

Annual report 2012



**Evolving into an assured
responsible feed chain**



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Introduction



This is the annual report of GMP+ International for 2012. Once again, it was an eventful and challenging year. We started with some new innovations and continued professionalization and internationalization. Very special was the celebration of 20 years GMP+ certification in 2012. In 1992 the current GMP+ Feed Safety Assurance module was launched as a good manufacturing practice code. Nowadays, it is a well-elaborated certification scheme with ISO quality management system requirements and HACCP integrated with other useful proactive and reactive tools for feed safety control.

Services adapted and improved

An important aim is to adapt the services we provide to ever-changing regulatory requirements, to market demands and new scientific insights and practical experiences. Therefore, we have adapted and improved our services during 2012.

We adapted the GMP+ Feed Safety Assurance scheme to make it in compliance with the new EU regulation regarding sampling of fats & oils. In close collaboration with the stakeholders in the oils & fats and the compound feed sectors, we agreed on a harmonized interpretation of the EU regulation. In addition, we agreed with Ovocom to apply the exact same requirements regarding sampling and the negative list and expressed the intention to harmonize more aspects of our schemes.

In 2012 we prepared an important exchange in our scope of activities. We realized the ex-tension of the certification scheme with responsibility (sustainability) in addition to feed safety, which will become available for implementation in 2013. In the future, we will provide certification options for responsibility aspects of feed products as well as of biomass, based on the principle of “one stop shop – multiple certification”.



We have also worked hard on improving the functionalities of the GMP+ Monitoring Data-base to increase the service to GMP+ certified companies for storage but also sharing of laboratory testing results. This new database became available late January 2013.

Round Table meeting

Important was the initiative of GMP+ International for the Round Table meeting with other certification scheme managers active in Europe. The aim is to deal with common challenges, to seek further harmonization and possibilities of collaboration.

Since November 2012, the number of GMP+ certified companies / locations has risen above 12,000 located in 67 countries worldwide. Besides the quantity, we invested a great deal of time and energy into improving the quality of the certification process. In 2012, we started developing a training course for auditors and we began the evaluation of the supervision activities, in order to optimize the quality of the certification.

Assurance of feed safety is becoming more and more of critical interest for the globalizing animal feed business. GMP+ International aims to support the involved feed companies via its services. Through this annual report we lay accountable for these services.

In conclusion, I would like to thank the members of the strongly motivated GMP+ team as well as all experts participating in the International Expert Committee and the subcommittees, for their contribution in making 2012 a successful year.

Johan den Hartog
Managing Director of GMP+ International

Summary

In 2012 the GMP+ Feed Safety Assurance scheme celebrated its 20th anniversary. In this year, the work area of the scheme expanded from just feed safety to feed sustainability as well. The feed industry responds to the market and society demands, by implementing restrictions to its products and, mainly, business operations. In the interest of our participants, GMP+ International is changing its certification scheme. Sustainability / responsibility aspects regarding feed will be integrated in the current GMP+ Feed Safety Assurance scheme, which will be renamed into GMP+ Feed Certification scheme with a module GMP+ Feed Safety Assurance (GMP+ FSA) and a module GMP+ Feed Responsibility Assurance (GMP+ FRA) in 2013. The non-feed related aspects (RED, co-substrates for fermentation, etc.), will be addressed in a different Responsible Biomass Certification (RBC) scheme, which was mainly drafted in 2012 and will be published in 2013.

Partners

These changes involved adjustments in terms of stakeholder involvement through our International Expert Committee and several subcommittees as well. Committee members are appointed on nomination of GMP+ International's partners. Through this partnership, we pursue support, involvement and engagement of the stakeholders. When a trade association in the feed and food chain or in the biomass chain endorses the vision, values and ambitions of GMP+ International, it can express its support and commitment by becoming our partner. When, in a certain country, no trade association is representing a certain subsector in the food chain as partner, individual food companies are allowed to become partner. In 2012, four new organizations applied for GMP+ International's partnership, which brought the total to 28. We have two types of partnership:

- related to GMP+ Feed Certification scheme (GMP+ FSA and GMP+ FRA)
- related to the Responsible Biomass Certification scheme (GMP+ RBC)

New standards

The first GMP+ responsible feed standard covers the chain of custody for responsible RTRS soy, based on a collaboration agreement between GMP+ International and Round Table Responsible Soy Association. We intend to extend the scope of this GMP+ standard about responsible soy with ProTerra soy and seek the same type of collaboration with ProTerra Foundation. In the course of 2013, we want to develop a GMP+ standard for the chain of custody about sustainable fishmeal and fish oil too. To that end, we seek cooperation with International Fishmeal and Fish Oil Organisation (IFFO). The aim is to implement that standard from January 2014 onwards.

On request of the Dutch compound feed industry, we will start developing a GMP+ standard to assure the claim using only responsible soy in compound feed from 2015 onward. In the future, this standard could be extended to other sustainability / responsibility issues. In the nearer future, two standards will become part of the Responsible Biomass Certification scheme: a standard regarding co-products for biomass fermentation for gas production and a standard covering the requirements of the renewable energy directive of the European Union.

Expansion of work organization

At the end of 2012 we had over 12,000 participants in our GMP+ FSA module. To respond to the growing number of participants worldwide, we expanded the work organization. Next to 16 employees, we now have four GMP+ representatives. They give support in Latin America, France, Ukraine and in China. In Beijing (China) we started with a 100% shared subsidiary, a Wholly Foreign Owned Enterprise. After the completed registration in March 2013, the subsidiary will support GMP+ International in marketing and introduction of GMP+ certification and will serve as a front desk in China.

GMP+ FSA constantly updated

The GMP+ Feed Safety Assurance module is updated constantly to respond to demands in the markets and surroundings of the feed industry and to meet the highest possible standards regarding feed safety. The amendments are prepared in collaboration with with representatives from partners and are approved by the International Expert Committee. In 2012, a number of GMP+ FSA standards and appendices have been updated.

We adjusted the product standards for PAHs. They are harmonized with product standards that are defined for food, and based on the same PAH4 methodology used for food. The special monitoring requirements for fats and oils have been updated as well. In collaboration with Ovocom we updated a table with minimum monitoring requirements regarding fats and oils products. The requirements are now in line with EU-legislation. By establishing one uniform set of requirements, Ovocom and GMP+ International contribute to harmonization between their schemes. Also GMP+ International and Ovocom have adopted the same list with fat products that are forbidden to use in feed.

Early 2012, a new standard has been published in which all transport requirements are laid down. In March 2012, GMP+ International published the Country Note Dioxin-monitoring in laying hens (rearing) feed. It gives additional requirements for producers of laying hen feed.

Harmonization and mutual recognition

For feed safety assurance within the animal feed sector, four scheme owners seek for harmonization of requirements for bulk road transport of products intended for animal feed. Together with these partners, we launched a new version of the so-called IDTF database. It provides information about products and the required cleaning method after transporting that product, thus avoiding possible contamination of feed. An extensive list of products is registered and maintained in a database. Products that are not classified are forbidden for transport in loading compartments used for transport of animal feed.

With some of the other feed safety assurance certification providers, we agreed an official mutual recognition. This means that companies, certified for one scheme can deliver their products (to certified

companies) in the other scheme. This reduces the burden and the costs for a company with respect to feed safety assurance and certification. Discussions about mutual recognition have been going on with EFISC (new), FAMI-QS (renewal) and GAFTA (new). The deliberations are held in close cooperation with other scheme managers such as Ovocom, QS and AIC. It is expected that this will result in a first or renewed mutual recognition agreement in 2013.

Providing knowledge and information

GMP+ International supports companies as a knowledge and information centre relating to feed safety risk assessment. Our Feed Safety Database (FSD) supports all GMP+ certified companies and applicants with setting up their own HACCP system. FSD provides information for carrying out risk assessments and makes it easier to set up and implement such a company specific system. In 2012, the FSD was given new features and information was supplemented. We continued with further development by designing a new database, the GMP+ Monitoring database. This makes it possible to carry out a joint monitoring plan with more than one company location or a group of companies. In 2013 we will further develop the possibilities of the new database and focus optimizing the technique of data exchange on an international level.

Through our website and by e-mail, we inform participants on developments. In 2012, there were about 90 newsletters, containing announcements and results of GMP+ seminars, changes in the GMP+ Feed Certification scheme, ins and outs of the FSD, about the GMP+ Monitoring database, suspensions of participants etc. We usually publish our news in our main languages: English, German and Dutch. But to provide better service to other companies, we increasingly publish in other languages as well. The continued internationalization of the GMP+ Feed Certification scheme is also demonstrated in our documents. GMP+ International provides standard documents in English, German and Dutch, our website also contains sections in Polish, Danish, French, Chinese and Spanish.

Assurance of feed safety is becoming more and more of critical interest for the globalizing animal feed business. GMP+ International aims to support the involved feed companies via its services. Through this annual report we lay accountable for these services.

Chapter 1

GMP+ International

1.1 Vision, mission, core objectives

GMP+ International has a vision, a mission and key objectives for the organization as guideline for its activities.

1.1.1 Vision

In the vision of GMP+ International, the feed chain is part of the animal production chain. That whole chain increasingly operates on an international level. In the end, it is all about the assurance of the safety of animal products which are offered to the consumer at the end of the food chain.

GMP+ International alleges that every company is responsible for the proper assurance of the safety of the products and services which it supplies. We also base our activities on the assumption that the various links in the feed chain share responsibility for the determination of minimum requirements for feed safety assurance throughout the feed chain. This is because of the interdependence in the chain and because of the necessity for uniformity and standardization ('the chain is as strong as its weakest link').

The following key values of the organization are and remain the most elementary: reliability, independence, chain-oriented and high level.

1.1.2 Mission

The primary mission statement of GMP+ International is the active coordination and promotion of a uniform and standardized application of the basic principles for the assurance of feed safety throughout the worldwide feed chain, in order to contribute to the production of safe food of animal origin. In addition, GMP+ International facilitates with regard to assurance of sustainability aspects, if that is in the interest of the participants.

1.1.3 Core objectives

GMP+ International pursues the following key objectives:

- Feed safety concerns the health of consumers, of animal products, but also animal health and the environment.
- In the interest of the customers (one stop shop – multiple certifications) relevant sustainability / responsibility aspects will be integrated in the portfolio.

