



TREATY SERIES 2007
N° 74

International Cocoa Agreement

Done at Geneva on 21 October 1972

**Ireland's instrument of ratification deposited with the Secretary General of the
United Nations on 28 June 1973**

Entered into force with respect to Ireland on 30 June 1973

Terminated in accordance with its provisions on 30 September 1976

Presented to Dáil Éireann by the Minister for Foreign Affairs

INTERNATIONAL COCOA AGREEMENT

CHAPTER I OBJECTIVES

Article 1 *Objectives*

The objectives of this Agreement take into account the recommendations as contained in the Final Act of the first session of the United Nations Conference on Trade and Development and are:

- (a) To alleviate serious economic difficulties which would persist if adjustment between the production and consumption of cocoa cannot be effected by normal market forces alone as rapidly as circumstances require;
- (b) To prevent excessive fluctuations in the price of cocoa which affect adversely the long-term interests of both producers and consumers;
- (c) To make arrangements which will help stabilize and increase the export earnings from cocoa of producing countries thereby helping to provide such countries with resources for accelerated economic growth and social development, while at the same time taking into account the interests of consumers in importing countries;
- (d) To assure adequate supplies at reasonable prices, equitable to producers and consumers; and
- (e) To facilitate expansion of consumption and, if necessary, and in so far as possible, an adjustment of production, so as to secure an equilibrium in the long term between supply and demand.

CHAPTER II DEFINITIONS

Article 2 *Definitions*

For the purposes of this Agreement:

- (a) *Cocoa* means cocoa beans and cocoa products;
- (b) *Cocoa products* means products made exclusively from cocoa beans, such as cocoa paste, cocoa butter, unsweetened cocoa powder, cocoa cake and cocoa nibs as well as such other products containing cocoa as the Council may determine if necessary;
- (c) *Fine or flavour cocoa* means cocoa produced in the countries listed in annex C to the extent specified therein;
- (d) *Ton* means the metric ton of 1,000 kilogrammes or 2204.6 pounds; and *pound* means 453.597 grammes;

(e) *Crop year* means the period of twelve months from 1 October to 30 September inclusive;

(f) *Quota year* means the period of twelve months from 1 October to 30 September inclusive;

(g) *Basic quota* means the quota referred to in article 30;

(h) *Annual export quota* means the quota, of each exporting member, as determined under article 31;

(i) *Export quota in effect* means the quota of each exporting member, at any given time, as determined under article 31, or as adjusted under article 34, or as reduced under paragraphs (4), (5) and (6) of article 35, or as may be affected under the provisions of article 36;

(j) *Export of cocoa* means any cocoa which leaves the customs territory of any country; and import of cocoa means any cocoa which enters the customs territory of an country; provided that for the purposes of these definition customs territory shall, in the case of a member which comprises more than one customs territory, be deemed to refer to the combined customs territories of that member;

(k) *Organization* means the international Cocoa Organization established under article 5;

(l) *Council* means the international Cocoa Council referred to in article 6;

(m) *Member* means a Contracting Party to this Agreement, including a Contracting Party as referred to in paragraph (2) of article 3, or a territory or a group of territories in respect of which a notification has been made in accordance with paragraph (2) of article 70, or an intergovernmental organization as provided for in article 4;

(n) *Exporting country or exporting member* means a country or a member respectively whose exports of cocoa expressed in terms of beans exceed its imports;

(o) *Importing country or importing member* means country or a member respectively whose imports of cocoa expressed in terms of beans exceed its exports;

(p) *Producing country or producing member* means country or member respectively which grows cocoa in commercially significant quantities;

(q) *Simple distributed majority vote* means a majority of the votes cast by exporting members and a majority of the votes cast by importing members, counted separately;

(r) *Special vote* means two-thirds of the Votes cast by exporting members and two-thirds of the votes cast by importing members, counted separately, on condition that the number of votes thus expressed represent half the present and voting members;

(s) *Entry into force* means, except when qualified, the date on which this Agreement first enters into force, whether provisionally or definitively.

CHAPTER III MEMBERSHIP

Article 3

Membership in the Organization

(1) Each Contracting Party shall constitute a single member of the Organization, except as otherwise provided in paragraph (2).

(2) if any Contracting Party, including the territories for whose international relations it is for the time being ultimately responsible and to which this Agreement is extended in accordance with paragraph (1) of article 70, consists of one or more units that would individually constitute an exporting member and of one or more units that would individually constitute an importing member, there may be either a joint membership for the Contracting Party together with these territories or, where the Contracting Party has made a notification to that effect under paragraph (2) of article 70, separate membership, singly, all together or in groups for the territories that would individually constitute an exporting member and separate membership singly, all together or in groups for the territories that would individually constitute an importing member.

Article 4

Membership by Intergovernmental Organizations

(1) Any reference in this Agreement to a "Government invited to the United Nations Cocoa Conference, 1972" shall be construed as including a reference to any intergovernmental organization having responsibilities in respect of the negotiation, conclusion and application of international agreements, in particular commodity agreements. Accordingly, any reference in this Agreement to signature or to deposit of instruments of ratification, acceptance or approval or to notification or to indication of provisional application or to accession by a Government shall, in the case of such intergovernmental organizations, be construed as including a reference to signature, or to deposit of instruments of ratification, acceptance or approval or to notification or to indication of provisional application or to accession by such intergovernmental organizations.

(2) Such intergovernmental organizations shall not themselves have any votes, but in the case of a vote on matters within their competence, they shall be entitled to cast the votes of their member States and shall cast them collectively. In such cases, the member States of such intergovernmental organizations shall not be entitled to exercise their individual voting rights.

(3) The provisions of paragraph (1) of article 15 shall not apply to such intergovernmental organizations; but they may participate in the discussions of the Executive Committee on matters within their competence. In the case of a vote on matters within their competence, the votes that their member States are entitled to cast in the Executive Committee shall be cast collectively by any one of those member States.

CHAPTER IV ORGANIZATION AND ADMINISTRATION

Article 5

Establishment, Headquarters and Structure of the International Cocoa Organization

- (1) The International Cocoa Organization is hereby established to administer the provisions of this Agreement and to supervise its operation.
- (2) The Organization shall function through:
 - (a) The International Cocoa Council and the Executive Committee;
 - (b) The Executive Director and the staff.
- (3) The Council shall decide at its first session on the location of the headquarters of the Organization.

Article 6

Compositions of the International Cocoa Council

- (1) The highest authority of the Organization shall be the International Cocoa Council, which shall consist of all the members of the Organization.
- (2) Each member shall be represented on the Council by a representative and, if it so desires, by one or more alternates. Each member may also appoint one or more advisers to its representative or alternates.

Article 7

Powers and Functions of the Council

- (1) The Council shall exercise all such powers and perform or arrange for the performance of all such functions as are necessary to carry out the express provisions of this Agreement.
- (2) The Council shall adopt, by special vote, such rules and regulations as are necessary to carry out the provisions of this Agreement and are consistent therewith including its rules of procedure and those of its committees, the financial and staff regulations of the Organization and rules for the operation and administration of the buffer stock. The Council may, in its rules of procedure, provide a procedure whereby it may, without meeting, decide specific questions.
- (3) The Council shall keep such records as are required to perform its functions under this Agreement and such other records as it considers appropriate.
- (4) The Council shall publish an annual report. This report shall cover the annual review for which provision is made in article 58. The Council shall also publish such other information as it considers appropriate.

