No. 9262

MULTILATERAL

International Coffee Agreement, 1968 (with annexes). Open for signature at New York from 18 to 31 March 1968

Official texts: English, French, Portuguese, Russian and Spanish.

Registered ex officio *on 1 October 1968.*

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Accord international de 1968 sur le café (avec annexes). Ouvert à la signature à New York du 18 au 31 mars 1968

Textes officiels anglais, français, portugais, russe et espagnol.

Enregistré d'office le 1er octobre 1968.

No. 9262. INTERNATIONAL COFFEE AGREEMENT, 1968[1],[2] OPENED FOR SIGNATURE AT NEW YORK FROM 18 TO 31 MARCH 1968

PREAMBLE

The Governments Parties to this Agreement,

Recognizing the exceptional importance of coffee to the economies of many countries which are largely dependent upon this commodity for their export earnings and thus for the continuation of their development programmes in the social and economic fields;

Considering that close international co-operation on coffee marketing will stimulate the economic diversification and development of coffee-producing countries and thus contribute to a strengthening of the political and economic bonds between producers and consumers;

Finding reason to expect a tendency toward persistent disequilibrium between production and consumption, accumulation of burdensome stocks, and pronounced fluctuations in prices, which can be harmful both to producers and to consumers;

Believing that, in the absence of international measures, this situation cannot be corrected by normal market forces; and

Noting the renegotiation by the International Coffee Council of the International Coffee Agreement, 1962,[3]

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[1] The Agreement was approved by the International Coffee Council in resolution number 164, adopted on 19 February 1968 at the twenty-third plenary meeting of its eleventh session (3rd part), held at London from 15 to 19 February 1968. In that resolution, referring to the fact that the International Coffee Agreement, 1962 (see footnote 3 below), was due to expire on 30 September 1968, and that under the provisions of paragraph (2) of article 7 it had been renegotiated to continue on the basis of an agreed text, the Council resolved, *inter alia*, "to approve for submission to the Contracting Parties for signature, the proposed International Coffee Agreement, 1968, as contained in documents ICC-11-26, Rev.1 and ICC-11-26, Rev.1, Add.1 and as amended and corrected by document ICC-11-32, the definitive text of which shall be authenticated by the Executive Director in consultation with a Drafting Group composed of Brazil, Colombia, OAMCAF and the United States".

On 6 March 1968, the Executive Director of the International Coffee Organization transmitted to the Secretary-General of the United Nations, the authenticated text of the Agreement in the English, French, Portuguese and Spanish languages, requesting him to establish the authentic text in the Russian language. The Agreement, in all five authentic languages, was opened for signature at the Headquarters of the ~~United Nations~~, New York, on 18 March 1968.

[2] The Agreement came into force provisionally on 1 October 1968, in accordance with article 62, paragraphs (1) and (2), among the Governments representing at least twenty exporting Members and at least ten importing Members, each of the two categories holding at least 80 per cent of the votes as distributed in Annex C, that had by that date deposited with the Secretary-General their instruments of approval, ratification or acceptance or had notified him, pursuant to paragraph (2) of article 62, of an undertaking to apply the Agreement provisionally and to seek approval, ratification or acceptance thereof in according with their constitutional procedures, as rapidly as possible. For the list of the States concerned, see p. 250 of this volume.

[3] United Nations, *Treaty Series*, Vol. 469, p. 169; for subsequent actions relating to this Agreement, see references in Cumulative Indexes Nos. 5 to 7, as well as Annex A in volumes 555, 583, 588, 595, 598, 607, 608, 620 and 635.

Have agreed as follows:

CHAPTER I

OBJECTIVES

Article 1

OBJECTIVES

The objectives of the Agreement are:

(1) to achieve a reasonable balance between supply and demand on a basis which will assure adequate supplies of coffee to consumers and markets for coffee to producers at equitable prices and which will bring about long-term equilibrium between production and consumption;

(2) to alleviate the serious hardship caused by burdensome surpluses and excessive fluctuations in the prices of coffee which are harmful both to producers and to consumers;

(3) to contribute to the development of productive resources and to the promotion and maintenance of employment and income in the Member countries, thereby helping to bring about fair wages, higher living standards, and better working conditions;

(4) to assist in increasing the purchasing power of coffee-exporting countries by keeping prices at equitable levels and by increasing consumption;

(5) to encourage the consumption of coffee by every possible means; and

(6) in general, in recognition of the relationship of the trade in coffee to the economic stability of markets for industrial products, to further international co-operation in connexion with world coffee problems.