- Active international involvement of stakeholders in a well-balanced ratio of the links in the chain at various levels in policy preparation and decision making (multi-stakeholders participation) with regard to the content of the certification schemes.
- An uniform, internationally applicable basis (standards) applies for the assurance of the feed safety and sustainability / responsibility. Goal is to work continuously on improving that basic standard, based on best practices. The basis for this includes the latest scientific insights, but in case of lack of knowledge, the precaution principle applies for feed safety.
- Sustainability / responsibility is about step-by-step improvement: acting and making things more sustainable. Absolute sustainability is not (yet) feasible.
- In addition to the uniform international basis, there is room for GMP+ country notes to meet national or sectoral needs in the domestic market or to comply with deviating legislation, without prejudice to the international basis.
- The rules of certification are centrally governed, including the supervision on and monitoring of the certification process, in order to safeguard the international uniformity and independence and allow this activity to be performed effectively and efficiently.

The key objectives constitute the *raison d'être* for GMP+ International and provide the substantiation of the 'triple-F-status': Feed for Food.

1.2 Development history

The GMP+ Feed Certification scheme is feed safety assurance at a high (quality) level with international participation throughout the feed chain, which started back in 1992. The realization of the GMP+ FSA module was inspired primarily by questions from the follow-up (downstream) links in the animal production chain for better control of feed safety. One of the reasons for this was the financial and reputational damage caused by more and less serious incidents involving contamination with undesirable substances in animal feed. In the initial phase the wish arose to be better able to distinguish oneself in the European (increasingly saturated) sales markets for animal products. Because of (serious) feed safety issues in the feed sector, food safety has been a top issue in international politics and industry since 1999. These issues were important triggers to develop the GMP+ FSA module over the time. Last decade, the ability to demonstrate the safety of feed became a 'license to sell' in more and more countries in the world. This is also due to the globalization of the feed and food market.

An extended overview of the history and development of the GMP+ FSA module was published in chapter 26 of the handbook 'Animal feed contamination – Effects on livestock and food safety', edited by Johanna Fink – Gremmels, 2012.



Figure 1. 'Animal feed contamination – Effects on livestock and food safety'

More recently, questions arose about the impact of the food and feed industry to the environment and about several other sustainability / responsibility issues. The feed industry responds to the market and society demands, by imposing restrictions on its products and, in particular, business operations. In the interest of its participants, GMP+ International is adding GMP+ Feed Responsibility Assurance module to its GMP+ Feed Certification scheme.

1.3 Organization

GMP+ International is a private company with limited liability under Dutch law (B.V.), registered with the Dutch Chamber of Commerce under registration number 27364542. This legal form was chosen because of the flexibility in international cooperation and adequate operations.

GMP+ International is a non-profit organization, because we consider it a service organization for the stakeholders. As we reached a sufficient financial buffer, the decision was made, late 2012, to grant a 5% discount on the contribution fees 2013 to the participating companies.

1.3.1 Shareholder

The current shareholder is the GMP+ International Foundation. In this foundation 10 Dutch trade associations representing the whole feed chain participate. This Dutch character shows our history and origin, but does not limit our international approach and ambition. In 2009, it was agreed to extend shareholdings and/or participation in ownership to other stakeholders within five years. Late 2012, we started looking around for possible interested parties to get involved in shareholding.

In 2012, the current shareholder was represented in the General Shareholders Meeting of GMP+ International by Mr. Johan Schuttert (chairman) and Mr. Matthé Vermeulen.

For certain strategic decisions, dictated by company law, the Managing Director needs the approval of the General Shareholders Meeting. Usually, the General Shareholders Meeting is held twice a year. In May for accountability by the Managing Director of the policy and of the financial results (annual report) in the previous calendar year and give discharge of the Managing Director and the Supervisory Board members. In November, to report on the (updated) business plan & budget plan for the following three years.

1.3.2 Supervisory Board

The Supervisory Board advises the Managing Director regarding the management of the organization. For certain decisions, dictated by company law, the Managing Director needs approval of the Supervisory Board. This Board consists of three people who are not involved in the feed business. One has a financial, one a legal and one a scientific background.

The Supervisory Board members are: Mr. Wim Thus BSc, Mr. Pieter van Baal LL.M and Mr. Prof. Dr. Anton Pijpers (chairman). Usually, this supervisory board has four meetings with the Managing Director a year to deliberate about tactical and strategic management issues and (interim) financial results.

1.3.3 Management

The Managing Director is Mr. Johan den Hartog. He is full in charge with the general management of the organization and the legal representative of it. In particular, he is in charge with strategic management, external relations, marketing & sales, recruitment of partners, and with developing of new markets.

1.4 Work organization and external support

The work organization is limited in size. The number of employees amounts to 16 (12,7 fte in 2012).

1.4.1 Main activities work organization

There is a pool of supporting facilities (finance, process management, database management, marketing (research) & communication, secretarial and administrative tasks) and a pool of employees who are involved in the services to the clients. The main activities of the work organization include:

- (re)defining normative standards
- (re)defining rules of certification
- supervision on certification process
- maintenance of the Feed Safety Database
- coordination of GMP+ Academy activities
- public relations, communication
- marketing and acquisition
- coordinating / guiding outsourced activities and representatives
- relation management (members, partners, certification bodies, consultants, etc.)

We are proud to have a very low level of absenteeism (pregnancy excluded). The following table provides the figures of the past three years.

Table 1. Absenteeism in 2010 – 2012

| | 2010 | 2011 | 2012 |
|----------------------------|-------|-------|-------|
| Number of employees | 14 | 14 | 16 |
| Number of sick-leave days | 54 | 20 | 48 |
| Number of sick-leave hours | 471 | 160 | 384 |
| Frequency | 1.76% | 0.66% | 1.60% |
| Average number of days | 3.86 | 1.33 | 3.00 |

1.4.2 GMP+ Representatives

During 2012, Ms. Berry Wang (Wang Wei) supported GMP+ International in carrying out activities in China. Late 2012, GMP+ International was in the final stages of registration of a legal entity in Beijing, China, named Beijing GMP agriculture technology consultancy Co. Ltd. The main task of this entity will be supporting GMP+ International in penetrating the Chinese market and providing (member) Chinese feed companies with a helpdesk. It is expected to start March 1, 2013. Mr. Wei Pu is the General Manager, its registered office being in Beijing.

Since January 2012, Mr. Raul Vergara Davis (Chile) is GMP+ International's Representative in Latin America. Mr. Raul Vergara supports GMP+ International in recruiting partners, members of the GMP+ Academy, tries to get feed companies interested in GMP+ certification and provides support with regard to the translation of the website into Spanish.

Since 2010, Mr. Lieven Callewaert supports GMP+ International in France as strategic alliances. Mr. Callewaert supports us in recruiting partners, members of the GMP+ Academy, tries to get feed companies interested in GMP+ certification, and provides support with regard to the translation of the website into French.

Since October 2012, Mrs. Tetiana Kopniak is GMP+ International's Representative in Ukraine. She supports us in market research, promotion of GMP+ certification and organizing seminars in Ukraine and Russia.

1.4.3 External support

Supporting tasks are hired externally in case of shortage of necessary expertise or capacity, external support for development of products and quality improvement.

Table 2. External service providers

| Name | Kind of support in 2012 |
|--|--|
| BarentsKrans | Legal advice and support |
| BB-Go Graphic design | Graphic design |
| Chainfood B.V. | ICT service provider |
| Dutch Meat & Feed Centre (Ms. Berry Wang) | Marketing & PR support in China |
| Mr. Peter Enthoven | Laboratory testing issues |
| Mr. Aldo San Giorgi | System Integrator / ICT advisor |
| Graaf+Plaisier | Financial advice and account control |
| HIL International Lawyers & Advisers | Legal advice and support |
| HPA (Mr. René Dessing) | Labour issues and organization development |
| HTP (Mrs. Hugette Tychon) | Generic risk assessments |
| Pels Rijcken & Droogleever Fortuijn N.V. | Legal advice |
| P&Co Advice (Mr. Geert Pinxterhuis) | Public relations and communication |
| P2 managers (Mr. Floor Verdenius) | ICT scan / project portfolio management training |
| Q ray B.V. | ICT service provider |
| Ten Kate Consultancy (Mrs. Marieke ten Kate) | Fact sheets and generic risk assessments |
| Mrs. Irma Schönherr | Product development |
| Schouten Advies | Product development |
| Site by Site | Website service provider |

1.4.4 Participation

In 2012, GMP+ International registered a 100% shared subsidiary in Beijing (China), a Fully Foreign Owned Enterprise. The approved name of the subsidiary is Beijing GMP agriculture technology consultancy Co. Ltd. The registration will be finished in March 2013.

This subsidiary will support GMP+ International in marketing and introduction of GMP+ certification and will serve as a front desk in China.



Mr. R. (Ron) van Noord (MVO), IEC member:
“Food and Feed Safety has to be assured by chain approach and international cooperation.”



Mr. W.J.G. (Wim) Thielen (OPNV), IEC member:
“Moist feeds and GMP+ certification is an original combination for feed safety.”

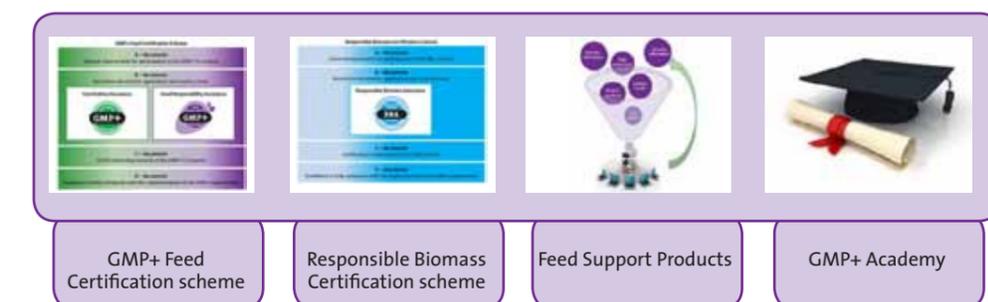
1.5 Portfolio

Our primary angle is to provide companies in the global feed chain with products and services with regard to feed safety certification. In line with the certification, other products and services that are supportive to companies in the application of the certification requirements come into picture as well. This concerns supporting knowledge sources and services that promote uniformity as well.

Figure 2. Portfolio composition in 2012



Figure 3. Portfolio composition in 2013



1.6 Platform function

GMP+ International aims to be an international platform for all stakeholders in the feed and food chain with regard to providing companies with uniform and standardized facilities for the assurance of safe and sustainable feed. A side-effect is the provision of a Responsible Biomass Certification scheme. The management of the certification schemes has been based on support, involvement and engagement of the stakeholders in the whole feed and food chain by means of partnership. GMP+ International operates in accordance with principle of well-balanced multi-stakeholders' participation in its expert committees.