Article 8
Chairman and Vice-Chairman of the Council

- (1) The Council shall elect a Chairman and a Vice-Chairman for each quota year, who shall not be paid by the Organization.
- (2) The Chairman and the Vice-Chairman shall be elected, one from among the delegations of the exporting members and the other from among the delegations of the importing members. This distribution shall alternate each quota year.
- (3) In the temporary absence of both the Chairman and the Vice-Chairman or the permanent absence of one or both, the Council may elect from among the appropriate delegations new officers, temporary or permanent as required.
- (4) Neither the Chairman nor any other officer presiding at meetings of the Council shall vote. His alternate may exercise the voting rights of the member which he represents.

Article 9
Sessions of the Council

- (1) As a general rule, the Council shall hold one regular session in each half of the quota year.
- (2) The Council, in addition to meeting in the other circumstances specifically provided for in this Agreement, shall also meet in special session whenever it so decides or on the request of:
 - (a) Any five members; or
 - (b) A member or members having at least 200 votes; or
 - (c) The Executive Committee.
- (3) Notice of sessions shall be given at least 30 days in advance, except in case of emergency or where the provisions of this Agreement require otherwise.
- (4) Sessions shall be held at the headquarters of the Organization unless by special vote the Council decides otherwise. If on the invitation of any member the Council meets elsewhere than at the headquarters of the Organization, that member shall pay the additional costs involved.

Article 10
Votes

- (1) The exporting members shall together hold 1,000 votes and the importing members shall together hold 1,000 votes, distributed within each category of members - that is, exporting and importing members, respectively - in accordance with the following paragraphs of this article.

(2) The votes of exporting members shall be distributed as follows: 100 shall be divided equally among all exporting members to the nearest whole vote for each member. The remaining votes shall be distributed in proportion to the basic quotas.

(3) The votes of importing members shall be distributed as follows: 100 shall be divided equally among all importing members to the nearest whole vote for each member. The remaining votes shall be distributed in proportion to their imports as set out in annex D.

(4) No member shall have more than 300 votes. Any votes above this figure arising from the calculations in paragraphs (2) and (3) shall be redistributed among other members on the basis of paragraphs (2) and (3) respectively.

(5) When the membership in the Organization change or when the voting rights of a member are suspended or restored under any provision of this Agreement, the Council shall provide for the redistribution of votes in accordance with this article.

(6) There shall be no fractional votes.

Article 11

Voting Procedure of the Council

(1) Each member shall be entitled to cast the number of votes it holds and cannot divide its votes. It may however, cast differently from such votes any votes which it is authorized to cast under paragraph (2).

(2) By written notification to the Chairman of the Council, any exporting member may authorize any other exporting member, and any importing member may authorize any other importing member, to represent its interests and to cast its votes at any meeting of the Council. In this case the limitation provided for in paragraph (4) of article 10 shall not apply.

(3) Exporting members producing exclusively fine or flavour cocoa shall not take part in voting on matters relating to the establishing and adjustment of quotas and the administration and operation of the buffer stock.

Article 12

Decisions of the Council

(1) All decisions of the Council shall be taken, and recommendations shall be made, by a simple distributed majority vote cast by the members of the Council unless this Agreement provides for a special vote.

(2) In arriving at the number of votes necessary for any of the decisions or recommendations of the Council, vote of members abstaining shall not be reckoned.

(3) The following procedure shall apply with respect of any action by the Council which under this Agreement requires a special vote:

(a) If the required majority is not obtained because of the negative vote of three or less exporting or three or less importing members, the proposal shall, if the Council decides by a simple distributed majority vote, be put to a vote again within 48 hours;

(b) If the required majority is again not obtained because of the negative vote of two or less importing or two or less exporting members, the proposal shall, if the Council so decides by a simple distributed majority vote, be put to a vote again within 24 hours;

(c) If the required majority is not obtained in the third vote because of the negative vote cast by one exporting member or one importing member, the proposal shall be considered adopted;

(d) If the Council fails to put a proposal to a further vote, it shall be considered rejected.

(4) Members undertake to accept as binding all decisions of the Council under the provisions of this Agreement.

Article 13

Co-operation with other Organizations

(1) The Council shall make whatever arrangements are appropriate for consultation or co-operation with the United Nations and its organs, in particular the United Nations Conference on Trade and Development and with the Food and Agriculture Organization and such other specialized agencies of the United Nations and intergovernmental organizations as may be appropriate.

(2) The Council, bearing in mind the particular role of the United Nations Conference on Trade and Development in international commodity trade, shall as appropriate keep that organization informed of its activities and programmes of work.

(3) The Council may also make whatever arrangements are appropriate for maintaining effective contact with international organizations of cocoa producers, traders and manufacturers.

Article 14

Admission of Observers

(1) The Council may invite any non-member that is a member of the United Nations, its specialized agencies or the International Atomic Energy Agency to attend any of its meetings as an observer.

(2) The Council may also invite any of the organizations referred to in article 13 to attend any of its meetings as an observer.

Article 15
Composition of the Executive Committee

(1) The Executive Committee shall consist of eight exporting members and eight importing members, provided that if either the number of exporting members in the Organization or the number of importing members in the Organization is ten or less the Council may, while maintaining parity between the two categories of members, decide by special vote the total number on the Executive Committee. Members of the Executive Committee shall be elected for each quota year in accordance with article 16 and may be re-elected.

(2) Each elected member shall be represented on the Executive Committee by a representative and, if it so desires, by one or more alternates. Each member may also appoint one or more advisers to its representative or alternates

(3) The Chairman of the Executive Committee shall be elected by the Council for each quota year and may be re-elected. In the temporary or permanent absence of the Chairman, the Executive Committee may elect an acting Chairman until the Chairman returns or until a new Chairman is elected by the Council. Neither the Chairman nor the acting Chairman shall vote. If a representative elected Chairman or acting Chairman, his alternate may vote in his place.

(4) The Executive Committee shall meet at the head quarters of the Organization unless by special vote decides otherwise. If on the invitation of any member the Executive Committee meets elsewhere than at the headquarters of the Organization, that member shall pay the additional costs involved.

Article 16
Election of the Executive Committee

(1) The exporting and importing members of the Executive Committee shall be elected in the Council by the exporting and importing members of the Organization respectively. The election within each category shall be held in accordance with the following paragraphs of the article.

(2) Each member shall cast all the votes to which it is entitled under article 10 for a single candidate. A member may cast for another candidate any votes which it is authorized to cast under paragraph (2) of article 11.

(3) The candidates receiving the largest number of votes shall be elected.

Article 17
Competence of the Executive Committee

(1) The Executive Committee shall be responsible to and work under the general direction of the Council.

(2) The Executive Committee shall keep the mark under continuous review and recommend to the Council such measures as it may consider advisable.

