will be finalized in 2012 in conjunction with requests for ad hoc workable transfer factors rules for processed products.

## Agrosupply Section

David Caffall



David Caffall  
Chairman Agrosupply  
Section

The agrosupply section of COCERAL works for granting the access to a variety of agricultural inputs for farmers, and for offering them professional and highly reliable advices.

The Directive on Sustainable Use of Pesticides (SUD) created a new framework for the definition of several aspects linked to the distribution and use of pesticides. With the national transposition expected by December 2011, the agrosupply section has continued to coordinate exchange of information on the implementation of the SUD in the member countries.

With many speciality crops being cultivated in the EU, agrosupply distributors endeavor to offer plant protection solutions for the farmers growing them. The study on minor uses contracted by the Commission proposed a series of policy options to establish a European fund for minor uses (and speciality crops). COCERAL, together with the food chain partners, continued advocating for a strong EU support to a minor use fund which would guarantee coordination and cooperation between national initiatives for minor uses. A successful conference "Speciality Crops and Minor Uses" was organized in November 2011 and contributed to highlight the importance of minor uses solutions in the field of plant protection.

The agreement reached between the European institutions for a regulation on placing on the market of biocidal products will grant important active substances to be available also for distribution at farm level, as advocated by COCERAL. The development of the possible introduction of measures on the sustainable use of biocides will be closely followed in the coming year(s) as they should not represent a duplication of the measures already in place for pesticides.



The identification of priority substances related to the Water Framework Directive and the Environmental Standards Directive was also followed by the agrosupply section, as well as the revision of the legislation on fertilizers starting in 2011. Four technical working groups have been created to guide the harmonization of several existing pieces of legislation in the fertilizer area and COCERAL will give its contribution to the aspects affecting mostly labeling, enforcement and control.

## Rice Section

Jean-Paul Schepens



Jean-Paul Schepens  
Chairman Rice Section

COCERAL continued calling for further market opening for rice imports in the context of the EU-MERCOSUR free trade negotiations in particular. The dialogue with the European Commission and other stakeholders was enhanced with the active participation at the Advisory Group on Rice and Rice products.

Cooperation with the European Rice Millers association continued, joining forces in the area of plant protection products and Genetically Modified Organisms (GMOs).

In the worldmarket, the main drivers were again the interventions of governments which created certain volatility.

The Indian government released the exports of non-basmati rice, which created a collapse of white and parboiled rice prices. At the same time, the Thai Government launched a paddy price support system, which doubled the price at which farmers and millers can put rice in intervention. This has put Thailand out of export business as prices are now \$150/200 per ton higher than in Vietnam and India. Export volumes have decreased by 50%. Government stocks are reaching 12 million tons.

Cambodia has emerged as a new player in the export market with an official record of 170.000mt on an 8 million ton paddy production. About 2/3 million tons were smuggled out of the country to Vietnam and to Thailand as prices were low and business was supported by ready cash. Burma is also evolving politically in a positive way, which will result into a normalised access to export markets. On the demand side, it has to be mentioned that China has become a net importer of rice and is rumoured to need to import 2 million tons of milled rice.

World consumption was increasing from one year to the next and in 2011 the total world consumption of rice reached 458 million tons which was about 3 million tons less than the world production. World trade was 3 million tons lower at 32 million tons in 2011.

World prices of milled rice declined in the first half of the year, and since the middle of the year rice prices have started to rise again - while prices of major commodities went the other way - due to the Thai mortgage system for rice.



On the European market, prices of japonica paddy rice proved to be more volatile than Indica paddy prices. EU Rice imports of paddy rice remained marginal at 485 tons, husked rice imports were 5% lower at 297.000 tons, whereas milled rice imports increased 23% to 243.000 tons and broken rice imports came down 9% to 119.000 tons.

2011/2012 EU paddy production reached 2.974.000 tons, while milled rice exports decreased by 18% at 99.000 tons, 90% of the volume being japonica exports.

### Food and feed safety

COCERAL keeps advocating for a more science-based and consistent GMOs policy in the EU and, namely, for a robust and comprehensive approach to the Low Level Presence (LLP) of GMOs not authorised in Europe in rice and rice products.

Even if GMOs remain one of the top areas of concern for the rice section of COCERAL, other food safety issues are also subject to additional monitoring, such as the European Commission intention to propose new limits for inorganic arsenic in rice. COCERAL is following closely the developments within the European and international arenas.