Figure 4. Multi stakeholders' participation in the GMP+ Feed Certification scheme

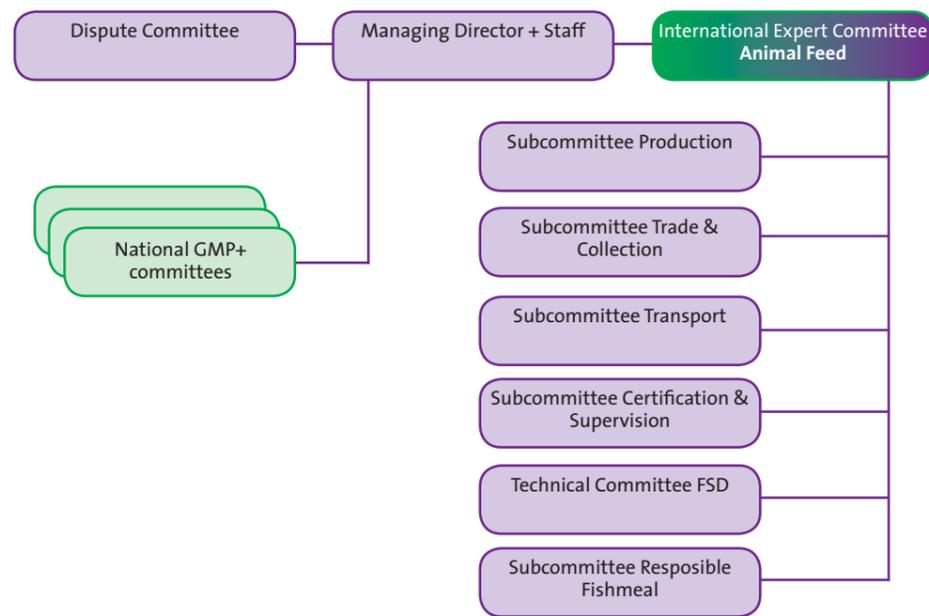
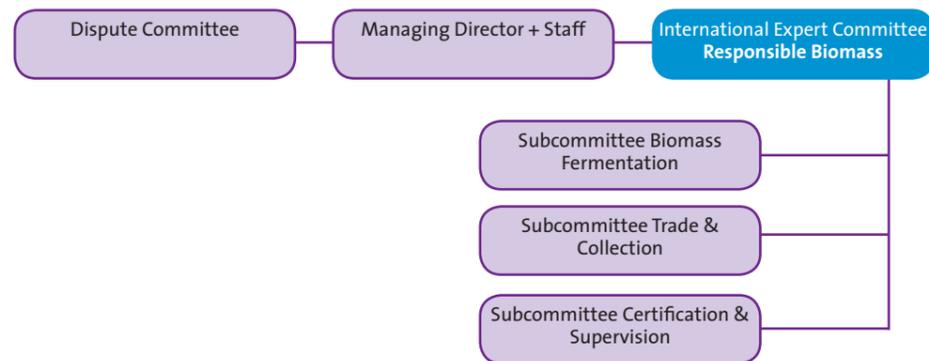


Figure 5. Multi stakeholders' participation in the Responsible Biomass Certification scheme



Until mid-2012, there was an International Expert Committee for advice regarding the contents of the GMP+ Feed Safety Assurance scheme. Over the course of 2012, we gained insight in how to integrate sustainability / responsibility. Principle is that the sustainability / responsibility aspects regarding feed will be integrated in the current GMP+ Feed Safety Assurance scheme, which will be renamed into GMP+ Feed Certification scheme with a module GMP+ Feed Safety Assurance (GMP+ FSA) and a module GMP+ Feed Responsibility Assurance (GMP+ FRA) in 2013. The non-feed related aspects (RED, co-substrates for fermentation, etc.), will be addressed in a different Responsible Biomass Certification (RBC) scheme, which was mainly drafted in 2012 and will be published in 2013.

The members of these expert committees are listed in Appendix 1. The members of the expert committees are appointed on nomination of GMP+ International's partners.

Figure 6. Decision making process

| | | |
|------|----|---|
| Step | 1. | Preparation of draft by the GMP+ International |
| Step | 2. | Consultation of involved International subcommittee |
| Step | 3. | Public consultation of all stakeholders |
| Step | 4. | Consultation of International Expert Committee |
| Step | 5. | Finalization decision process and publication |

1.7 Partners

GMP+ International pursues support, involvement and engagement of the stakeholders via the so-called partnerships. When a trade association in the feed and food chain or in the biomass chain endorses the vision, values and ambitions of GMP+ International, it can express its support and commitment by becoming a partner of GMP+ International. When, in a certain country, no trade association is representing a certain subsector in the feed or food chain as partner, individual (food) companies are allowed to become partner. In 2012, two types of partnership have been introduced:

- related to GMP+ Feed Safety & Responsibility certification (from 2013 onwards named GMP+ Feed Certification scheme), and
- related to (the intended) Responsible Biomass Certification (RBC) scheme.



Mr. P. (Peter) Fidler
(NEFATO), IEC member:
"The GMP+ Feed Safety Assurance module has a full scope that globally supports our business."

Partners are allowed to nominate candidates for the expert committees, which provides the envisioned well-balanced multi-stakeholders' participation in our decision-making process.

Over the course of 2012, four new organizations applied for partnership with GMP+ International:

- Biogas Branche Organisatie, The Netherlands (representing the Dutch biomass (gas) fermentation sector)
- Cluster West, France (representing feed and food processing companies in Brittany, France particularly interested in sustainable production of food)
- Feed Chile A.G., Chile (representing producers of and traders in feed ingredients in Chile as well compound feed producers)
- Verband Deutscher Mühlen, Germany (representing the German artisanal and industrial flour mills)

Ultimo 2012, GMP+ International had 28 partners endorsing the development of the GMP+ Feed Certification scheme and the Responsible Biomass Certification scheme. The logos of these partners are displayed below and the details of the partners are listed in Appendix 2. The partners represent mainly the whole feed chain of the trade in and the production of feed materials to livestock farms (end customers). Livestock farming and meat, dairy and egg processing industries were partner too.

Figure 7. Partners ultimo 2012



1.8 Dispute Committee

The Dispute Committee exists to settle disputes between certification bodies and certified companies, if the dispute settlement in the direct relationship between parties involved has not been to the satisfaction of one of the parties ('appeal'). In addition, this committee settles any disputes between GMP+ certified companies and GMP+ International.

In 2012, this Dispute Committee did not gather, due to absence of disputes. The composition of the committee is listed in Appendix 1.

1.9 Memberships

GMP+ International is:

- Associated member of the International Feed Industry Federation (IFIF)
- Member ('observer' status) of Round Table Responsible Soy Association (Argentina)
- Member of Cluster West (France)



* Trademark license number = RTRS-TMLA-M-OTH-00016

1.10 Social effects

The GMP+ Feed Certification scheme contributes worldwide, in terms of the realization of uniform and standardized assurance of feed safety, but also in terms of the incorporation of (other) aspects of sustainability to an international standardization of relevant sustainability aspects. This helps us make the animal production sectors more sustainable and in compliance with societal and market demands which results in safe and sound animal products for the consumers. It also contributes to a smooth international trade of feed material without financial and reputation damages resulting from possible safety issues.

1.11 Developments in the feed market and its environment

There are various developments going on worldwide which relevant to the companies and organizations in the feed sector. The population and the purchasing power of emerging countries like India and China are still growing, despite the global financial and economic crisis. These and other countries pursue higher domestic production of milk, meat and eggs. They are experiencing shortage of feed materials causing them to purchase these materials elsewhere, in South and North America for instance. This increases the international trade in feed ingredients. In addition, there is competition among the destinations of agricultural products: food, feed and bio-energy. This competition also results in shortages and higher feed materials prices. This may result in a risk of companies deciding to use inferior and possibly risky products as feed ingredient.



Mr. S (Stefan) Hodapp (Raiffeisen Fütterung e.V.), IEC member:
"Ever since we have begun implementing GMP+FSA in our company (2001) we have gained more transparent processes. We've made very good progress in supplying the best quality. GMP+FSA was the basis, not only for feed, but for food and other products of our cooperative as well."

In addition to the globalization of the feed ingredient market, food safety is receiving more and more international attention, such as from the European Union, the United States and the People's Republic of China. In addition, other countries such as Chile and Ukraine are adapting their feed and food safety regulation accordingly, whereas feed and food producers pay more and more attention to sustainability. The quality of food and its sustainability will gradually receive more attention in several parts of the world. The growth of purchasing power will cause the demand to shift from quantity to quality. In addition, sustainability is also a necessity to be able to feed the increasing world population and to keep the earth liveable for generations to come.

GMP+ International wants to help companies in the animal feed chain comply with the demands regarding assurance of feed safety and sustainability via its GMP+ Feed Certification scheme and other supporting activities. GMP+ International also wants to actively contribute to the development of certification of sustainability criteria for animal feed.

Besides this, we are observing increasing focus in the non-feed (biomass) market on sustainability / responsibility issues in the northern part of Europe. GMP+ certified feed companies are active in this biomass market as well.



Mr. G.P.J. (Govert) Schouten
(Royal Dutch Feed & Grain Association), IEC member:
“GMP+ FSA is a leading certification scheme for feed safety across the globe, and therefore, is a key player in assuring food safety of products of animal origin.”

1.12 Ambitions of GMP+ International for 2013

In the first quarter of 2013, we will incorporate the first standard about sustainability / responsibility in the GMP+ Feed Safety Assurance scheme. To this end, the scheme will be renamed GMP+ Feed Certification scheme with two modules: the GMP+ Feed Safety Assurance module and the GMP+ Feed Responsibility Assurance module. The first GMP+ responsible feed standard covers the chain of custody for responsible RTRS soy, based on a collaboration agreement between GMP+ International and Round Table Responsible Soy Association.

We intend to extend the scope of this GMP+ standard about responsible soy with ProTerra soy and seek the same type of cooperation with ProTerra Foundation. Over the course of 2013, we want to develop a GMP+ standard for the chain of custody regarding sustainable fishmeal and fish oil as well. To this end, we seek cooperation with International Fishmeal and Fish Oil Organisation (IFFO). The aim is to implement this standard as of January 2014.

On request of the Dutch compound feed industry, we will begin developing a GMP+ standard to assure the claim of using only responsible soy in compound feed from 2015 onward. In the future, this standard could be extended to other sustainability / responsibility issues.



Mrs. H. (Huguette) Tychon
(HISFA), IEC member:
“GMP+ International provides the feed sector with the means to implement a sound feed safety assurance system. The chain approach in particular, is a strong key element.”