(3) Without prejudice to the right of the Council to exercise any of its powers the Council may, by a simple distributed majority vote or a special vote depending on whether a decision by the Council on the subject require a simple distributed majority vote or a special vote, delegate to the Executive Committee the exercise of any of its powers, except the following:

- (a) Redistribution of votes under article 10;
 - (b) Approval of the Administrative Budget and assessment of contributions under article 23;
 - (c) Revision of the minimum and maximum price under paragraph (2) of article 29;
 - (d) Revision of annex C under paragraph (3) of article 33;
 - (e) Determination of annual export quotas under article 31 and quarterly quotas under paragraph (8) of article 35;
 - (f) Restriction or suspension of purchases by the buffer stock under paragraph (9) (b) of article 39;
 - (g) Action relating to diversion of cocoa to non-traditional uses under article 45;
 - (h) Relief from obligations under article 59;
 - (i) Decision of disputes under article 61;
 - (j) Suspension of rights under paragraph (3) of article 62;
 - (k) Establishment of conditions for accession under article 68;
 - (l) Exclusion of a member under article 72;
 - (m) Extension or termination of this Agreement under article 74;
 - (n) Recommendation of amendments to members under article 75.
- (4) The Council may at any time, by a simple distributed majority vote, revoke any delegation of powers to the Executive Committee.

Article 18
*Voting Procedure and Decisions
of the Executive Committee*

- (1) Each member of the Executive Committee shall be entitled to cast the number of votes received by it under the provisions of article 16 and cannot divide its votes.
- (2) Without prejudice to the provisions of paragraph (1) and by informing the Chairman in writing, any exporting or importing member which is not a member of the Executive Committee and which has not cast its votes under paragraph (2) of

article 16 for any of the members elected may authorize any exporting or importing member of the Executive Committee as appropriate to represent its interests and to cast its votes in the Executive Committee.

(3) In the course of any quota year a member may, after consultation with the member of the Executive Committee for which it voted under article 16, withdraw its votes from that member. The votes thus withdrawn may be reassigned to another member of the Executive Committee but may not be withdrawn from that member for the remainder of that quota year. The member of the Executive Committee from which the votes have been withdrawn shall nevertheless retain its seat on the Executive Committee for the remainder of that quota year. Any action taken pursuant to the provisions of this paragraph shall become effective after the Chairman has been informed in writing thereof.

(4) Any decision taken by the Executive Committee shall require the same majority as that decision would require if taken by the Council.

(5) Any member shall have the right of appeal to the Council, under such conditions as the Council shall prescribe in its rules of procedure, against any decision of the Executive Committee.

Article 19

Quorum for the Council and the Executive Committee

(1) The quorum for the opening meeting of any session of the Council shall be constituted by the presence of majority of exporting members and a majority of importing members, provided that such members together hold in each category at least two-thirds of the total vote of the members in that category.

(2) If there is no quorum in accordance with paragraph (1) on the day appointed for the opening meeting of any session and on the following day, the quorum of the third day and throughout the remainder of the session shall be constituted by the presence of a majority of exporting members and a majority of importing members provided that such members together hold in each category a simple majority of the total votes of the members in that category.

(3) The quorum for meetings subsequent to the opening meeting of any session pursuant to paragraph (1) shall be that prescribed in paragraph (2).

(4) Representation in accordance with paragraph (2) of article 11 shall be considered as presence.

(5) The quorum for any meeting of the Executive Committee shall be prescribed by the Council in the rules of procedure of the Executive Committee.

Article 20

The Staff of the Organization

(1) The Council, after consulting the Executive Committee, shall appoint the Executive Director by special vote. The terms of appointment of the Executive

Director shall be fixed by the Council in the light of those applying to corresponding officials of similar intergovernmental organizations.

(2) The Executive Director shall be the chief administrative officer of the Organization and shall be responsible to the Council for the administration and operation of this Agreement in accordance with the decisions of the Council.

(3) The Council, after consulting the Executive Committee, shall appoint the Buffer Stock Manager by special vote. The terms of appointment of the Manager shall be fixed by the Council.

(4) The Manager shall be responsible to the Council for the functions conferred upon him by this Agreement as well as for such additional functions as the Council may determine. The responsibility for these functions shall be exercised in consultation with the Executive Director.

(5) Without prejudice to the provisions of paragraph (4), the staff of the Organization shall be responsible to the Executive Director, who in turn shall be responsible to the Council.

(6) The Executive Director shall appoint the staff in accordance with regulations established by the Council. In drawing up such regulations the Council shall have regard to those applying to officials of similar inter-governmental organizations. Staff appointments shall be made in so far as is practicable from nationals of exporting and importing members.

(7) Neither the Executive Director, the Manager nor any other member of the staff shall have any financial interest in the cocoa industry, cocoa trade, cocoa transportation or cocoa publicity.

(8) In the performance of their duties, the Executive Director, the Manager and the other members of staff shall not seek or receive instructions from any member or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization. Each member undertakes to respect the exclusively international character of the responsibilities of the Executive Director, the Manager and the staff and not to seek to influence them in the discharge of their responsibilities.

CHAPTER V PRIVILEGES AND IMMUNITIES

Article 21 *Privileges and Immunities*

(1) The Organization shall have legal personality. It shall in particular have the capacity to contract, to acquire and dispose of movable and immovable property and to institute legal proceedings.

(2) The Government of the country in which the headquarters of the Organization is situated (hereinafter referred to as "the host Government") shall, as soon as possible

after the entry into force of the present Agreement, conclude with the Organization an agreement to be approved by the Council relating to the status, privileges and immunities of the Organization, of its Executive Director, its staff and experts and of representatives of members whilst in the territory of the host Government for the purpose of exercising their functions.

(3) The agreement envisaged in paragraph (2) shall be independent of the present Agreement. It shall, however, terminate:

(a) By agreement between the host Government and the Organization, or

(b) In the event of the headquarters of the Organization being moved from the territory of the host Government, or

(c) In the event of the Organization ceasing to exist.

(4) Pending the entry into force of the agreement envisaged in paragraph (2) the host Government shall grant exemption from taxation.

(a) On remuneration paid by the Organization to its employees other than those employees who are nationals of the host member, and

(b) On the assets, income and other property of the Organization.

(5) Following the approval by the Council of the agreement envisaged in paragraph (2) the Organization may conclude with one or more other members agreements to be approved by the Council relating to such privileges and immunities as may be necessary for the proper functioning of the present Agreement.

CHAPTER VI FINANCE

Article 22 Finance

(1) There shall be kept two accounts - the Administrative Account and the Buffer Stock Account – for its administration and operation of this Agreement.

(2) The expenses necessary for the administration and operation of this Agreement excluding those attributable to the operation and maintenance of the buffer stock instituted under article 37, shall be brought into the Administrative Account and shall be met by annual contributions from members assessed in accordance with article 23. If, however, a member requests special service the Council may require that member to pay for them.

(3) Any expenditure which is attributable to the operation and maintenance of the buffer stock under paragraph (6) of article 37, shall be brought into the Buffer Stock Account. The liability of the Buffer Stock Account for any expenditure other than that specified in paragraph (6) of article 37 shall be decided by the Council.

(4) The financial year of the Organization shall be the same as the quota year.

