No. 26691

MULTILATERAL

Agreement establishing tbe Common Fund for Commodities (with schedules). Concluded at Geneva on 27 June 1980

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

Registered ex officio *on 19 June 1989.*

MULTILATÉRAL

Accord portant création dn Fonds commun pour les produits de base (avec annexes). Conclu à Genève le 27 jnin 1980

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

Enregistré d'office le 19 juin 1989.

AGREEMENT[1] ESTABLISHING THE COMMON FUND FOR COMMODITIES

The Parties,

Determined to promote economic co-operation and understanding among all States, particularly between developed and developing countries, based on the principles of equity and sovereign equality and thereby to contribute to the establishment of a New International Economic Order,

[1] Came into force on 19 June 1989, the date on which at least 90 States, of which total subscriptions of Shares of Directly Contributed Capital comprised not less than two thirds of the total subscription of Shares of Directly Contributed Capital allocated to all States specified in schedule A to the Agreement, had deposited with the Secretary-General of the United Nations instruments of ratification, acceptance or approval, and no less than 50 per cent of the target for pledges of voluntary contributions to the Second Account specified in article 13, paragraph 2, had been met, the foregoing requirements, although not met by 31 March 1982, the date provided for in the Agreement, having subsequently been fulfilled by 19 June 1989, the date decided by a two-thirds majority of the States which had deposited such instruments by 30 September 1983, the first deadline set forth, in accordance with article 57(1):

State	*Date of deposit of the instrument of ratification, acceptance* (A) *or approval* (AA)
Afghanistan	28 March 1984
Algeria	31 March 1982
Angola	28 January 1986
Argentina*	1 July 1983
Australia	9 October 1981
Austria	4 May 1983
Bangladesh	1 June 1981
Belgium*	6 June 1985
Benin	25 October 1982
Bhutan	18 September 1984
Botswana	22 April 1982
Brazil	28 June 1984
Bulgaria	24 September 1987 *AA*
Burkina Faso ("Upper Volta" until 4 August 1984)	8 July 1983
Burundi	1 June 1982
Cameroon	1 February 1983
Canada	27 September 1983
Cape Verde	30 July 1984
Central African Republic	2 August 1983
Chad	6 June 1984
China	2 September 1981 *AA*
Colombia	8 April 1986
Comoros	27 January 1984
Congo	4 November 1987
Cuba*	21 July 1988
Democratic Yemen	8 January 1986
Democratic People's Republic of Korea	5 June 1987
Denmark	13 May 1981
Djibouti	25 November 1985
Ecuador	4 May 1982
Egypt	11 June 1982
Equatorial Guinea	22 July 1983
Ethiopia	19 November 1981
Finland	30 December 1981
France	17 September 1982 *AA*
Gabon	30 November 1981
Gambia	14 April 1983

State	*Date of deposit of the instrument of ratification, acceptance* (A) *or approval* (AA)
Germany, Federal Republic of (With a declaration of application to Berlin (West).)	15 August 1985
Ghana	19 January 1983
Greece	10 August 1984
Guatemala	22 March 1985
Guinea	9 December 1982
Guinea-Bissau	7 June 1983
Haiti	20 July 1981
Honduras	26 May 1988
India	22 December 1981 *A*
Indonesia	24 February 1981
Iraq	10 September 1981
Ireland	11 August 1982
Italy	20 November 1984
Jamaica	7 January 1985
Japan*	15 June 1981 *A*
Kenya	6 April 1982
Kuwait	26 April 1983
Lesotho	6 December 1983
Luxembourg	4 October 1985
Madagascar	21 October 1987
Malawi	15 December 1981
Malaysia	22 September 1983
Maldives	11 July 1988
Mali	11 January 1982
Mexico	11 February 1982
Morocco	29 May 1987
Nepal	3 April 1984
Netherlands (For the Kingdom in Europe and the Netherlands Antilles.)	9 June 1983 *A*)
New Zealand (with a declaration of application to the Cook Islands and Niue.)	27 September 1983
Nicaragua	5 March 1984
Niger	19 October 1981 *AA*

(Continued on page 5)

Recognizing the need for improved forms of International co-operation in the field of commodities as an essential condition for establishment of a New International Economic Order, aimed at promoting economic and social development, particularly of developing countries,

Desirous of promoting global action to improve market structures in international trade in commodities of interest to developing countries,

Recalling resolution 93 (IV) on the Integrated Programme for Commodities adopted at the fourth session of the United Nations Conference on Trade and Development[1] (hereinafter referred to as UNCTAD),

Have agreed to establish hereby the Common Fund for Commodities, which shall operate in accordance with the following provisions:

CHAPTER I. DEFINITIONS

Article 1. DEFINITIONS

For the purposes of this Agreement:

1. "Fund" means the Common Fund for Commodities established by this Agreement.

2. "International Commodity Agreement or Arrangement" (hereinafter referred to as ICA) means any intergovernmental agreement or arrangement to promote international co-operation in a commodity, the parties to which include producers and consumers covering the bulk of world trade in the commodity concerned.

3. "International Commodity Organization" (hereinafter referred to as ICO) means the organization established by an ICA to implement the provisions of the ICA.