To this end, we will begin development of a vision and strategy in 2013 regarding the role and position of GMP+ International in relation to feed sustainability / responsibility certification in the future. Nowadays, we link up with initiatives in the market. In consultation with our partners, we want to develop a strategy for the future, which is desired by our stakeholders. Therefore, we have compiled an ad hoc group with participants of all interested partners for participation in developing our vision and desired strategy about our role regarding sustainability / responsibility certification in the future.

Over the course of 2012, we discovered the right approach to dealing with certification of responsibility aspects of non-feed (biomass) products. As a result, we will launch a new certification scheme for biomass (non-feed) products in the first quarter of 2013. The scheme will be named Responsible Biomass Certification scheme. Currently, two standards will be part of this new scheme: a standard regarding co-products for biomass fermentation for gas production and a standard covering the requirements of the renewable energy directive of the European Union.

In 2013 a new website portal will be launched, providing visitors with access to more customized information, in compliance with the selective needs of the relevant visitor. It will also offer a single sign on access to all kind of non-public information sources as well. A very important innovation, which will be launched in 2013, is the new basic version of the GMP+ Monitoring Database. We will offer a basic version to all GMP+ certified companies (at no charge) allowing them to store all of their company specific laboratory testing results for their own use, however with the possibility of sharing it with other companies (within a company concern, in a cooperative effort of several companies, or with customers). In addition to the basic version of the GMP+ Monitoring Database, we will also offer plus versions to specific (groups of) companies coping with their additional needs regarding database functionalities (a fee covering additional cost applies). The first plus version of the GMP+ Monitoring Database will be provided to TRUSTFEED, a Dutch cooperative foundation of nearly all Dutch compound feed companies) which carries out a joint monitoring program. In the meantime, we are planning on making similar arrangements with other cooperative efforts or company concerns. The main goal is to provide additional services to our GMP+ certified companies, in order to add value to the GMP+ certificate.

In 2012, we did not succeed in increasing the number of members of the GMP+ Academy. Nevertheless, we will continue to get more new members interested in this initiative in order to provide added services to the GMP+ certified companies or applicants.

After doing some research in 2012, we will initiate a project in 2013 to establish a so-called GMP+ Approved Consultants system. The aim of this is to establish a network of consultants worldwide operating in accordance with the GMP+ principles regarding feed safety assurance, which could support companies applying for GMP+ certification or GMP+ certified companies. We hope to introduce this system over the course of 2014.

An additional service to support applicants with GMP+ certification we envision, is the development of Guidance for companies who wish to implement a GMP+ quality management system in their company and to obtain a GMP+ certificate. We expect to present it over the course of 2013.

The challenge is to have the availability of the actual feed safety regulatory systems in relevant countries, because GMP+ Feed Safety Assurance requirements are also related to applicable legal obligations. For that reason, we want to create a Feed Safety Legislation database with partners in the distinguished countries, such as the European Union, the United States, China, etc.

In 2013, GMP+ International will initiate a project focused on improving the reliability of laboratory testing within feed safety assurance. This project will focus on analysis methods (SOP's) for carrying out analyses regarding relevant undesirable substances and microbiological agents as well as the quality of the performance of laboratories. Where possible, we want to cooperate with organizations active in this field.

And last, but not at least, we are planning on performing an evaluation of the certification and supervision activities and the related quality of certification. We started this in 2012, and will take a step forward in 2013. We shall involve all stakeholders in this approach. Part of this issue is the application at European Accreditation Council for acceptance of the GMP+ Feed Safety Assurance module of the GMP+ Feed Certification scheme.



Mr. H.E. (Henk) Steinmann
(Kantoor Binnenvaart The Netherlands), IEC member:
“The GMP+ feed safety requirements have led to a better attitude in the entire feed chain.”

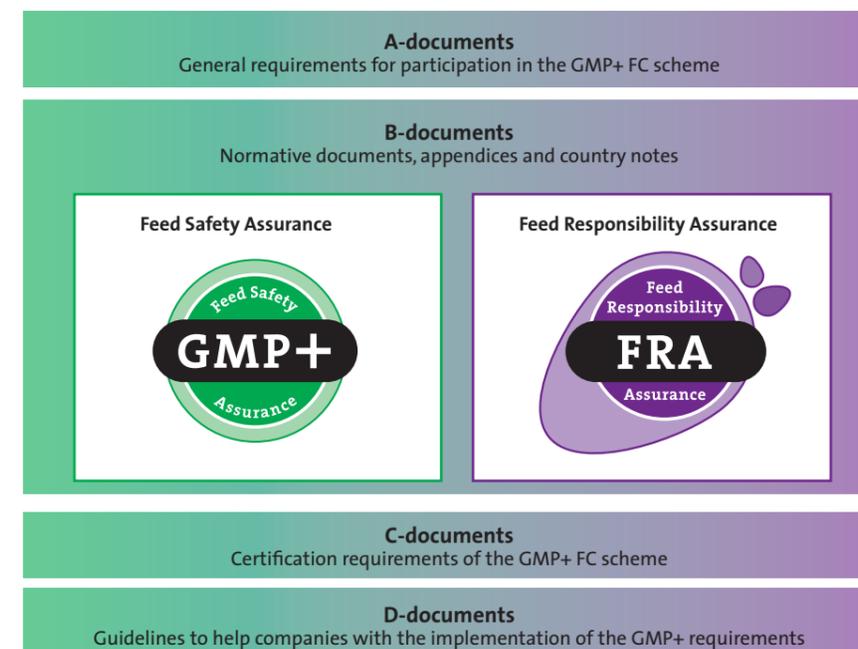
Chapter 2

GMP+ Feed Certification scheme

2.1 General

As mentioned before, the GMP+ Feed Safety Assurance scheme (GMP+ FSA) will be renamed into GMP+ Feed Certification scheme, in the first quarter of 2013. In addition to a module GMP+ Feed Safety assurance (GMP+ FSA), a new module was integrated, called GMP+ Feed Responsibility Assurance (GMP+ FRA). This new module will contain standards for assuring responsible feed. An overview is provided below.

Figure 8. Overview GMP+ Feed Certification scheme



The new scheme with two modules has the same structure as the 'old' GMP+ Feed Safety Assurance scheme. It consists of several documents with requirements for participation (A-documents), for assuring safe and responsible feed and feed services (B-documents) and for certification (C-documents).

A-documents: Corporative documents

These documents contain the requirements for participation in the certification scheme for companies and certification bodies (framework regulation, the use of logos, etc.).

This series also includes a general list of definitions and abbreviations.

C-documents: Certification requirements

These documents contain the Rules of Certification including those for the approval of certification bodies and auditors, the frequency of audits, minimum audit time, assessment criteria, checklists, etc. There are also requirements regarding how GMP+ International supervises the certification process.

GMP+ International also supports companies and certification bodies implementing these requirements with interpretations, explanations, guidance, Q&A-lists and other background information. For this, so-called D-documents are published.

B-documents: Normative documents

As previously mentioned, the standards with requirements for companies are published in two separate modules.

2.2 The GMP+ Feed Safety Assurance module

The GMP+ FSA module covers all the links in the feed chain. This module consists of several standards (B-documents). These standards set requirements for the assurance of feed safety. They include:

- (international) standards with requirements for assuring feed safety
- appendices with more detailed requirements regarding a certain feed safety aspect
- so-called Country Notes, with additional requirements for assuring specific wishes in a certain market/country

These documents are to be applied by companies with respect to the various feed products and production phases including cultivation and industrial production, treatment and processing, collection, trade, means of transport, storage and transshipment.

The most important standards are B1, B2(2010), B3(2007) and B4, each with a different scope, see table 3.

Table 3. Scopes of the standards

| Standards | GMP+ B1 | GMP+ B2 (2010) | GMP+ B3 (2007) | GMP+ B4 |
|---------------------------|---------|----------------|----------------|---------|
| Production compound feed | x | | | |
| Production premixes | x | | | |
| Production additives | x | x | | |
| Production feed materials | x | x | | |
| Trade & collection | x | | x | |
| Storage & transshipment | x | | x | |
| Transport & affreightment | | | | x |

2.3 Chain-oriented system

The GMP+ FC scheme is a so-called chain oriented scheme. The idea behind this is that the best guarantee for a farmer to get safe and responsible feed will be achieved if all the links in the feed chain, who are involved in the production and distribution of feed, apply the same feed safety principles.

In the past, incidents and crises have demonstrated how hard it is for a compound feed company (for instance), to control risks that may occur upstream (for instance during the production of the feed ingredients, or during transport). Therefore, these links in the feed chain should control their own risks as well.

This chain principle is developed in the module GMP+ Feed Safety Assurance of GMP+ Feed Certification scheme by establishing special, consistent and coherent standards for the various links in the feed chain. All these standards set the same requirements regarding the application of the HACCP-principles and of a management feed safety assurance system. In addition, they required that the same product standards are met. Requirements for the same elements of a prerequisite program are laid down (e.g. personnel, buildings & facilities, pest & waste control, maintenance, cleaning), although the focus varies, depending on the type of company.

Further, this principle is especially reflected in the purchase requirements that are laid down in the GMP+ FSA module. The basic idea is that a company may only buy his feed ingredients from a supplier complying with the GMP+ requirements, and has been certified as such.



Mr. H. (Hans) Ruumpol
(Transport & Logistiek),
IEC member:
*“The GMP+ Certificate
enables us to issue
excellent warranty to
trade and production
companies.”*

2.4 GMP+ FSA module developments in 2012

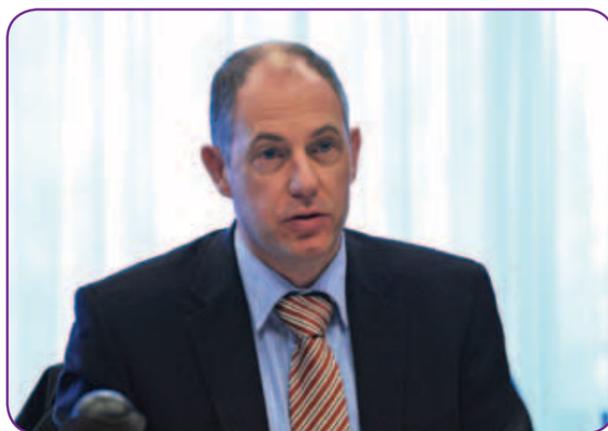
The GMP+ Feed Certification scheme responds to market demands and developments in the feed industry, meaning that the scheme is not static of nature. In 2012 there have been a few developments.

2.4.1 Adjustments of the GMP+ FSA module

The GMP+ FSA module is constantly being updated in order to meet the highest possible standards regarding feed safety. At least once every year new versions of most documents are published. The amendments are prepared in collaboration with representatives from partners and approved by the International Expert Committee.

