São Paulo, 21st October 2020

Clarification Notice CCE – 010
Calculation for Discount of fibre excess and protein deficiency on ANEC 73

Based on CCE's meeting of 08th July 2020, the committee clarifies the method for calculation of discount of excess of fibre and deficiency of protein in ANEC 73 standard terms.

Fibre discount:

Discount as per standard contract terms:
From 3.51% to 3.80% 1:1
From 3.81% to 4.00% 1.5:1
From 4.01% to 4.50% 2:1
Above 4.50% rejectable

Example of discount for excess of fibre:
If the total invoice amount is US$ 1,000,000.00

When fibre content is 3.60%:
3.6% – 3.5% = 0,10%
➔ US$ 1,000,000.00 * 0.10% = US$ 1,000.00 of discount

When fibre content is 3.90%:
((3.90% – 3.80%) * 1.5 + (3.80% – 3.50%) *1) = 0.45%
➔ US$ 1,000,000.00 * 0.45% = US$ 4,500.00 of discount

When fibre content is 4.10%
((4.10% – 4.00%) * 2 + (4.00% – 3.80%) * 1.5 + (3.80% – 3.50%) * 1) = 0.80%
➔ US$ 1,000,000.00 * 0.80% = US$ 8,000.00 of discount

Protein discount:

Discount as per standard contract terms:
From 47.99% to 47.50% 1:1
From 47.49% to 47.00% 2:1
Below 47.00% rejectable.

Example of discount for protein deficiency:
If the total invoice amount is US$ 1,000,000.00

When protein content is 47.60%
48.00% – 47.60% = 0.40%
➔ US$ 1,000,000.00 * 0.40% = US$ 4,000.00

When protein content is 47.30%
((48.00% – 47.50%) * 1 + (47.50% – 47.30%) * 2)) = 0.90%
➔ US$ 1,000,000.00 * 0.90% = US$ 9, 000.00

Sincerely yours,

CRC – Contracts Revision Committee
ANEC - Associação Nacional dos Exportadores de Cereais