(5) The expenses of delegations to the Council, to the Executive Committee and to any of the committees of the Council or of the Executive Committee shall be met the members concerned.

Article 23

Approval of the Administrative Budget and Assessment of Contributions

(1) During the second half of each financial year, the Council shall approve the Administrative Budget of the Organization for the following financial year, and shall assess the contribution of each member to that budget.

(2) The contribution of each member to the Administrative Budget for each financial year shall be in the proportion which the number of its votes at the time the Administrative Budget for that financial year is approved bears to the total votes of all the members. In assessing contributions, the votes of each member shall be calculated without regard to the suspension of any member voting rights or any redistribution of votes resulting therefrom.

(3) The initial contribution of any member joining El Organization after the entry into force of this Agreement shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current financial year, but the assessment made upon other members for the current financial year shall not be altered.

(4) If this Agreement comes into force more than eight months before the beginning of the first full financial year the Council shall at its first session approve an administrative budget covering only the period up to the commencement of the first full financial year. Otherwise, the first administrative budget shall cover both the initial period and the first full financial year.

Article 24

Payment of Contributions to the Administrative Budget

(1) Contributions to the Administrative Budget for each financial year shall be payable in freely convertible currencies, shall be exempt from foreign exchange restrictions, and shall become due on the first day of that financial year.

(2) If at the end of five months after the beginning of the financial year a member has not paid its full contribution to the Administrative Budget, the Executive Director shall request the member to make payment as quickly as possible. If at the expiration of two months after the request of the Executive Director the member has still not paid its contribution, the voting rights of that member in the Council and the Executive Committee shall be suspended until such time as it has made full payment of the contribution.

(3) A member whose voting rights have been suspended under paragraph (2) shall not be deprived of any of its other rights or relieved of any of its obligations under this Agreement unless the Council so decides by special vote. It shall remain liable to pay

its contribution and to meet any other financial obligations under this Agreement.

Article 25

Audit and Publications of Accounts

(1) As soon as possible but not later than six months after the close of each financial year, the statement of the Organization's accounts for that financial year and the balance-sheet at the close of that financial year under each of the accounts referred to in paragraph (1) of article 22 shall be audited. The audit shall be carried out by an independent auditor of recognized standing in co-operation with two qualified auditors from member Governments, one from exporting members and one from importing members to be elected by the Council for each financial year. The auditors from member Governments shall not be paid by the Organization.

(2) The terms of appointment of the independent auditor of recognized standing as well as the intentions and objectives of the audit shall be laid down in the financial regulations of the Organization. The audited statement of the Organization's accounts and the audited balance sheet shall be presented to the Council at its next regular session for approval.

(3) A summary of the audited accounts and balance- sheet shall be published.

CHAPTER VII

PRICE, QUOTAS, BUFFEY STOCK AND DIVERSION TO NON-TRADITIONAL USES

Article 26

Operation of this Agreement

(1) In furthering the objectives of this Agreement members shall adopt measures for maintaining the price of cocoa beans between agreed prices, and for that purpose and under the control of the Council an export quorum system shall be established, a buffer stock arrangement shall be instituted and arrangements shall be made for the diversion to non-traditional uses, under strict regulation of cocoa surplus to quotas and of cocoa beans surplus to the buffer stock.

(2) Members shall conduct their trade policies so that the objectives of this Agreement may be attained.

Article 27

Consultation and Co-operation with the Cocoa Industry

(1) The Council shall encourage members to seek the views of experts in cocoa matters.

(2) Members shall, in fulfilling their obligations under this Agreement, conduct their activities in a manner consonant with the established channels of trade and shall take due account of the legitimate interests of the cocoa industry.

(3) Members shall not interfere with the arbitration (commercial disputes between cocoa buyers and sellers contracts cannot be fulfilled because of regulations established in order to implement this Agreement, nor place impediments in the way of the conclusion of arbitration proceedings. The requirement of members to comply with the provisions of this Agreement shall not be accepted grounds for non-fulfilment of contract or as a defence in such cases.

Article 28

Daily Price and Indicator Price

(1) For the purposes of this Agreement, the price of cocoa beans shall be determined by reference to a daily price and an indicator price.

(2) The daily price shall, subject to paragraph (3), be the average taken daily of the quotations for cocoa beans of the nearest three active future trading months on the New York Cocoa Exchange at noon and on the London Cocoa Terminal Market at closing time. The London prices shall be converted to U.S. cents per pound by using the current six months forward rate of exchange published in London at closing time. The Council shall decide the method of calculation to be used when the quotations on only one of these two cocoa markets are available or when the London Exchange Market is closed. The time for shift to the next three months' period is the fifteenth of the month immediately preceding the nearest active maturing month.

(3) The Council may, by special vote, decide on any other method of determining the daily price if it considers such method to be more satisfactory than that set out in paragraph (2).

(4) The indicator price shall be the average of the daily prices over a period of 15 consecutive market days or, for the purposes of paragraph (4) of article 34, over a period of 22 consecutive market days. Any reference in this Agreement to the indicator price being at, below or above any figure means that the average of the daily prices over the required period of consecutive market days has been at, below or above that figure; the required period of consecutive market days shall commence on the first day on which the daily price is at, below or above that figure.

Article 29

Prices

(1) For the purpose of this Agreement a minimum price of cocoa beans shall be established at 23 U.S. cents per pound and a maximum price at 32 U.S. cents per pound.

(2) Before the end of the second quota year the Council shall review these prices and may, by special vote, revise them, except that the range between the minimum and the maximum prices shall remain the same. The provisions of article 75 shall not be applicable to the revision of prices under the present paragraph.

Article 30
Basic Quotas

(1) For the first quota year each exporting member listed in annex A shall have the basic quota set out in that annex. There shall be no basic quota for the exporting members producing less than 10,000 tons of bulk cocoa listed in annex B.

(2) Before the beginning of the second quota year and taking into account the tonnages of cocoa produced by each exporting member in each of the three immediately preceding crop years for which final figures of production have been furnished to the Council, the basic quotas shall be automatically revised and the new basic quotas to apply for the remaining life of this Agreement shall be calculated on the following basis:

(a) Where, for any exporting member, the highest annual production figure during the three preceding crop years aforementioned is higher than the production figure set out in annex A, the higher of these two comparative figures shall be adopted in calculating the new basic quota which shall apply in respect of that member for the remaining life of this Agreement.

(b) Where, for any exporting member, the highest annual production figure during the three preceding crop years aforementioned is more than 20 per cent below the production figure set out in annex A, the lower of these two comparative figures shall be adopted in calculating the new basic quota which shall apply in respect of that member for the remaining life of this Agreement.

(c) Where, for any exporting member, the higher annual production figure during the three preceding crop years aforementioned falls below the production figure set out in annex A but the shortfall is not more than 20 per cent, the production figure set out in annex A shall be adopted in calculating the new basic quota which shall apply in respect of that member for the remaining life of this Agreement.

(3) The Council shall revise the lists in annexes A and B if the development of production of an exporting member so requires.