In addition a number of GMP+ FSA A, B & C-standards and appendices have been updated in 2012. This concerns:

- Change to a new layout, due to the transfer from GMP+ FSA scheme to GMP+ FC scheme.
- Correction of (translation) errors.
- Clarification of a number of requirements.
- In addition, the most substantial change concerns the requirements regarding Monitoring. A table with predefined risks has been deleted. Monitoring is required, but must be based on a company's own risk assessment of the products and processes.
- Based on a study carried out by TNO, GMP+ International has adjusted the product standards for PAH's. They are harmonized with the product standards defined for food, and based on the same PAH₄ methodology used for food.
- The special monitoring requirements for fats and oils have been updated. In collaboration with Ovocom, GMP+ International has updated a table with minimum monitoring requirements regarding fats and oils products. The requirements are now in line with EU-legislation. By establishing one uniform set of requirements, Ovocom and GMP+ International contribute to harmonization of their schemes.
- In addition, GMP+ International and Ovocom have adopted the same list of fatty products that are forbidden for use in feed. This constitutes a contribution to international harmonization as well.
- As a result from previous decisions, the GMP+ B3(2006) standard with the scope Trade and the GMP+ B5(2006) standard with the scope Storage have now been removed completely from the scheme. Trading and storage companies can apply the standard GMP+ B3(2007) as an alternative. This standard has both the scope Trade and Storage.
- Early 2012 a new GMP+ B4 standard was published. This standard defines all transport requirements. It combines the scopes from the standards GMP+ B4.1, GMP+ B4.2, GMP+ B4.4 and GMP+ B4.5, covering road and rail transport and affreightment of all kinds of transport. The new standard avoids overlap and creates simplicity and transparency. As a result of this, the standards GMP+ B4.1, GMP+ B4.2, GMP+ B4.4 and GMP+ B4.5 have been withdrawn from the scheme. This means that from 2013 onwards, a new certification or a recertification can only be based on the new GMP+ B4 standard. Current certificates are still valid until the date of expiration. As of 2016, all transport certificates will be based on the new standard GMP+ B4.
- In March 2012, GMP+ International published the Country Note GMP+ BCN-NL₂ Dioxin-monitoring in laying hens (rearing) feed. It defines additional requirements for producers of laying hen feed. The action limit for dioxin has been lowered and dioxin monitoring has been intensified. In addition, the poultry farmer must be informed when the limit is exceeded. A compound feed manufacturer can obtain additional certification for this Country Note.



Mr. M.J.C. (Manfred) Hessing (NEVEDI),
IEC member:
“The GMP+ quality system has improved the feed safety level in our business. In addition, it has improved the image of the feed sector within the feed-to-food chain.”

- For the purpose of feed safety assurance within the feed sector, four scheme owners seek harmonization of requirements for bulk road transport of products intended for feed. In collaboration with these partners, GMP+ International has launched a new version of the so-called IDTF database. This database provides information about a number of products and the required cleaning method after transporting that product, thus avoiding possible contamination of feed. A huge list of products has been registered and is being maintained in a database. Products which are not classified are forbidden for transport in loading compartments used for transport of feed.
- A new chapter has been added to the GMP+ A1 General Regulations. This chapter allows a GMP+ company to switch to another certification body during the certification cycle. The second adjustment is related to multisite certification or a certification for a tractionair which is included in the customer's quality manual, the main office has to be registered in the company database and connected to the sub location / tractionair.
- Appendix 4 of the GMP+ C3/C6 standard has been extended with the possibility of Multi Site Certification for unprocessed goods. In addition, it has been clarified that all GMP+ reports must be reviewed by the technical reviewer and that the number of audits for the rotation has been decreased from four to three. Also the GMP+ agreement between GMP+ certified companies and GMP+ accepted certification bodies has been modified since the agreement must allow for a GMP+ certified company to terminate the agreement during the certification cycle.



Mr. A. (Aart) Uittenbogaard (NEVEDI),
IEC member:
“We as Dutch compound feed producers see the results of 20 years of building and implementation of GMP+ FSA. Last years, we are saved for major problems with food safety.”

2.4.2. Participation in the GMP+ FSA scheme

In November 2012, the number of participants of the GMP+ FSA scheme exceeded 12,000 for the first time. During 2012, the number of GMP+ certified companies increased 1.4% totally from 11,687 ultimo December 2011 to 12,032 ultimo December 2012. The GMP+ certified companies are located in 67 countries worldwide (see appendix 3).

We perceive a relatively substantial increase of the number of GMP+ certified companies in Canada (+7.5%), Czech Republic (+10%), France (+8.5%), Italy (+20.5%), Malaysia (+11%), Peru (+15%), Poland (+24%), Romania (+20.5%), Spain (+16.3%), Switzerland (+59%), Ukraine (+209%) and United States of America (+3.7%).

In 2012, new emerging countries were Kazakhstan and Mexico. The top 5 countries are still Germany, The Netherlands, Poland, Czech Republic and France.

2.5 Mutual recognition with other scheme holders

The GMP+ Feed Certification scheme is not the only feed safety assurance certification provision. In Europe in particular other schemes have been developed as well. With some of these schemes an official mutual recognition has been agreed. This means that companies, certified for one scheme are allowed to supply their products (to certified companies) into the other scheme. This reduces the burden and the costs for a company with respect to feed safety assurance and certification.

In 2012, there has been much discussion about mutual recognition with EFISC, FAMI-QS and GAFTA. These discussions take place in close collaboration with other scheme managers such as Ovocom, QS and AIC. It is expected that these discussions will result in a mutual recognition agreement in 2013.

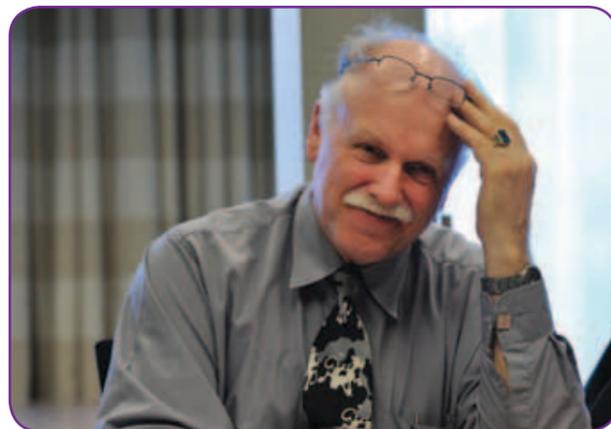
2.6 Certification and supervision

The number of approved certification bodies as of December 31st 2012 was 27 and has been more or less stable for years. One German certification body withdrew its approval on their own request due to a merger with another certification body. In 2012, the number of auditors fluctuated, but late December 2012, there were approximately 350 accepted auditors.

Table 4. Result of supervision in 2012

| Type of audit | Number | Category 1* | Category 2* | Category 3* |
|--------------------------|------------|-------------|-------------|-------------|
| Office audits | 30 | | 12 | 29 |
| Parallel audits | 59 | | 11 | 13 |
| Co-audits | 30 | | 2 | 5 |
| Re-audits | 1 | | | |
| Total | 120 | | 25 | 47 |
| * Type of nonconformity. | | | | |

Table 4 provides insight into the result of the supervision carried out by GMP+ International. Supervision means that we conduct parallel audits and office audits at certification bodies. The non-conformities have been reported to the relevant certification bodies.



Mr. Y.J. (Ymte) Yntema
(NEVEDI), IEC member:
“The IEC is the conscience of GMP+ International. GMP+ FSA is the base of Safe Feed, Safe Feed is the base of Safe Food, Safe Food is the base for a healthier life.”

Chapter 3

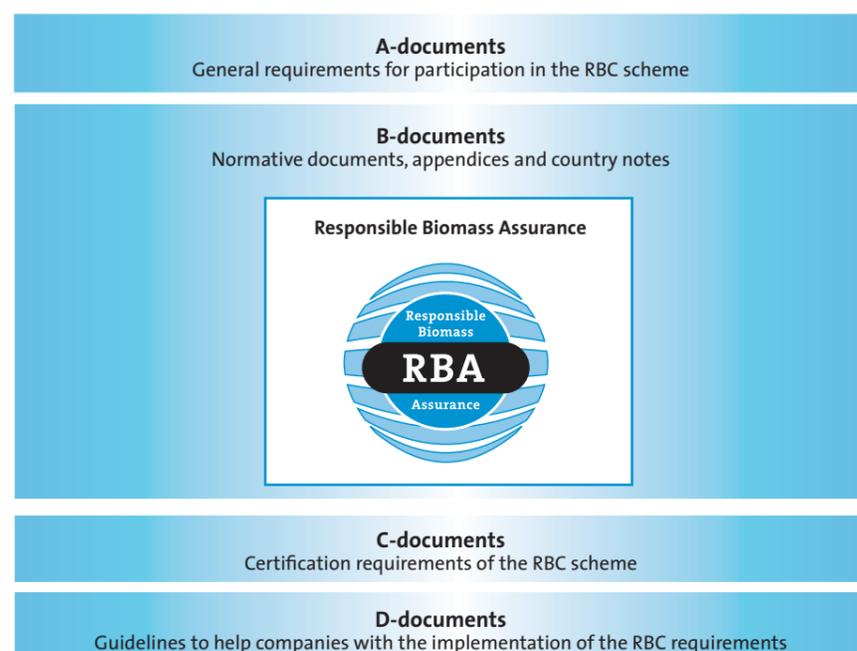
Responsible Biomass Certification scheme

Back in 2011 GMP+ International started defining standards for the assurance of other aspects than safety of non-feed products. The reason for this was the fact that the companies, participating in the feed safety scheme, were receiving more and more requests from clients to assure the quality of biomass products, which they produce or trade in addition to feed products. In addition, they were challenged to demonstrate this quality assurance by means of a certificate.

Companies dealing with both kind of products (feed and biomass) in particular, asked GMP+ International to create possibilities for demonstrating assurance of biomass by means of an additional certificate. For the assurance of quality aspects of biomass, a company uses the same tools as for assuring feed safety, such as procedures for risk control, a complete and sound prerequisite program and a supporting management system. By combining these tools in one system for the assurance of both feed safety and biomass quality aspects, overlap can be avoided and efficiency can be achieved where possible. A combined audit will also help avoid overlap and reduce costs.

GMP+ International has decided not to incorporate non-feed certification into the GMP+ Feed Certification scheme, but to establish a separate scheme. However, the structure of this scheme is similar to the GMP+ Feed Certification scheme, and where possible the same elements for the operational management and certification are used. In addition, standards published within this scheme, will have the same structure and – where possible – the same requirements. The idea behind this is to achieve efficiency, transparency and easy access. Figure 9 shows the structure.