(Footnote 1 continued from page 4)

State	*Date of deposit of the instrument of ratification, acceptance* (A) *or approval* (AA)
Nigeria	30 September 1983
Norway	15 July 1981
Pakistan	9 June 1983
Papua New Guinea	27 January 1982
Peru	29 July 1987
Philippines	13 May 1981
Republic of Korea	30 March 1982
Rwanda	23 March 1983
Samoa	6 March 1984
Sao Tome and Principe	6 December 1983
Saudi Arabia	16 March 1983
Senegal	20 June 1983
Sierra Leone	7 October 1982
Singapore*	16 December 1983
Somalia	27 August 1984
Spain	5 January 1984
Sri Lanka	4 September 1981
Sudan	30 September 1983
Swaziland	29 June 1988
Sweden	6 July 1981
Switzerland	27 August 1982
Syrian Arab Republic*	8 September 1983
Togo	10 April 1984
Tunisia	15 December 1982
Uganda	19 March 1982
Union of Soviet Socialist Republics*	8 December 1987 *AA*
United Arab Emirates	26 April 1983
United Kingdom of Great Britain and Northern Ireland	31 December 1981
United Republic of Tanzania	11 June 1982
Venezuela*	31 March 1982
Yemen	14 January 1986
Yugoslavia	14 February 1983
Zaire	27 October 1983
Zambia	16 March 1983
Zimbabwe	28 September 1983

* See p. 331 of this volume for the texts of the reservations and declarations made upon ratification, acceptance and approval.

[1] United Nations, *Proceedings of the United Nations Conference on Trade and Development, Fourth Session, Nairobi*, vol. I, *Report and Annexes*, p. 6.

4. "Associated ICO" means an ICO which is associated with the Fund pursuant to article 7.

5. "Association Agreement" means the agreement entered into between an ICO and the Fund pursuant to article 7.

6. "Maximum Financial Requirements" (hereinafter referred to as MFR) means the maximum amount of funds that may be drawn and borrowed by an Associated ICO from the Fund, to be determined in accordance with article 17, paragraph 8.

7. "International Commodity Body" (hereinafter referred to as ICB) means a body designated in accordance with article 7, paragraph 9.

8. "Unit of Account" means the unit of account of the Fund as defined in accordance with article 8, paragraph 1.

9. "Usable Currencies" means (*a*) the deutsche mark, the French franc, the Japanese yen, the pound sterling, the United States dollar and any other currency which has been designated from time to time by a competent international monetary organization as being in fact widely used to make payments for international transactions and widely traded in the principal exchange markets, and (*b*) any other freely available and effectively usable currency which the Executive Board may designate by a Qualified Majority after the approval of the country whose currency the Fund proposes to designate as such. The Governing Council shall designate a competent international monetary organization under (*a*) above and shall adopt by a Qualified Majority rules and regulations regarding the designation of currencies under (*b*) above, in accordance with prevailing international monetary practice. Currencies may be removed from the list of Usable Currencies by the Executive Board a Qualified Majority.

10. "Directly Contributed Capital" means capital specified in article 9, paragraph 1 (*a*) and paragraph 4.

11. "Paid-in Shares" means the shares of Directly Contributed Capital specified in article 9, paragraph 2 (*a*), and article 10, paragraph 2.

12. "Payable Shares" means the shares of Directly Contributed Capital specified in article 9, paragraph 2 (*b*), and article 10, paragraph 2 (*b*).

13. "Guarantee Capital" means capital provided to the Fund, pursuant to article 14, paragraph 4, by Members of the Fund participating in an Associated ICO.

14. "Guarantees" means guarantees provided to the Fund, pursuant to article 14, paragraph 5, by participants in an Associated ICO which are not Members of the Fund.

15. "Stock Warrants" means stock warrants, warehouse receipts or other documents of title evidency ownership of commodity stocks.

16. "Total voting power" means the sum of the votes held by all the Members of the Fund.

17. "Simple Majority" means more than half of all votes cast.

18. "Qualified Majority" means at least two thirds of all votes cast.

19. "Highly Qualified Majority" means at least three fourths of all votes cast.

20. "Votes cast" means affirmative and negative votes.

CHAPTER II. OBJECTIVES AND FUNCTIONS

Article 2. OBJECTIVES

The objectives of the Fund shall be:

(*a*) To serve as a key instrument in attaining the agreed objectives of the Integrated Programme for Commodities as embodied in resolution 93 (IV) of UNCTAD;

(*b*) To facilitate the conclusion and functioning of ICAs, particularly concerning commodities of special interest to developing countries.

Article 3. FUNCTIONS

In fulfilment of its objectives, the Fund shall exercise the following functions:

(*a*) To contribute, through its First Account as hereinafter provided, to the financing of international buffer stocks and internationally co-ordinated national stocks, all within the framework of ICAs;

(*b*) To finance, through its Second Account, measures in the field of commodities other than stocking, as hereinafter provided;

(*c*) To promote co-ordination and consultation through its Second Account with regard to measures in the field of commodities other than stocking, and their financing, with a view to providing a commodity focus.

CHAPTER III. MEMBERSHIP

Article 4. ELIGIBILITY

Membership in the Fund shall be open to:

(*a*) All States Members of the United Nations or of any of its specialized agencies or of the International Atomic Energy Agency; and

(*b*) Any intergovernmental organization of regional economic integration which exercises competence in fields of activity of the Fund. Such intergovernmental organizations shall not be required to undertake any financial obligations to the Fund; nor shall they hold any votes.

Article 5. MEMBERS

The Members of the Fund (hereinafter referred to as Members) shall be:

(*a*) Those States which have ratified, accepted or approved this Agreement in accordance with article 54;

(*b*) Those States which have acceded to this Agreement in accordance with article 56;

(*c*) Those intergovernmental organizations referred to in article 4 (*b*) which have ratified, accepted or approved this Agreement in accordance with article 54;

(*d*) Those intergovernmental organizations referred to in article 4 (*b*) which have acceded to this Agreement in accordance with article 56.