

NOFOTA

Netherlands Oils, Fats and Oilseeds Trade Association

TO ALL MEMBERS

Rotterdam, 26 May 2011
(EJ, C1105-076)

Re.: quality specifications crude degummed soybean oil

Dear Member,

Following internal discussion on EU competition rules, FEDIOL (being an industry organization) has decided to withdraw product specifications which contain price elements. The allowance scale for **crude degummed soybean oil** is considered as such and therefore FEDIOL has withdrawn these specifications with immediate effect.

After discussions in the FOSFA Oils & Fats Committee on this topic, the NOFOTA Council has approved to fill the vacuum as most soybean oil contracts in Europe are being traded on these specifications (now no longer supported by FEDIOL).

In accordance, the Council has decided to adopt the current quality specifications for crude degummed soybean oil (FEDIOL) by re-entitling them as the "Quality Specifications for Crude degummed Soybean Oil (NOFOTA)". These specifications will become effective as from the 1st of June 2011.

For good order's sake these NOFOTA specifications are applicable to all contracts for crude degummed soybean oil concluded on or after the 1st of June 2011. All existing contracts remain unchanged, unless buyer and seller mutually agree to implement and replace the FEDIOL specifications by the NOFOTA specifications in their existing contracts.

However, in order to achieve unity of performance of contracts and to enable the formation of strings/circles etc. between contracts concluded before 1st of June 2011 and those concluded on or after 1st of June 2011, **the Council strongly recommends parties to agree voluntarily**, that these NOFOTA specifications are also applicable to contracts which have been concluded before 1st of June 2011 and which are to be performed as from 1st of June 2011 onwards.

Enclosed you will find the approved change to the NOFOTA Trading Rules 2010-2011.

Yours faithfully,

Mrs. E.J. Jaspers
Secretary General

NOFOTA

Netherlands Oils, Fats and Oilseeds Trade Association

NOFOTA Trading Rules 2010-2011, Chapter XVI b. Quality Specifications (p. 98)

(change is in bold)
(applicable as from 1 June 2011)

Crude degummed Soybean Oil (**NOFOTA**)

Crude degummed soybean oil will be of good merchantable quality, solvent extracted, guaranteed unbleached and produced from sound yellow soybeans.

	Basis	Maximum
• f.f.a. (as oleic, molec, weight 282)	0.75%	2.25%
• moisture and volatile matter	0.20%	0.25%
• impurities (insoluble in petrol, ether)	0.10%	0.125%
• lecithin	0.02 %	0.045%
• colour (1" Lovibound Cell) not darker than 50 yellow and 5 red		
• flashpoint minimum 121 °C (250°F)		

Allowances on the contract value if actual analysis exceeds the basic specifications:

for f.f.a.	0.76 – 1.05	=	2 : 1
	1.06 – 1.15	=	2.5 : 1
	1.16 – 1.25	=	3.5 : 1
	1.26 - 2.25	=	4 : 1
for lecithin	201 – 230 ppm	=	200 : 1
	231 – 250 ppm	=	300 : 1
	251 – 450 ppm	=	350 : 1
for moisture and volatile matter	0.21 – 0.25	=	1 : 1
for impurities	0.11 – 0.125	=	1 : 1