Figure 9. Structure of Responsible Biomass Certification scheme



GMP+ International has established a separate International Expert Committee Responsible Biomass with members of several partners. Currently two standards are being prepared and will be published in this RBC scheme. These standards are focused on:

- Assuring that biomass, in compliance with the requirements of the Renewable Energy Directive, is distributed from the biomass producers to the users of the biomass. This standard will cover the trade, storage and transport of the biomass.
- Assuring that biomass, used as co-substrate, is in compliance with specific environmental standards and can be used safely in the fermentation process, in order to produce next to energy, a safe digestate for use as fertilizer.

The first standard will become effective and certifiable after approval by the European Commission. The application procedure has been initiated. This might take a long time, but the expectation is that the final standard can be published in 2013.

The second standard is currently exclusively focused on the Dutch situation regarding the quality of co-substrates. The Dutch government is interested and involved in it as well. This standard will be published in April 2013.



Mr. F.W. (Friedrich) Schneider
(Raiffeisen Fütterung e.V.),
IEC member:

“Over the last 20 years, GMP regulations have become an international standard for the feed industry and are being used as a model for the development of other systems. GMP+ International helps to ensure feed safety every day.”

Chapter 4

Other services

4.1 GMP+ Feed Safety Database

GMP+ International supports companies as a knowledge and information centre relating to feed safety risk assessment. We achieve this goal by providing the online Feed Safety Database (FSD), which we have been doing since late 2010. FSD supports all GMP+ certified companies and applicants in setting up their own HACCP system. FSD provides information with regard to carrying out risk assessments and makes it easier to set up and implement such a company specific system; the responsibility for the realization and implementation still resides with the GMP+ certified companies however.

FSD covers all feed materials intended for food-producing animals. By including a risk assessment in the FSD we pursue four goals:

- Knowing which feed materials are considered controlled and the use of which in the feed sector can be considered safe
- Providing GMP+ companies with a tool for setting up their own specific risk assessments
- This way, the feed sector provides all stakeholders with transparency on how the production processes are assessed
- The generic risk assessments serve as a reference for the auditors within the framework of the GMP+ FSA module.

FSD is accessible for all GMP+ certified companies, applicants, all accepted certification bodies and all partners. It is an interactive database. FSD has been related to several aspects of the GMP+ FSA scheme: risk assessments, monitoring results, product standards and fact sheets.

4.1.1 Use of Feed Safety Database

At the end of 2011 we had gained a lot of new experience with the use of FSD. We had received a lot of positive feedback regarding FSD with all its information and possibilities. A number of desired features had been reported by users for improvement and we took due note of this. An improved version of FSD was available at the beginning of 2012.

In addition to the development of new functionalities, FSD has also been supplemented with new information. Some items were published in 2012: new or updated risk assessments, new fact sheets for (groups of) processing aids and for undesirable substances also for current topics e.g. Salmonella Thompson. This in relation to of the outbreak of salmonella bacteria in smoked salmon.

Moreover, we published information about the development of the new Database Undesirable Substances (DOS).

Again the figures showed an increasing number of visitors to the database in 2012, see table 5.

Table 5. Visitor data Feed Safety Database

| Average number monthly | 2010 | 2011 | 2012 |
|------------------------|--------|--------|--------|
| Unique visitors | 653 | 1,000 | 1,193 |
| Total visits | 1,159 | 1,543 | 1,938 |
| Page views | 12,709 | 13,719 | 14,063 |

In 2012, the visitors to this database originated from about 61 countries (in 2011: 50 countries), with the following top 10 countries: The Netherlands, Germany, Czech Republic, Poland, France, Brazil, Italy, United Kingdom, Denmark and Belgium.

4.1.2 The development of DOS

Until late 2012, the Database Undesirable Substances (DOS) was used in its present form as a part of FSD. It contains the results of analyses (laboratory testing results) of undesirable substances in feed products. These partly consist of analyses which GMP+ participants supply voluntarily and partly of the results of in-company monitoring for certain parameters (including Salmonella, animal meal, aflatoxin B₁), companies were required to submit. In addition the database contains the results of the monitoring program carried out by GMP+ International itself.

GMP+ certified companies may consult the available analysis results in the Database Undesirable Substances all year round. All information is provided based on confidentiality and may be used exclusively to improve one's own feed safety assurance.

After the launch of the FSD late 2010, we began developing the part regarding laboratory testing results in the DOS. In 2012 we proceeded with this development. After gathering the wishes of the GMP+ participants, we also spoke to representatives of groups of companies. This took some time, but it helped us succeed in carefully outlining the existing wishes. In 2012, this activity resulted in database newly designed database, named 'GMP+ Monitoring database'.

The first step was a trial version of the GMP+ Monitoring database, which was tested by some (representatives of) GMP+ participants early July 2012. This test told us that we were on the right track, but it also indicated that some improvements were required. These improvements have been implemented in the final versions.

More possibilities of the GMP+ Monitoring database can be found in the manual on our portal (www.gmpplus.org). The GMP+ Monitoring database went online at the end of January 2013. This is just the beginning. In 2013 we will further develop the possibilities of the new database and focus on optimizing the technique of data exchange on an international level. Implementation of the new GMP+ Monitoring database will be done stepwise, first the Dutch, Belgium and German companies, then other countries will follow.

4.2 GMP+ Academy

GMP+ Academy is an initiative of GMP+ International, launched in 2010, in co-collaboration with Schothorst Feed Research and Wageningen Business School in the Netherlands. In 2011, Bundeslehranstalt Burg Warberg and Internationale Forschungsgemeinschaft Futtermitteltechnik (IFF) Braunschweig from Germany were added as members. This resulted in an even wider range of courses in various languages. We were not successful in recruiting new members in 2012.

Table 6. Overview of participants in courses

| Participants in | 2011 | 2012 |
|-------------------------------|------|------|
| Courses | 30 | 59 |
| In-company training | 75 | 90 |
| Number of in-company training | 5 | 5 |

An overview of the courses provided in 2013 is available at our GMP+ portal.

4.3 GMP+ Art Alliance

In September 2012 GMP+ International introduced the GMP+ Art Alliance: Universal language of art in the feed industry. The purpose of GMP+ Art Alliance was to contribute to broader awareness regarding the importance of the feed sector and affiliated sectors and its impact on the sustainable development of our planet.

The aim of GMP+ Art Alliance was to unite bring the involved parties in the feed industry, regardless of individual differences such as language or country or a different approach to feed safety and sustainability. Art is a 'universal language' which enables us to express the care for the feed industry we all share. Art admits us because of her hospitality. In the same way as we can taste food through the passion of cooking, we want people to sense the passion for our industry with GMP+ Art Alliance.

With GMP+ Art Alliance we aimed to enhance the image of our industry. Companies could become member of the GMP+ Art Alliance and supported with their contribution the project (2012 / 2013) of artistic photographer Laurent Bellec. Members received two photos, a book of photographs, and discounts for extra purchases of the work or for renting an exhibition.

Unfortunately, after a few months we stopped this initiative due to a lack of interested companies.



Mrs. B. (Birgit) Maier-Stein
(Deutscher Verband
Tiernahrung e.V.),
IEC member:
*"The GMP+ FSA module is
an important part of the
European feed safety
systems. We strongly
support the close
collaboration between the
systems."*

Chapter 5

Communication

5.1 Communication policy

GMP+ International pursues transparency, active participation and feedback communication. We pursue transparency by publishing all certified companies and approved certification bodies. We also publish any suspension, withdrawal or expiration of the validity of a GMP+ certificate.

The decision making process regarding changes in the GMP+ FC scheme is transparent as well. All partners have access to all meeting documents of the IEC, the subcommittees and the technical committee. A public consultation takes place before the final discussion in the IEC. All interested parties have an opportunity to actively participate in the decision making process by commenting on proposals. In the near future we will enable active participation by means of an interactive GMP+ Community to be created in our portal.

We promote feedback by organizing seminars in several countries. We started this in 2010 and we will proceed doing so for years to come. The seminars organized and contributed to in 2012 are listed in table 7.

5.2 Information supply to (potential) GMP+ participants

GMP+ International works on continuous internationalization of the GMP+ Feed Certification scheme (GMP+ FC scheme). For this reason, GMP+ International also provides standard documents in other languages besides English, German and Dutch. In 2010 we extended our website with a Polish section. In 2011 we added a Danish, French and Chinese section as well as sections of the GMP+ FSA module in those languages. In 2012 we extended our website with a Spanish section and published several documents in Spanish because of our focus on Latin America.

GMP+ International informs its participants about developments by means of newsletters which we publish on our website and which are sent by e-mail. In 2012 there were about 90 messages, containing news about announcements and results of GMP+ seminars, changes in the GMP+ FC scheme, ins and outs of the Feed Safety Database, about the GMP+

Monitoring database to come, suspensions of participants etc. Usually, we publish our news in our main languages: English, German and Dutch. However, to provide an even better service to other companies, we more and more publish the news in other languages.

Those who desire more information or who would like to engage in a sparring match with experts in the field of Feed Safety and Responsibility, could consider to attend one of the GMP+ seminars. These seminars are organized across the globe, and are often attended by local experts. Seminars provide us with the opportunity to inform interested parties about the latest developments, to get in touch with participants and to receive feedback from them, to gain insight into their needs and to share experiences. We benefit from this as it improves the quality of our services. But above all, we try to bind GMP+ certified companies and to get other companies interested in becoming GMP+ certified as well.