Article 31
Annual, Export Quotas

(1) At least 40 days before the beginning of each quota year, the Council shall, by special Vote, and taking into account all the relevant factors such as the past trend of grindings, the long-term trends in consumption, possible sales by the buffer stock, prospective stock variations, the current market price of cocoa and the estimate of production, adopt an estimate of world demand for cocoa in that quota year, together with an estimate of exports not subject to annual export quotas. In the light of these estimates, the Council shall forthwith by special vote determine annual export quotas of exporting members for that quota year in the manner set out in this article.

(2) If, at least 35 days before the beginning of the quota year, the Council is unable to reach agreement on annual export quotas, the Executive Director shall submit to the Council his own proposal. The Council shall immediately proceed to a decision by

special vote on the proposal. The Council shall, in any event, determine the annual export quotas at least 30 days before the beginning of the quota year.

(3) The annual export quota for each exporting member shall be proportionate to the basic quota as provided in article 30.

(4) On the presentation of such evidence as the Council considers satisfactory, it shall authorize an exporting member producing less than 10,000 tons in any quota year to export that year a quantity not greater than its effective production available for exports.

Article 32 *Scope of Export Quotas*

(1) Annual export quotas cover:

(a) Exports of cocoa from exporting members; and

(b) Cocoa from the current crop year registered for export within the limit of the export quota in effect at the end of the quota year but shipped after the quota year, provided that such exports shall be made not later than the end of the first quarter of the succeeding quota year and shall be subject to conditions to be established by the Council.

(2) For the purpose of determining the beans equivalent of the exports of cocoa products from exporting members and exporting non-members the following shall be the conversion factors: cocoa butter 1.33; cocoa cake and powder 1.18; cocoa paste and nibs 1.25. The Council may determine if necessary that other products containing cocoa are cocoa products. The conversion factors for cocoa products other than those for which conversion factors are set out in this paragraph shall be fixed by the Council.

(3) The Council shall, on the basis of any referred to in article 48, keep the exports of cocoa products by exporting members and imports of cocoa prod from exporting non-members under continuous observation. If the Council finds that, during the quota year, the difference between exports of cocoa cake and/or cocoa powder by an exporting country and its exports of cocoa butter has considerably increased at the expense of cocoa cake and/or cocoa powder because, for example, of increased extraction-method processing, the conversion factors to be used for the purpose of determining the beans equivalent of its exports of cocoa products during that quota year, and/or, if the Council so decides, in a subsequent quota year, will be as follows: cocoa butter 2.15; cocoa paste and nibs 1.25; cocoa cake and powder 0.30 with consequential adjustment in the contribution remaining to be collected in accordance with article 38. However, this provision shall not apply if the decrease in exports of products other than cocoa butter is due to increased domestic human consumption or to other reasons - to be provided by the exporting country - considered as satisfactory and acceptable to the Council.

(4) Deliveries to the Buffer Stock Manager by exporting members under paragraphs (2) and (3) of article 39 and under paragraph (1) of article 45, as well as diversion of

cocoa under paragraph (2) of article 45, shall not be' counted against the export quotas of those members.

(5) If the Council is satisfied that cocoa has been exported by exporting members for humanitarian or other non-commercial purposes, such cocoa shall not be counted against the export quotas of those members.

Article 33

Fine or Flavour Cocoa

(1) Notwithstanding articles 31 and 38 the provisions of this Agreement concerning export quotas and contributions for financing the buffer stock shall not apply to fine or flavour cocoa from any exporting member listed in paragraph (1) of annex C, whose production is exclusively of fine or flavour cocoa.

(2) Paragraph (1) shall also apply in the case of any exporting member listed in paragraph (2) of annex C, part of whose production consists of fine or flavour cocoa to the extent of the proportion of their production stated in paragraph (2) of annex C. With regard to the remaining proportion, the provisions of this Agreement concerning export quotas and contributions for financing the buffer stock and other limitations of this Agreement shall apply.

(3) The Council may, by special vote, revise annex C.

(4) If the Council finds that the production of, or export from, countries listed in annex C has risen sharply, it shall take appropriate steps to ensure that no abuse or evasion of this Agreement is taking place.

(5) Each exporting member listed in annex C undertakes to require the presentation of an authorized Council control document before permitting the export of fine or flavour cocoa from its territory. Each importing member undertakes to require the presentation of an authorized Council control document before permitting the import of fine or flavour cocoa into its territory.

Article 34

Operation and Adjustment of Annual Export Quota

(1) The Council shall keep the market situation under review and shall meet whenever circumstances so require.

(2) The following quotas shall have effect unless the Council decides by special vote to increase or reduce them.

(a) When the indicator price is above the minimum price, and below or at the minimum price \pm 1 U.S. cent per pound, the export quotas in effect shall be 90 per cent of annual export quotas;

(b) When the indicator price is above the minimum price + 1, and below or at the minimum price + 3 U.S. cents per pound, the export quotas in effect shall be 95 per cent of annual export quotas;

(c) When the indicator price is above the minimum price + 3, and below or at the minimum price + 4 ½ U.S cents per pound, the export quotas in effect shall be 100 per cent of annual export quotas;

(d) When the indicator price is above the minimum price + 4½, and below or at the minimum price + 6 U.S cents per pound, the export quotas in effect shall be 105 per cent of annual export quotas.

(3) With regard to quota reductions which have been carried out pursuant to paragraph (2), the Council may by special vote, decide that such reductions shall be restored at price levels higher than those stipulated in that paragraph, provided that such higher price levels shall be within the price zone within which the restored quota shall be in effect.

(4) When the indicator price is above the minimum price + 6 U.S. cents per pound, the export quotas in effect shall be suspended unless the Council decides otherwise by special vote. In accordance with the provisions of paragraph (4) of article 28, for the purpose of determining when the indicator price is above the minimum price + 6 U.S. cents per pound, the average of the daily price shall have been above the minimum price + 6 U.S. cent per pound over a period of 22 consecutive market days Once export quotas have been suspended, a period of the same duration shall apply for determining when the indicator price has fallen to, or below, the minimum price + 6 U.S. cents per pound.

(5) When the indicator price is at the minimum price + 8 U.S. cents per pound, the Buffer Stock Manager shall commence sales from the buffer stock in accordance with the provisions of article 40 unless the Council decide otherwise by special vote.

(6) When the indicator price is at the maximum price, mandatory sales from the buffer stock shall take place under the terms provided for by paragraph (1) of article 40.

(7) When the indicator price is at the minimum price, the Council shall meet within four working days to review the market situation and decide by special vote on further measures to defend the minimum price.

(8) When the indicator price is above the maximum price, the Council shall meet within four working days to review the market situation and decide by special vote on further measures to defend the maximum price.

(9) During the last 45 days of the quota year there shall be no introduction of export quotas or reduction of export quotas in effect, unless the Council decides otherwise by special vote.

Article 35

Compliance with Export Quotas

(1) Members shall adopt the measures required to ensure full compliance with the obligations undertaken by them in this Agreement in respect of export quotas. The Council may call upon members to adopt additional measures, if necessary, for the

effective implementation of the export quota system, including the making of regulations by exporting members providing for the registration of all their cocoa to be exported within the limit of the export quota in effect.