The setting of maximum residue limits (MRLs) for plant protection products was closely followed by the COCERAL Rice Section, in particular as the MRLs imposed for post-harvest pesticides used on rice are being lowered systematically. If that process is carried out without considering the active substances used in producing third countries and their MRLs, the risk of jeopardizing rice trade is very high. In the course of 2011 the issue of pirimiphos-methyl MRL was still in the agenda of COCERAL, whilst another key pesticide for rice went through the re-assessment of MRLs. Tricyclazole, an important active substance used against rice blast in the rice growing areas of the world, was targeted for a reduction of the MRL. COCERAL called for a careful evaluation of the risk profile, considering new evidences provided by the manufacturer and the critical importance of the current MRL for rice trade.

## Olive Oil Section

Gennaro Forcella



Ensuring the Presidency of the Advisory Group on Olives and derived products.

COCERAL raised again the problems of implementation of EU legislation at the level of Member States and in particular asked for the modification on labeling rules on trade standards for olive oil and alignment of single CMO on the Treaty on the Functioning of the European Union;

COCERAL raised some concerns on the physico-chemical and especially organoleptic questions as well as on the reliability of the alkyl-esters method which rate increases over time.

COCERAL was active on the food information to consumers file and intervened towards the European Parliament for a better regulation and workable labeling obligations.

COCERAL's olive oil section also followed the new developments on nutritional profiles and the developments for the adoption of upcoming legislation on nutritional claims.

COCERAL's olive oil section followed developments related to trade agreements negotiation and conclusion and contributed to the Commission's requests of information, Euromed negotiations remained very much in the focus of Coceral's olive oil section as well as the market opening in the framework of the EU-MERCOSUR free trade agreement.

Throughout the year there have been slight increases in exports to third countries



## Food and Feed hygiene: implementation and COCERAL services

Christoph Buchholz



Christoph Buchholz  
Chairman Good Hygiene Practices and GTP Working Group

Over the last twelve months, COCERAL kept ongoing the momentum gained last year and boosted the GTP position and visibility in the certification world. The independent benchmark exercise conducted in 2010 enabled COCERAL to negotiate and formalise mutual recognition agreements with AIC, GMP+ International, and Ovocom. A mutual recognition for pure delivery trade of grains was also reached in principle with QS with the medium-term objective to sign a written agreement and to extend it to oils, meals and fats of vegetable origin.

As a result of the growing need for harmonisation, COCERAL engaged discussions with equivalent scheme owners to foster an alignment of their respective requirements on issues of common interest such as multisite certification rules or minimum dioxin requirements for oils and fats along the lines of the new Commission regulation amending the EU feed hygiene regulation. In parallel, COCERAL also held discussions with the other two EFIP schemes (EFISC and FAMI-QS) in view of making the cooperation within EFIP more fruitful and efficient. This ongoing process will likely be finalised in the course of 2012.

In a global context of diversification of supply origins, it appeared clear to COCERAL that GTP should play a more active role in global fora such as the Global Food Safety Initiative (GFSI), a business-driven platform for the continuous improvement of food & feed safety management systems worldwide. To this end, COCERAL participated to the Feed Working Group and contributed to the development of GFSI benchmark requirements for feed to enter into force mid-2013. GTP will carefully follow upcoming developments and will remain active in this arena gathering all major players of the certification market.



Finally, COCERAL has launched together with COGECA and UNISTOCK a revision exercise of the EU Guide to Good Hygiene Practices in order to insert good practices related to terminal operators' activities, reflect legislative developments intervened since July 2010 and take into consideration the lessons learned from the latest key food and feed safety incidents. Once finalised, the revised draft of the EU Guide will be transmitted in 2012 to the EU Commission services and Member States for assessment and endorsement.



[www.gtpcode.eu](http://www.gtpcode.eu)

# Organisational Structure



## REPORT OF THE EXTERNAL AUDITOR ON THE FINANCIAL STATEMENTS AS OF 31st DECEMBER 2011 TO THE MEMBERS OF COCERAL AISBL COMITE DU COMMERCE DES CEREALES, ALIMENTS DE BETAIL, OLEAGINEUX, HUILE D'OLIVE, HUILES ET GRAISSES ET AGROFOURNITURES DE L'UE

We have the honour to report on the audit assignment COCERAL AISBL have entrusted us.

We carried out an audit of the financial statements related to the fiscal year ending 31st December 2011. Those statements have been prepared under the responsibility of the organisation's management. It shows a balance sheet of 1.071.681,91 € and a profit for the year of 11.223,04 €.