Table 7. Overview seminars and lectures in 2012

| Date | Seminars and lectures |
|-------------------------|--|
| January 23-24 | 5th International Feed Regulators Meeting IFI, FAO Atlanta, USA |
| February 7-9 | GMP+ Presentations at Oqalim, Cluster West and Tecaliman Nantes, France |
| February 15-16 | GMP+ Seminar 'Feed safety and sustainability in the global market' Thailand, Bangkok (during FIAAP & VICTAM ASIA 2012) |
| March 7-8 | GMP+ Workshop with QM Top 10 feed companies Beijing, China |
| April 9-11 | GMP+ Presentation and booth Xiamen, China (during China Feed Expo) |
| April 24 | GMP+ Presentations at SGS Laboratory workshop Sioux Falls, USA |
| June 5 | GMP+ Seminar 'What is GMP+ Feed Safety Assurance?' 'Why choose for this International feed safety program?' Reims, France |
| June 27 | GMP+ Presentation at the Irish Grain & Feed Association (IGFA) Dublin, Ireland |
| August 30 | GMP+ Presentation at the Irish Grain & Feed Association (IGFA) Dublin, Ireland |
| September 4 | GMP+ Presentation to representatives of Chilean authorities from Servicio Agrícola y Ganadero (SAG) Santiago, Chile |
| September 5 | GMP+ Presentation and seminar Santiago, Chile (during FeedNews 2012) |
| October 30 | HACCP presentation to representatives of Chilean authorities from Servicio Agrícola y Ganadero (SAG) Santiago, Chile |
| October 31 - November 2 | GMP+ Seminar 'International Expertise for Feed Safety and Re-sponsibility on the Ukrainian Feed Market' Example of GMP+ certification and laboratory testing of feed Kiev, Ukraine (during Animal Farming Ukraine 2012) |
| November 28-29 | GMP+ promotion at 'Congreso Internacional de Alimentacion Ani-mal', organized by AUDINA (Asociacion Uruguaya de Industrias de Nutricion Animal) Punta del Este, Uruguay |
| December 12 | GMP+ presentation Kiev, Ukraine (during conference 'Feed for livestock farming') |

Chapter 6

Finance

6.1 Balance sheet as per December 31, 2012

| | December 31, 2012 | December 31, 2011 |
|---------------------------|-------------------|-------------------|
| | € | € |
| ASSETS | | |
| FIXED ASSETS | | |
| Tangible fixed assets | 315,935 | 206,768 |
| Financial fixed assets | 45,000 | 45,000 |
| CURRENT ASSETS | | |
| Receivables | 856,424 | 789,609 |
| Cash and cash equivalents | 594,840 | 447,339 |
| | 1,812,199 | 1,488,716 |
| LIABILITIES | | |
| Equity | 1,401,709 | 1,164,041 |
| Short-term debts | 410,490 | 324,675 |
| | 1,812,199 | 1,488,716 |

6.2 Profit and loss account over 2012

| | December 31, 2012 | December 31, 2011 |
|---|-------------------|-------------------|
| | € | € |
| Gross Margin | 2,828,816 | 2,665,012 |
| Total operation costs | 2,468,495 | 2,251,913 |
| Operating result | 360,321 | 413,099 |
| Financial benefits and charges | 7,900 | 3,572 |
| Result on ordinary activities before taxation | 368,221 | 416,671 |
| Taxation on result from ordinary activities | -80,553 | -93,150 |
| Result after taxation | 287,668 | 323,521 |

6.3 Explanatory note to financial figures

Results

The result after taxes over 2012 is € 287,668 which is a decrease of 11 % compared to 2011.

The gross margin in 2012 was € 2,828,816 which is an increase of 6% compared to 2011. To some degree, this is the result of the increase in the number of GMP+ certified companies, which increased 1.4% compared to the year before. In addition, the income from the charged inspection costs for participation in the GMP+ Country Note *Antibiotics-free feed* apply for all of 2012. The other income has increased significantly; mainly as a result of the one-off proceeds for the project Training China (2010-2011) and the China mission to the Netherlands (2012).

In 2012, the total operating expenses were € 2,468,495, which is an increase of 10 % compared to the previous year. This is mainly the result of the increase in costs of outsourced work and other external costs and the depreciations. The costs for outsourced work and other external costs mainly increased as a result of extra costs with regard to Market research and Product development and higher costs for sample research with regard to the GMP+ Country Note *Antibiotics-free feed*. The depreciations have increased due to investments in the GMP+ Portal and various databases and the interior of the new office in Rijswijk. Finally, the other operational costs have increased due to office costs such as the telephone switchboard, copier/printer etc. for the new office location and general costs (mainly legal advice in the context of the logo registration and representation costs).

Investments

In the year 2012, various investments were made into the fixed assets of GMP+ International, such as the GMP+ Portal and the office interior. This has led to an increase of tangible fixed assets with 53% to € 315,935 ultimo 2012.

Solvency

The solvency remained virtually unchanged in 2012 compared to the previous year 2011.

| Financial indicators | 2012 | 2011 |
|----------------------|------|------|
| Solvency | 77% | 78% |
| Current ratio | 3,5% | 3,8% |
| REVnb | 21% | 28% |
| ROCE | 26% | 35% |

Liquidity

The current ratio has decreased from 3.8 in 2011 to 3,5 in 2012. This is partially caused by an increase of the short-term debt compared to the previous year.

Working capital has increased 14% compared to 2011 to € 1,040,774 ultimo 2012. € 594,840 of this consisted liquid assets which is 24% of the operational costs (total operating expenses).

Appendix 1

Composition of the board bodies

General Shareholders Meeting

Mr. Johan Schuttert MSc – for Foundation GMP+ International

Mr. Anne H. Broekema – for Foundation GMP+ International

Supervisory Board

Mr. Prof. Dr. A. (Anton) Pijpers

Mr. W.J.M. (Wim) Thus BSc

Mr. P. (Pieter) van Baal LL.M

Management

Mr. Johan den Hartog

| International Expert Committee Animal Feed | | |
|--|--|---|
| Subsectors | Members | Deputy members |
| Production of dry feed materials | Mr. R. (Ron) van Noord | Mr. H.P.G. (Henry) van Sadelhoff |
| Production of moist feed Materials | Mr W.J.G. (Wim) Thielen | Mr. C. (Cees) van Rij |
| Production of feed additives | Mr. P. (Peter) Fidler | Mr. D. (Diek) van Ramshorst |
| Trade & collection of feed Materials, Storage and transhipment of feed materials and Feeds, Treatment of feed materials | Mr. S. (Stefan) Hodapp Mr. G.P.J. (Govert) Schouten | - Mr. J. Scheurwater |
| Forage trade | Mrs. H. (Huguette) Tychon | - |
| Transport and chartering of feed materials and feeds | MMr. H.E. (Henk) Steinmann Mr. H. (Hans) Rumpol | Mr. G.K.M. (Gerard) Kester Mr. F. (Frank) van den Eijnden |
| Production of petfood | | Mr. M.J.M. (Martin) van Bohemen |
| Production of premixes and compound feeds* | Mr. M.J.C. (Manfred) Hessing Mr. A. (Aart) Uittenbogaard Mr. Y.J. (Ymte) Yntema Mr. F.W. (Friedrich) Schneider Mrs. B (Birgit) Maier-Stein | Mrs. F. (Francine) van Rossem Mr. P. Kling Mrs. A. den Hartog - Mr. W.G. (Wilco) Engberts |
| Livestock farming | Mr. H.J.M. (Henk) Boelrijk | - |
| Processing, wholesale and retail of animal products for human consumption (food sector) | Mr. J.C. (Jacques) de Groot | Mr. O. (Onno) Boersma |
| Independent chairman: Mr. R.B.M. (Ruud) Huirne PhD, Prof. | | |
| *This is not the final situation, because there are four seats for 'production of premixes and compound feed' available and five persons are nominated | | |

| International Expert Committee Responsible Biomass | | |
|--|---|----------------|
| Subsectors | Members | Deputy members |
| Production of liquid feed materials | Mr. A.J. Waterlander | |
| Trade & collection of feed materials | Mr. J.v.d. Ven Mr. M. van Vulpen | |
| Road transport | Mr. T. Peters Mr. F. van den Eiinden | |
| Livestock farming | Vacancy | |
| Biomass Fermentation Processors | Mr. K. Felsbourg | |
| Ministry Economic Affairs | Mr. B. van Asselt | |
| Chairman Secretary | Mr. J. den Hartog Mr. D.F. Wolters | |

| Subcommittee Transport | | |
|---|---|--------------------|
| Subsectors | Members | Deputy members |
| Production of dry feed materials | Mr. R. Van Noord | - |
| Production of liquid feed materials* | Mr. A. Romme | Mr. C. van Erve |
| Trade & collection | Mr. J.D. Stouten Mr. B. Stribbos | Mr. D. van 't Riet |
| Road transport | Mr. F. van den Eijnden Vacancy Vacancy | - - - |
| Rail transport | Vacancy | - |
| Inland waterway transport | Mr. H.E. Steinmann Mr. G.K.M. Kester Mr. U. Schiemann | - - - |
| Sea vessel transport | Mr. A. Mahlmann | - |
| Production of premixes and compound feeds | Mrs. J. Meyl-Sievers | Mr. J. Engelberts |
| Chairman Secretary | Mr. J. den Hartog Mr. D.F. Wolters | |



Mr. H.J.M. (Henk) Boelrijk (LTO Nederland),
IEC member:
"GMP International: the best quality assurance for feed, food and farmers."

| Subcommittee Trade & Collection | | |
|---|--|---|
| Subsectors | Members | Deputy members |
| Production of dry feed materials | Mr. R. Van Noord | - |
| Production of liquid feed materials | Mr. K. Felsbourg | Mr. D.G. van Manen |
| Trade & collection | Mr. D. van 't Riet Mrs. A. Wenzel Mrs. A. van Lijden Mr. J. Scheurwater Mr. W.M. van Deurzen | Mr. M. van Vulpen - Mr. J.W. Baas Mr. P.J. van der Weijden Mr. H.J. Broekhuizen |
| Production of premixes and compound feeds | Mrs. A. Rauert Mrs. N. Bergsma Mr. J. Kroonen | - Mr. K. Sikma - |
| Treatment of feed materials | Mr. M. Villa | - |
| Livestock farming | Mr. H.J.M. Boelrijk | - |
| Chairman Secretary | Mr. J. den Hartog Mr. D.F. Wolters | |

| Subcommittee Production | | |
|---|---|--|
| Subsectors | Members | Deputy members |
| Production of dry feed materials | Mr. A. Hedwig Mr. R. Van Noord | Mr. H.P.G. van Sadelhoff |
| Production of liquid feed materials | Mr. A.J. Waterlander Mrs. A. Sikkema | Mr. D.G. van Manen Mr. M.W.A. Schepens |
| Production of additives | Mr. H. van Ramshorst | Mr. A. Cazemier |
| Production of pet foods | Mr. F. Nijskens | |
| Production of premixes and compound feeds | Mr. W.G. Engberts Mr. H. Almann Mrs. A. den Hartog Mr. J. van Esch | Mr. G. Roelofs Mr. G. van Heerikhuizen Mrs. C.L. Hagen |
| Livestock farming | Mr. H.J.M. Boelrijk | |
| Chairman Secretary | Mr. J. den Hartog Mr. D.F. Wolters | |



Mr. J.C. (Jacques) de Groot (Van Drie Group),
IEC member:
“The GMP+ FSA+ module is initiating growing awareness for feed and food safety throughout the whole veal production chain.”