(2) Exporting members undertake to regulate their sales in such a manner as to make for orderly marketing and to be in a position to comply at all times with their export quotas in effect. In any case, no exporting member shall export more than 85 per cent and 90 per cent of its annual export quota determined under article 31 during the first two and the first three quarters respectively.

(3) Each exporting member undertakes that the volume of its exports of cocoa shall not exceed its export quota in effect.

(4) If an exporting member exceeds its export quota in effect by less than one per cent of its annual export quota this shall not be considered as being a breach of paragraph (3). However, any such excess shall be deducted from the export quota in effect of the member concerned in the following quota year.

(5) If an exporting member exceeds for the first time its export quota in effect beyond the margin of tolerance referred to in paragraph (4), that member shall sell to the buffer stock, unless the Council decides otherwise, an amount equal to the excess within three months of being discovered by the Council. This amount shall be automatically deducted from its export quota in effect for the quota year immediately following the one in which the breach took place. Sales to the buffer stock under this paragraph shall be made in accordance with paragraphs (5) and (6) of article 39.

(6) If an exporting member exceeds for a second or subsequent time its export quota in effect beyond the margin of tolerance referred to in paragraph that member shall sell to the buffer stock, unless the Council decides otherwise, an amount equal to twice the excess within three months of being discovered by the Council. This amount shall be automatically deducted from its export quota in effect for the quota year immediately following the one in which the breach took place. Sales to the buffer stock under this paragraph shall be made in accordance with paragraphs (5) and (6) of article 39.

(7) Any action taken under paragraphs (5) and (6) shall be without prejudice to the provisions of chapter XV.

(8) When the Council determines annual export quota under article 31, it may decide by special vote to establish quarterly export quotas. It shall at the same time establish the rules for operating and removing such quarter export quotas. In establishing such rules the Council shall take into account the production pattern of each exporting member.

(9) In the event that an introduction or a reduction of export quotas cannot be fully respected during the current quota year because of the existence of *bone fide* contract entered into when export quotas were suspended or within export quotas in effect at the time the contracts were made, the adjustment shall be made in the export quota in effect for the succeeding quota year. The Council may require evidence of such contracts.

(10) Members undertake to transmit immediately the Council any information which they may obtain relation to any breach of this Agreement or of any rules and regulations established by the Council.

Article 36
Redistribution of Shortfalls

(1) Each exporting member shall, as soon as possible and in any case before the end of May in each quota year notify the Council of the extent to which and the reason why it expects either that it will not use all its quota in effect or that it will have a surplus over that quota. In the light of such notifications and explanations the Executive Director shall, unless the Council decides otherwise by special vote taking into account market conditions, redistribute shortfalls among exporting members in accordance with rules which the Council shall establish covering the conditions, timing and mode of such redistribution. Such rules shall include provisions regulating the manner which reductions made under paragraphs (5) and (6) article 35 shall be dealt with.

(2) For exporting members not in a position to notify the Council of their expected shortfalls or surpluses before the end of May because of the timing of the harvest their main crop, the time limit for notification of shortfall or surpluses shall be extended up to the middle of July. The exporting countries which qualify for this extension of time are listed in annex E.

Article 37
Institution and Financing of the Buffer Stock

(1) A buffer stock arrangement is hereby instituted.

(2) The buffer stock shall purchase and hold only cocoa beans and its maximum capacity shall be 250,000 tons.

(3) The Buffer Stock Manager shall, in accordance with rules adopted by the Council, be responsible for the operation of the buffer stock and for buying, selling, and maintaining in good condition stocks of cocoa beans and without incurring market risks, replacing lots of cocoa beans in accordance with the relevant provisions of the Agreement.

(4) In order to finance its operations, the buffer stock shall from the start of the first quota year after the enter into force of this Agreement, receive regular income in the form of contributions charged on cocoa in accordance with the provisions of article 38. if, however, the Council has other sources of finance it may decide another date which to implement the contribution.

(5) Should the income of the buffer stock contributions at any time seem likely to be insufficient finance its operations, the Council may by special vote borrow funds in freely convertible currency from appropriate sources, including the Governments of member countries. Any such Loans shall be repaid out of the proceeds of contributions, of the sale of cocoa beans by buffer stock and of miscellaneous income

of the buffer stock, if any. Individual members of the Organization shall not be responsible for the repayment of such loans.

(6) The cost of operating and maintaining the buffer stock including:

(a) The remuneration of the Manager and the members of the staff who operate and maintain the buffer stock, the cost to the Organization of administering and controlling the collection of contributions and interest or capital charges due on sums borrowed by the Council, and

(b) Other costs such as the cost of transportation and insurance from the f.o.b. point into the buffer stock storage point, storage including fumigation, handling charges, insurance, management and inspection and expenditure incurred in replacing lots of cocoa beans maintain their condition and value, shall be met out of the regular source of income from contributions or loans under paragraph (5) or the proceeds of resale under paragraph (5) of article 39.

Article 38

Contributions for Financing the Buffer Stock

(1) The contribution charged on cocoa either on final export by a member or on first import by a member not be more than one U.S. cent per pound of cocoa beans and proportionately on cocoa products in accordance with paragraphs (2) and (3) of article 32. In any case the contribution shall only be charged once. In the first two quota years for which the contribution is in effect the rate contribution shall be one U.S. cent per pound of cocoa beans and proportionately on cocoa products in accordance with paragraphs (2) and (3) of article 32. For the period thereafter the Council may, by special vote, determine a lower rate of contribution in the light of financial resources and obligations of the Organization relation to the buffer stock. If no such determination is made the prevailing rate shall be maintained. If Council, by special vote, decides that sufficient capital for the operation of the buffer stock and for the fulfilment of the financial obligations of the Organization in relation the buffer stock has been accumulated, further contribution shall cease.

(2) Certificates of contribution shall be issued by Council in accordance with the rules which it shall establish. Such rules shall take into account the interests of Cocoa trade and shall cover, *inter alia*, the possible user agents, the issuance of documents against contribution and the payment of contributions within a given limit.

(3) Contributions under this article shall be payable in freely convertible currencies and shall be exempt from foreign exchange restrictions.

(4) Nothing contained in this article shall affect the right of any buyer or seller to regulate the terms of Agreement for supplies of cocoa by agreement between them

Article 39
Purchases by the Buffer Stock

(1) For the purposes of this article, the maximum capacity of the buffer stock of 250,000 tons shall be divided into individual entitlements for each exporting member in the same proportion as its basic quota under article 30.

(2) If annual export quotas are reduced under article 34 each exporting member shall forthwith offer to sell to the Buffer Stock Manager and the Manager shall within ten days of the quota reduction enter into a contract to buy from each exporting member an amount of cocoa bean equal to the reduction in its quota.

(3) Not later than the end of the crop year, the exporting member shall notify the Manager of any export of its production over its export quota in effect at the end of the quota year and the quantity of cocoa beans required for domestic consumption. Each exporting member notifying an excess shall forthwith offer to sell to the Manager and the Manager shall within ten days of the notification enter into a contract to buy from such exporting member any cocoa beans produced in excess of its export quota in effect at the end of the quota year not already purchased under paragraph (2), after allowing for production required for domestic consumption.

(4) The Manager shall purchase only cocoa beans recognized standard marketable grades and in quantity of not less than 100 tons.

