

**No. 9369**

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**MULTILATERAL**

**International Sugar Agreement, 1968. Open for signature  
at New York from 3 to 24 December 1969**

*Authentic texts : English, French, Chinese, Russian and Spanish.*

*Registered ex officio on 1 January 1969.*

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**MULTILATÉRAL**

**Accord international de 1968 sur le sucre. Ouvert à la  
signature à New York du 3 au 24 décembre 1969**

*Textes authentiques : anglais, français, chinois, russe et espagnol.*

*Enregistré d'office le 1<sup>er</sup> janvier 1969.*

INTERNATIONAL SUGAR AGREEMENT, 1968<sup>1</sup>

## CHAPTER I

## OBJECTIVES

*Article 1*

## OBJECTIVES

The objectives of this International Sugar Agreement (hereinafter referred to as the Agreement) take into account the recommendations contained in the Final Act of the first session of the United Nations Conference on Trade and Development (hereinafter referred to as UNCTAD)<sup>2</sup> and are :

- (a) To raise the level of international trade in sugar, particularly in order to increase the export earnings of developing exporting countries;
- (b) To maintain a stable price for sugar which will be reasonably remunerative to producers, but which will not encourage further expansion of production in developed countries;
- (c) To provide adequate supplies of sugar to meet the requirements of importing countries at fair and reasonable prices;
- (d) To increase sugar consumption and in particular to promote measures to encourage consumption in countries where consumption *per caput* is low;

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<sup>1</sup> The text of the Agreement was established by the United Nations Sugar Conference, 1968, which met at Geneva from 17 April to 1 June 1968 and from 23 September to 24 October 1968. It was adopted by the Conference at its final plenary meeting held on 24 October 1968. For the report summarizing the proceedings of the Conference and for the text of the resolutions adopted by the Conference, see *United Nations Sugar Conference, 1968, Summary of Proceedings*, TD/SUGAR.7/12 (United Nations publication, Sales number : E.69.II.D.6).

Pursuant to article 63, paragraph (2), the Agreement came into force provisionally on 1 January 1969, the date by which the signatory Governments holding 60 per cent of the votes of the exporting countries and 50 per cent of the importing countries in accordance with the distribution established in Annex B of the Agreement had deposited their instruments of ratification, acceptance or approval with the Secretary-General of the United Nations or had notified him, in accordance with article 62, paragraph (1), that they would apply the Agreement provisionally. For the list of the Governments concerned and for the text of the declarations made by certain Governments on signature, see pages 280 to 333 of this volume.

<sup>2</sup> *United Nations Conference on Trade and Development, Final Act and Report*, E/CONF.46/141, Vol. I (United Nations publication, Sales No. : 64.II.B.11).

- (e) To bring world production and consumption of sugar into closer balance;
- (f) To facilitate the co-ordination of sugar marketing policies and the organization of the market;
- (g) To provide for adequate participation in, and growing access to, the markets of the developed countries for sugar from the developing countries;
- (h) To observe closely developments in the use of any form of substitutes for sugar, including cyclamates and other artificial sweeteners; and
- (i) To further international co-operation in sugar questions.

## CHAPTER II

### DEFINITIONS

#### *Article 2*

#### DEFINITIONS

For the purposes of this Agreement :

(1) "Organization" means The International Sugar Organization established by Article 3;

(2) "Council" means The International Sugar Council established by Article 3;

(3) "Member" means a Contracting Party to the Agreement or a territory or group of territories in respect of which a notification has been made under paragraph (3) of Article 66;

(4) "developing Member" means any Member in Latin America, in Africa excepting South Africa, in Asia excepting Japan and in Oceania excepting Australia and New Zealand, and includes Greece, Portugal, Spain, Turkey and Yugoslavia;

(5) "developed Member" means any Member other than a developing Member;

(6) "exporting Member" means a Member which is a net exporter of sugar;

(7) "importing Member" means a Member which is a net importer of sugar;

(8) "Member which imports sugar" means any Member which imports sugar whether it is a net importer or a net exporter of sugar;

(9) "special 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;

(10) "distributed two-thirds majority" means a majority of the Members representing two thirds of the total votes of the exporting Members and a majority of the Members representing two thirds of the total votes of the importing Members, counted separately;

(11) "distributed simple majority vote" means a majority of the votes cast by a majority of exporting Members present and voting and a majority of the votes cast by a majority of importing Members present and voting, counted separately;

(12) "financial year" means the quota year;

(13) "quota year" means the period from 1 January to 31 December, inclusive;

(14) "ton" means a metric ton, i.e. 1,000 kilogrammes, and "pound" means a pound avoirdupois. Amounts of sugar specified in the Agreement are in terms of raw value net weight (the raw value of any amount of sugar means its equivalent in terms of raw sugar testing 96 degrees by the polariscope);

(15) "sugar" means sugar in any of its recognized commercial forms derived from sugar cane or sugar beet, including edible and fancy molasses, syrups and any other form of liquid sugar used for human consumption; but

(a) "sugar" as defined above shall not include final molasses or low grade types of non-centrifugal sugar produced by primitive methods or, except in Annex A, sugar destined for uses other than human consumption as food. The Council may determine the conditions under which sugar shall be considered to be destined for uses other than human consumption as food;

(b) If the Council resolves that the increased use of sugar mixtures becomes a threat to the objectives of the Agreement, these mixtures shall be deemed to be sugar in respect of their sugar content. The increase in the quantity of such mixtures exported over the quantity exported before the entry into force of the Agreement shall, in respect of its sugar content, be charged to the export quota of the exporting Member concerned;

(16) "free market" means the total of net imports of the world market, except those covered under Articles 35 to 38 inclusive, and under paragraph (3) of Article 39;

(17) "net imports" means total imports of sugar after deducting total exports of sugar;

(18) "net exports" means total exports of sugar (excluding sugar supplied as ships' stores for ships victualling at domestic ports) after deducting total imports of sugar;

(19) "basic export tonnage" means the quantity specified in Article 40;

(20) "initial export quota" means the quantity of sugar allotted to an exporting Member under paragraph (1) of Article 45 or paragraph (2) (a) of Article 48;

(21) "quota in effect" means the initial export quota, as modified by such adjustments as may have been made under chapter XI by the time referred to in the provisions of the Agreement where this expression is used;

(22) "basic export entitlement" for the purposes of paragraph (1) (b) of Article 52 means, for each exporting Member, the sum total of its basic export tonnage under Article 40 or maximum net export entitlement under Article 41 and, where relevant, its basic allocation in the immediately preceding quota year under the special arrangements referred to in Articles 35 to 38 inclusive;

(23) "shipment" and "shipping", in the context of Article 30 includes conveyance of sugar on land, irrespective of the means of transport used;

(24) "prevailing price" is as calculated in accordance with the provisions of paragraph (2) of Article 33;

(25) "entry into force" is to be read, except as otherwise provided, as meaning the date on which the Agreement enters into force provisionally or definitively;