Mrs. P. (Paulien) van de Graaff (Royal Dutch Feed & Grain Association),
IEC member:
“By defining uniform rules and regulations for feed safety, the GMP+ FSA module has contributed to a great extent in improving feed safety.”

| Subcommittee Certification & Supervision | | |
|--|--|------------------------|
| Subsectors | Members | Deputy members |
| Production of dry feed materials Production of liquid feed materials Production of additives | Mr. A.J. Waterlander | Mr. C. van Erve |
| Trade & collection | Mr. C. Grütters | Mr. T. Hoekstra |
| Road transport Rail transport Inland waterway transport Sea vessel transport | Mr. F. van den Eijnden Mr. H.E. Steinmann | - Mr. G.K.M. Kester |
| Production of pet foods Production of premixes and compound feeds | Mr. J. Versteijnen | Mrs. I. Gielen |
| Livestock farming | Mr. H.J.M. Boelrijk | |
| Certification bodies | Mrs. A. Wein Mrs. B. Kratochwil Mr. M.E. van der Pest Mr. D.J. Verweij Mr. H.C.A. IJzerman | |
| Chairman Secretary | Mr. J. den Hartog Mr. L. van Ee | |

| Technical Committee Feed Safety Database | | |
|---|--|--|
| Subsectors | Members | Deputy members |
| Production of dry feed materials | Vacancy Vacancy | Mrs. C.A. van Vuure - |
| Production of liquid feed materials | Mr. C. van Erve Mr. A. Romme | Mr. K. Felsbourg Mr. E. Heutink |
| Trade & collection | Mrs. H. Tychon Mr. M. Zwemer | Mr. C.J. van Bloois Mr. G.P.J. Schouten |
| Production of premixes and compound feeds | Mrs. K. Krautz Mrs. S. Zebregs Mrs. L. Peelen Mr. J. Bruggen | - Mr. W. Scholten Mr. A. van de Ven |
| Advisors | Mr. K. van Schalm Mr. J. Tersteeg Mr. R. Margry | - - |
| Chairman Secretary | Mr. J. den Hartog Mrs. E.A.J. van der Boon Mrs. L. Quillama Torres | |

Appendix 2

Partners of GMP+ International

| Overview of partners | | |
|--|---|---------------------------------|
| Partner | Representative of following economic activities* | Website |
| Algemene Nederlandse Vereniging van Eierhandelaren (ANEVEI) The Netherlands | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.anevei.nl |
| Association of Dutch Poultry Processing Industry (Nederlandse Pluimvee-Industrie) The Netherlands | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.nepluvi.nl |
| Biogas Branche Organisatie | Production of bio energy | www.biogasbrancheorganisatie.nl |
| Bundesverband der Deutschen Binnenschifffahrt e.V. Germany | Transport and chartering of feed ingredients and feeds | www.binnenschiff.de |
| Centraal Bureau voor de Rijn- en Binnenvaart The Netherlands | - Trade and collection of feed ingredients and feeds - Production of pre-mixtures, concentrates and compound feeds | www.cbrb.nl |
| Cluster West | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.cluster-west.com |
| Deutscher Verband Tiernahrung e.V. Germany | - Production of feed ingredients - Trade and collection of feed ingredients and feeds - Production of pre-mixtures, concentrates and compound feeds | www.dvtiernahrung.de |
| Dutch Association Processors Slaughter by/ products (Vereniging Verwerkers Slachtbijproducten) The Netherlands | Production of feed ingredients | www.vvsonline.nl |
| Dutch Feed Additive Group (Dufagro) The Netherlands | Production of feed ingredients | www.dufagro.nl |
| Feed Chile A.G. | - Trade and collection of feed ingredients and feeds - Production of pre-mixtures, concentrates and compound feed | www.feedchile.cl |
| GemZu (Vereniging Gemeenschappelijk Zuivelsecretariaat) The Netherlands | Trade (and collection) of feed ingredients and feeds | www.gemzu.nl |
| IMFO (International Maritime Fumigation Organization) United Kingdom | Treatment of feed materials | www.imfo.com |
| Kantoor Binnenvaart The Netherlands | Transport and chartering of feed ingredients and feeds | www.kantoorbinnenvaart.org |
| LTO Nederland The Netherlands | Livestock farming | www.lto.nl |
| Nederlandse Vereniging Diervoederindustrie The Netherlands | Production of pre-mixtures, concentrates and compound feeds | www.nevedi.com |
| Nederlandse Vereniging van Handelaren in Stro, Fourages en Aanverwante producten (HISFA) The Netherlands | Trade and collection of feed ingredients and feeds | www.ruwvoer.nl |
| Nederlandse Voedingsindustrie Gezelschapsdieren The Netherlands | Production of pre-mixtures, concentrates and compound feeds | www.nvg-diervoeding.nl |
| Raiffeisen Futtermittel e.V. Germany | - Trade and collection of feed ingredients and feeds - Production of pre-mixtures, concentrates and compound feeds | www.raiffeisen.de |
| Royal Dutch Grain and Feed Trade Association (Het Comité) The Netherlands | - Trade and collection of feed ingredients and feeds - Transport and chartering of feed ingredients and feeds - Storage and transshipment of feed ingredients and feeds | www.graan.com |
| Royal Friesland Campina The Netherlands | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.frieslandcampina.com |
| Transport en Logistiek Nederland (TLN) The Netherlands | Transport and chartering of feed ingredients and feeds | www.tln.nl |
| VanDrie Group The Netherlands | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.vandriegrup.com |

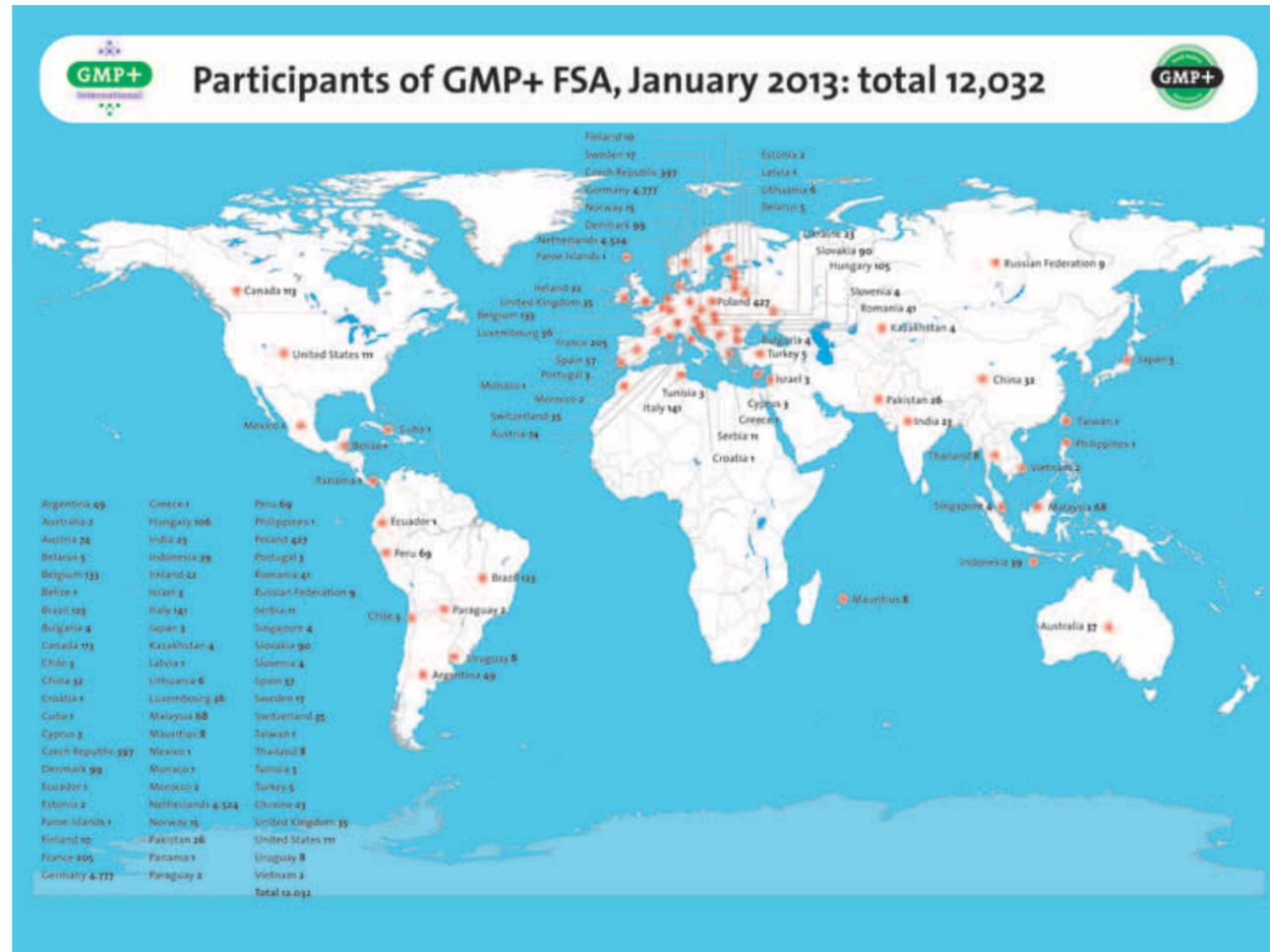
| Overview of partners | | |
|---|--|------------------------|
| Partner | Representative of following economic activities* | Website |
| Verein der Zucker-Industrie Germany | - Production of dry feed materials - Production of liquid-rich feed materials | www.zuckerverbaende.de |
| Verband Deutscher Mühlen e.V. | Production of dry feed materials | www.muehlen.org |
| Vereniging van Nederlandse Fabrikanten van Eetbare Oliën en Vetten The Netherlands | Production of feed ingredients | - |
| Vereniging van Nederlandse Fabrikanten van Voedertoevoegingen (Nefato) The Netherlands | Production of feed ingredients (additives) | www.vernof.nl |
| Vereniging Overleggroep Producenten Natte Veevoeder The Netherlands | Production of feed ingredients | www.opnv.nl |
| VION Food Group The Netherlands | Processing, wholesale and retail of animal products intended for human consumption (food sector) | www.vionfoodgroup.com |

* These are the economic activities mentioned in section 3.1 of Regulation for Partnership of GMP+ International



Mr. R.B.M. (Ruud) Huirne
(chairman IEC),
IEC member:
“Contribution to improved food safety is important, and I am happy to see that the support for our GMP+ FSA module is growing nationally and internationally.”

Appendix 3 Participants of GMP+ FSA module





*Feed
for
Food*

GMP+ International
info@gmpplus.org
www.gmpplus.org