The income increased from 906.934,99 € to 935.393,71 € (+3,13 %) with regard to budget of 909.943,00 € and the expenditure increased from 864.687,88 to 924.170,04 € (+6,88 %) with regard to budget of 918.250,00 €.

|                             | Budget<br>2011<br>€ | Balance sheet<br>2011<br>€ | Balance sheet<br>2010<br>€ |
|-----------------------------|---------------------|----------------------------|----------------------------|
| <b>INCOME</b>               | 909.943,00          | 935.393,71                 | 906.964,99                 |
| <b>EXPENDITURES</b>         | -918.250,00         | -924.170,67                | -864.687,88                |
| <b>RESULT</b>               | -8.307,00           | 11.223,04                  | 42.277,11                  |
| <b>EXTRAORDINARY RESULT</b> | 0                   | 0,00                       | -1.782,23                  |
| <b>RESULT OF THE YEAR</b>   | -8.307,00           | 11.223,04                  | 40.494,88                  |

Our audit has been carried out in accordance with the standards of the Institute of Business Auditors (Institut des Réviseurs d'Entreprises). These professional standards require our audit to be organised and performed in such a way as to obtain a reasonable assurance that the accounts included the balance sheet and the profit and loss account do not contain any significant inaccuracies in respect of the legal and regulatory provisions applicable in Belgium. The obligations imposed by the grants decisions by the different financial backers have also been complied with.

In accordance with these standards, we have taken account of the association's organisation in terms of administration and accounting together with its systems of internal control. The managers of the association have responded with clarity to our requests for explanations and information.

We have examined the adequacy of the evaluation rules and significant accounting estimations made by the association along with the presentation of the accounts as a whole. We estimate that this work provides a reasonable basis for the expression of our opinion.

In our opinion, the balance sheet and income and expenditures statement give a true and fair view of the association's assets, liabilities, financial position at 31 December 2011 and the results of its operations for the end of the year.

Brussels, 19th March 2012.

BOSSAERT, MOREAU, SAMAN s.p.r.l.  
Represented by Annik BOSSAERT,  
Reviser d'Entreprises

# Financial Statements

**CONSOLIDATED INCOME AND EXPENDITURES ACCOUNTS**  
for the year endend 31 December 2011

|                                      | 2011<br>€      | 2010<br>€      |
|--------------------------------------|----------------|----------------|
| <b>TURNOVER</b>                      | 818.052        | 815.431        |
| <b>OTHER INCOME</b>                  | 98.418         | 66.394         |
| <b>OTHER OPERATING EXPENSES</b>      | -370.492       | -324.465       |
| <b>OPERATING SURPLUS</b>             | <b>545.977</b> | <b>557.360</b> |
| <b>COST OF REMUNERATION</b>          | -508.910       | -501.785       |
| <b>AMMORTISATION</b>                 | -20.597        | -28.542        |
| <b>OTHER EXPENSES</b>                | -4.542         | -6.096         |
| <b>OPERATING PROFIT</b>              | <b>11.928</b>  | <b>20.937</b>  |
| <b>INCOME FROM SECURITIES</b>        | 18.924         | 25.139         |
| <b>FINANCIAL TAXATION</b>            | -16.960        | -3.262         |
| <b>PROFIT AFTER FINANCIAL ITEMS</b>  | <b>13.892</b>  | <b>42.814</b>  |
| <b>EXTRAORDINARY EXPENSES</b>        | 0              | -1.782         |
| <b>EXTRAORDINARY INCOME</b>          | 0              | 0              |
| <b>INCOME TAXES FROM CASH ASSETS</b> | -2.669         | -537           |
| <b>PROFIT OF THE YEAR</b>            | <b>11.223</b>  | <b>40.494</b>  |

# Financial Statements

**CONSOLIDATED BALANCE SHEET**  
on 31 december 2011

|                                      | 2011<br>€        | 2010<br>€        |
|--------------------------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                  | <b>80.334</b>    | <b>50.613</b>    |
| <b>CURRENT ASSETS</b>                |                  |                  |
| Securities / Guarantees              | -                | 40.239           |
| Trades Debtors                       | 43.576           | 54.724           |
| Investment                           | 439.635          | 558.800          |
| Deposit                              | 254              | 105.088          |
| Bank & Cash on Hand                  | 482.742          | 257.288          |
| Deffered charges and accrued income  | 25.142           | 5.880            |
| <b>TOTAL CURRENT ASSETS</b>          | <b>991.349</b>   | <b>1.022.019</b> |
| <b>BALANCE SHEET</b>                 | <b>1.071.683</b> | <b>1.072.632</b> |
| <b>LIABILITIES</b>                   |                  |                  |
| Provisions                           | 52.827           | 40.268           |
| Trade Suppliers                      | 31.520           | 56.151           |
| Accrued expenses and deferred income | -                | 100              |
| <b>TOTAL CURRENT LIABILITIES</b>     | <b>84.347</b>    | <b>96.519</b>    |
| <b>CAPITAL &amp; RESERVE</b>         | <b>987.336</b>   | <b>976.113</b>   |
| <b>TOTAL LIABILITIES</b>             | <b>1.071.683</b> | <b>1.072.632</b> |

The financial statements on page 16 and 17 were approved by the Board and authorised for issue on 29 March 2012.