(5) In purchasing cocoa beans from exporting members under the provisions of this article, the Manager shall subject to the provisions of paragraph (6), make:

(a) An initial payment of 10 U.S. cents per pound on delivery of the cocoa beans; provided that at the end of the quota year concerned the Council, on the recommendation of the Manager, may decide in the light of the current and prospective financial position of the buffer stock that the initial payment shall be increased by the amount not exceeding 5 U.S. cents per pound. Manager may pay less than the full additional increment for individual parcels of cocoa beans, depending on the quality or condition, in accordance with rules approved under paragraph (3) of article 37;

(b) A complementary payment on the sale of the cocoa beans by the buffer stock representing the proceeds of the sale less the payment made under (a) above and the cost of transportation and insurance from the f.o.b. point into the buffer stock storage point, storage and handling charges and costs, if any, of replacing lots of cocoa beans as necessary to maintain the condition and value of such lots.

(6) Where a member has already sold to the Manager a quantity of cocoa beans equal to its individual entitlement as defined in paragraph (1), the Manager shall for subsequent purchases pay at the time of delivery only such a price as would be realized by the disposal of the cocoa beans for non-traditional uses. If cocoa beans bought under the provisions of this paragraph are subsequently resold under the provisions of article 40, the Manager shall make a complementary payment to the exporting member concerned representing the proceeds of the re-sale less the payment

already made under this paragraph and the cost of transportation and insurance from the f.o.b. point into the buffer stock storage point, storage and handling charges and costs, if any, of replacing lots of cocoa beans as necessary to maintain the condition and value of such lots.

(7) Where cocoa beans are sold to the Manager under paragraph (2), the contract shall contain a clause allowing the exporting member to cancel all or part of the contract before the cocoa beans are delivered:

(a) If subsequently in the same quota year the reduction in quota which gave rise to the sale is restored under provisions of article 34; or

(b) To the extent that, after making such sales, production in the same quota year proves to be insufficient to satisfy the member's export quota in effect.

(8) Purchase contracts under this article shall provide for delivery within a period to be stipulated in the contract but at the latest within two months after the end of the quota year.

(9) (a) The Manager shall keep the Council informed of the financial position of the buffer stock. If he considers that funds will not be sufficient to pay for the cocoa beans which he believes will be offered to him during the current quota year he shall request the Executive Director to convene a special session of the Council.

(b) If the Council is unable to find any other practicable solution it may by special vote suspend or restrict purchases under paragraphs (2), (3) and (6) until such time as it is able to resolve the financial situation.

(10) The Manager shall maintain appropriate to enable him to fulfil his functions under this Agreement.

Article 40

Buffer Stock Sales in Defence of the Maximum Price

(1) The Buffer Stock Manager shall make sales from the buffer stock pursuant to paragraphs (5) and (6) of article 34 in accordance with the provisions of this article;

(a) Sales shall be at current market prices;

(b) When sales from the buffer stock commence pursuant to paragraph (5) of article 34, the Manager shall continue to offer cocoa beans for sale until:

(i) The indicator price falls to the minimum price + 8 U.S. cents per pound; or

(ii) He has exhausted all the supplies of cocoa beans his disposal; or

(iii) The Council, when the indicator price is between the minimum price + 8 U.S. cents per pound and the maximum price, decides otherwise by special vote;

(c) When the indicator price is at or above the maximum price, the Manager shall continue to offer cocoa beans for sale until the indicator price falls to the maximum price or until he has exhausted all the cocoa beans at his disposal, whichever is earlier.

(2) In making sales in accordance with paragraph (1) the Manager shall sell through normal channels in member countries to firms and organizations engaged in the trade or processing of cocoa for the purpose of future processing in accordance with rules approved by the Council.

(3) In making sales in accordance with paragraph (1) the Manager shall, subject to the acceptability of the price bid, give first refusal to purchasers in member countries before accepting bids from purchasers in non-member countries.

Article 41

Withdrawal of Cocoa Beans from the Buffer Stock

(1) Notwithstanding the provisions of article 40, an exporting member which is unable to fulfil its quota during a quota year owing to a shortfall in its crop may apply to the Council for approval to withdraw all or part of the cocoa beans purchased by the Buffer Stock Manager during the preceding quota year and still held in stock unsold to the extent of the amount by which its export quota in effect exceeds production for the quota year. The exporting member concerned shall pay to the Manager on release of the cocoa beans, the costs incurred in respect of the cocoa beans covering the initial payment, the cost of transportation and insurance from the f.o.b. point into the buffer stock storage point, storage and handling charges.

(2) The Council shall establish the rules for the withdrawal of cocoa beans from the buffer stock under paragraph (1).

Article 42

Changes in the Exchange Rates of Currencies

A special session of the Council shall be called by the Executive Director within not more than four working days whenever a change occurs in the par value of either the U.S. dollar or the pound sterling or the exchange rate for either of these currencies are not maintained with internationally prescribed margins of their par value. Pending this special session the Executive Director and the Buffer Stock Manager shall take such interim measures they consider necessary. In particular, they may, after consultation with the Chairman of the Council, temporarily restrict or suspend the operations of the buffer stock. After consideration of the circumstances, including review of the interim measures that may have been taken by the Executive Director and the Manager, and the potential effect of a change in the par value of a currency or variations in exchange rates mentioned above on the effective operation of this Agreement, the Council may by special vote take any necessary corrective measures.

Article 43
Liquidation of the Buffer Stock

(1) If this Agreement is to be replaced by a new agreement which includes provisions relating to the buffer stock, the Council shall make such arrangements as considers appropriate regarding the continued functioning of the buffer stock.

(2) If this Agreement terminates without being replaced by a new agreement which includes provisions relating to the buffer stock, the following provisions shall apply:

(a) No further contracts shall be made for the purchase of cocoa beans for the buffer stock. The Buffer Stock Manager shall, in the light of current market conditions dispose of the buffer stock in accordance with the rule laid down by the Council by special vote on the entry into force of this Agreement, unless, prior to the termination of this Agreement, the Council revises these rules by special vote. The Manager shall retain the right to sell cocoa beans at any time during liquidation to meet the costs thereof.

(b) The proceeds of sales and monies standing to account of the buffer stock shall be used to pay, in following order:

(i) The costs of liquidation;

(ii) Any outstanding balance of, plus interest on, any loan incurred by or on behalf of the Organization in respect of the buffer stock;

(iii) Any outstanding complementary payments under article 39.

(c) Any monies remaining after payments have been made under (b) shall be paid to the exporting member concerned in proportion to the contribution-paid export of each such exporting member.

Article 44
Assurance of Supplies

Exporting members undertake to pursue sales and export policies within the context of this Agreement which will not artificially restrict supplies of cocoa and which will ensure the regular supply of cocoa to importers in member countries. In offering cocoa for sale when the price is above the maximum price, exporting members shall give preference to importers in member countries as against importers in non-member countries.

Article 45
Diversions to Non-Traditional Uses

(1) If the quantity of cocoa beans held in store by the Buffer Stock Manager under article 39 exceeds the maximum capacity of the buffer stock, the Manager shall, under terms and conditions laid down by the Council, dispose of such excess cocoa beans for diversion to non-traditional uses. Such terms and conditions shall, *in alia*, be

designed to ensure that the cocoa does not re-en the normal cocoa market. Each member shall co-operate with the Council in this respect to the fullest extent possible.