CHAPTER II

DEFINITIONS

Article 2

DEFINITIONS

For the purposes of the Agreement:

(1) "Coffee" means the beans and berries of the coffee tree, whether parchment, green or roasted, and includes ground, decaffeinated, liquid and soluble coffee. These terms shall have the following meaning:

(*a*) "green coffee" means all coffee in the naked bean form before roasting;

(*b*) "coffee berries" means the complete fruit of the coffee tree; to find the equivalent of coffee berries to green coffee, multiply the net weight of the dried coffee berries by 0.50;

(*c*) "parchment coffee" means the green coffee bean contained in the parchment skin; to find the equivalent of parchment coffee to green coffee, multiply the net weight of the parchment coffee by 0.80;

(*d*) "roasted coffee" means green coffee roasted to any degree and includes ground coffee; to find the equivalent of roasted coffee to green coffee, multiply the net weight of roasted coffee by 1.19;

(*e*) "decaffeinated coffee" means green, roasted or soluble coffee from which caffein has been extracted; to find the equivalent of decaffeinated coffee to green coffee, multiply the net weight of the decaffeinated coffee in green, roasted or soluble form by 1.00, 1.19 or 3.00 respectively;

(*f*) "liquid coffee" means the water-soluble solids derived from roasted coffee and put into liquid form; to find the equivalent of liquid to green coffee, multiply the net weight of the dried coffee solids contained in the liquid coffee by 3.00;

(*g*) "soluble coffee" means the dried water-soluble solids derived from roasted coffee; to find the equivalent of soluble coffee to green coffee, multiply the net weight of the soluble coffee by 3.00.

(2) "Bag" means 60 kilogrammes or 132.276 pounds of green coffee; "ton" means a metric ton of 1,000 kilogrammes or 2,204.6 pounds; and "pound" means 453.597 grammes.

(3) "Coffee year" means the period of one year, from 1 October through 30 September.

(4) "Export of Coffee" means, except as otherwise provided in Article 39, any shipment of coffee which leaves the territory of the country where the coffee was grown.

(5) "Organization", "Council" and "Board" mean, respectively, the International Coffee Organization, the International Coffee Council, and the Executive Board referred to in Article 7 of the Agreement.

(6) "Member" means a Contracting Party; a dependent territory or territories in respect of which separate Membership has been declared under Article 4; or two or more Contracting Parties or dependent territories, or both, which participate in the Organization as a Member group under Article 5 or 6.

(7) "Exporting Member" or "exporting country" means a Member or country, respectively, which is a net exporter of coffee; that is, whose exports exceed its imports.

(8) "Importing Member" or "importing country" means a Member or country, respectively, which is a net importer of coffee; that is, whose imports exceed its exports.

(9) "Producing Member" or "producing country" means a Member or country, respectively, which grows coffee in commercially significant quantities.

(10) "Distributed simple majority vote" means a majority of the votes cast by exporting Members present and voting, and a majority of the votes cast by importing Members present and voting, counted separately.

(11) "Distributed two-thirds majority vote" means a two-thirds majority of the votes cast by exporting Members present and voting and a two-thirds majority of the votes cast by importing Members present and voting, counted separately.

(12) "Entry into force" means, except as otherwise provided, the date on which the Agreement enters into force, whether provisionally or definitively.

(13) "Exportable production" means the total production of coffee of an exporting country in a given coffee year less the amount destined for domestic consumption in the same year.

(14) "Availability for export" means the exportable production of an exporting country in a given coffee year plus accumulated stocks from previous years.

(15) "Export entitlement" means the total quantity of coffee which a Member is authorized to export under the various provisions of the Agreement, but excluding exports which under the provisions of Article 40 are not charged to quotas.

(16) "Authorized exports" means actual exports covered by the export entitlement.

(17) "Permitted exports" means the sum of authorized exports and exports which under the provisions of Article 40 are not charged to quotas.

CHAPTER III

MEMBERSHIP

Article 3

MEMBERSHIP IN THE ORGANIZATION

(1) Each Contracting Party, together with those of its dependent territories to wich the Agreement is extended under paragraph (1) of Article 65, shall constitute a single Member of the Organization, except as otherwise provided under Articles 4, 5 and 6.