# Financial Statements

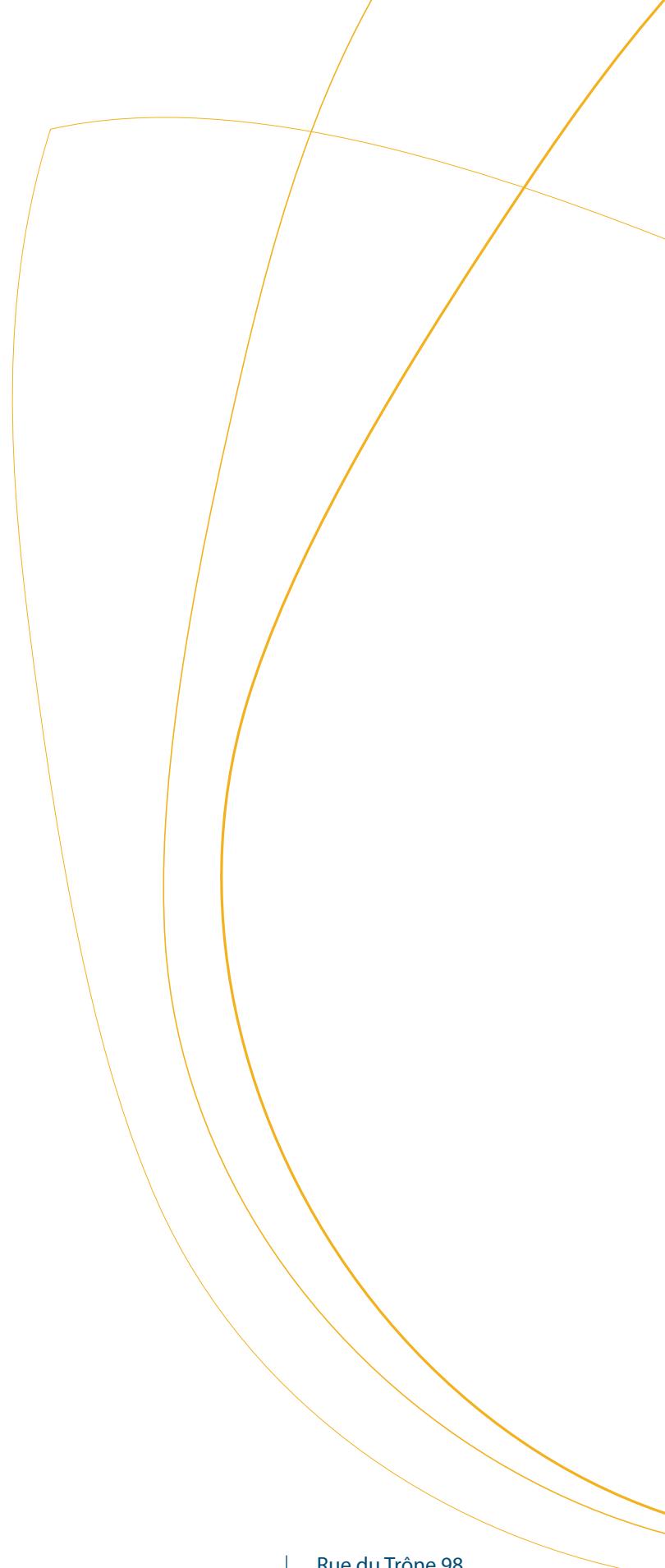
## REPORT OF THE HONORARY TREASURER TO THE ANNUAL GENERAL ASSEMBLY OF COCERAL

I have examined the COCERAL accounts for the year ended 31st December 2011, prepared by TAX CONSULT and verified by A. Bos-saert, chartered accountant.

I am satisfied that the accounts are in accordance with the books which were submitted to me by the Association and that they provide a true and fair view of the outcome and of the financial situation for the year ended 31st December 2011.

The accounts are presented in a clear manner and on the basis of the aforementioned documents I can recommend their adoption by the Annual General Assembly.

J.P. SCHEPENS  
Honorary Treasurer



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