(2) Instead of selling cocoa beans to the Manager where the maximum capacity of the buffer stock has been reached, an exporting member may, under the control of the Council, divert internally its surplus cocoa to non-traditional uses.

(3) Whenever any case of diversion inconsistent with this Agreement is brought to the attention of the Council including any case of re-entry into the market of cocoa diverted to non-traditional uses, the Council shall decide at the earliest opportunity what measures should be taken to remedy the situation.

CHAPTER VIII

REPORTING OF IMPOR AND EXPORTS, RECORD OF QUOTA PERFORMANCE AND CONTROL MEASURES

Article 46

Reporting of Exports and Record of Quota Performance

(1) In accordance with rules to be established by the Council, the Executive Director shall maintain a record the annual export quota and its adjustments in the case each exporting member. Against the quota shall be corded the exports for quota purposes which are made that member so that the quota position of each exporting member is kept up to date.

(2) For this purpose, each exporting member shall report to the Executive Director at such intervals as the Council may determine the total quantity of exports registered, together with such other data as the Council may prescribe. This information shall be published at the end of each month.

(3) Exports for non-quota purposes shall be record separately.

Article 47

Reporting of Imports and Exports

(1) In accordance with rules to be established by the Council, the Executive Director shall maintain a record of members' imports and of exports from importing members.

(2) For this purpose, each member shall report to the Executive Director the total quantities of its imports and each importing member shall report to the Executive Director the total quantities of its exports at such intervals as the Council may determine together with such others data as the Council may prescribe. This information shall be published at the end of each month.

(3) Imports which, under this Agreement, do not count against export quotas shall be recorded separately.

Article 48
Control Measures

(1) Each member exporting cocoa shall require the presentation of a valid certificate of contribution or other authorized Council control document before permitting the shipment of cocoa from its customs territory. Each member importing cocoa shall require the presentation of a valid certificate of contribution or other authorized Council control document before permitting the import of any cocoa into its customs territory whether from a member or a non-member.

(2) Certificates of contribution will not be required for cocoa exported under the provisions of paragraphs (4) and (5) of article 32. The Council shall arrange to issue appropriate control documents to cover such shipments.

(3) Certificates of contribution or other authorized Council control documents shall not be issued to cover shipments, in any period, of cocoa in excess of authorized exports for that period.

(4) The Council shall by special vote adopt such rules as it considers necessary in respect of certificates of contribution and other authorized Council control documents.

(5) For fine or flavour cocoa the Council shall make such rules as it considers necessary in respect of the simplification of the procedure for authorized Council control documents, taking into account all relevant factors.

CHAPTER IX
PRODUCTION AND STOCKS

Article 49
Production and Stocks

(1) Members recognize the necessity of keeping production in reasonable balance with consumption and shall co-operate with the Council in the attainment of this objective.

(2) Each producing member may develop a programme to adjust its production, in order that the objective set forth in paragraph (1) may be attained. Each producing member concerned shall be responsible for the policies and procedures it applies to attain this objective.

(3) The Council shall review annually the level of stocks held throughout the world and make any necessary recommendations based on this review.

(4) At its first session, the Council shall take measures to develop a programme for the collection of information needed to establish, on a scientific basis, the world's current and potential productive capacity, as well as the world's current and potential consumption. Members shall facilitate the carrying out of this programme.

CHAPTER X

EXPANSION OF CONSUMPTION

Article 50

Obstacles to the Expansion of Consumption

(1) Members recognize the importance of ensuring the greatest possible expansion of the cocoa economy and therefore of facilitating the expansion of cocoa consumption in relation to production so as to secure the best equilibrium in the long term between supply and demand and in this connexion also recognize that it is important to bring about the gradual removal of all possible obstacles to such expansion.

(2) The Council shall identify the specific problem related to the obstacles to the expansion of the trade in a consumption of cocoa referred to in paragraph (1) and shall seek mutually acceptable practical measures designed to remove progressively such obstacles.

(3) In view of the objectives stated above and the provisions of paragraph (2), members shall endeavour apply measures to reduce progressively the obstacles to the expansion of consumption and as far as possible eliminate them, or to diminish substantially their impact.

(4) The Council may, in order to further the purpose of this article, make any recommendations to members and shall examine periodically, beginning at its first regular session in the second quota year, the results achieved.

(5) Members shall inform the Council of all measures adopted with a view to implementing the provisions of this article.

Article 51

Promotion of Consumption

(1) The Council may establish a committee whose aim shall be to stimulate the expansion of consumption of cocoa in both exporting and importing countries. The Council shall periodically review the work of the Committee.

(2) The cost of the promotion programme shall be met by contributions from exporting members. Importing members may also contribute financially. Membership of the committee shall be limited to members contributing to the promotion programme.

(3) The committee shall seek the approval of a member before conducting a campaign in the territory of that member.

Article 52

Cocoa Substitutes

(1) Members recognize that the use of substitutes may prejudice the expansion of cocoa consumption. In that regard they agree to establish regulations on cocoa products and chocolate or to adapt existing regulations, necessary, so that the said

regulations shall prohibit materials of non-cocoa origin from being used in place of cocoa to mislead the consumer.

(2) In preparing or reviewing regulations based on the principles in paragraph (1), members shall take fully into account the recommendations and decisions of competent international bodies such as the Council and the Codex Committee on Cocoa Products and Chocolate.

(3) The Council may recommend to a member that it take any measures which the Council considers advisable for assuring the observance of the provisions of this article.

(4) The Executive Director shall present an annual report to the Council on the manner in which the provisions of this article are being observed.

CHAPTER XI PROCESSED COCOA

Article 53 Processed Cocoa

(1) The needs of developing countries to broaden the base of their economies through, *inter alia*, industrialization and the export of manufactured products - including cocoa processing and the export of cocoa products and chocolate - are recognized. In this connexion, the need to avoid serious injury to the cocoa economy of importing and exporting members is also recognized.

(2) If any member considers that there is a danger of injury to its interest in any of the above respects, that member may consult with the other member concerned with a view to reaching an understanding satisfactory to the parties concerned, failing which the member may report to the Council which shall use its good offices in the matter to reach such understanding.

CHAPTER XII RELATIONS BETWEEN MEMBERS AND NON-MEMBERS

Article 54 Limitation of Imports from Non-Members

(1) Each member shall limit its annual imports of cocoa produced in non-member countries, other than imports of fine or flavour cocoa from exporting countries listed in annex C, in accordance with the provisions of this article.

(2) Each member undertakes for each quota year:

(a) Not to permit the import of a total quantity of cocoa produced in non-member countries as a group which is in excess of the average quantity imported from them as a group in the three calendar years 1970, 1971 and 1972;

(b) To reduce by half the quantity specified in paragraph (a) when the indicator price falls below the minimum price, and to maintain this reduction until the level of quotas in effect reaches that provided for in paragraph (2) (c) of article 34.

(3) The Council may by special vote suspend in whole or in part the limitations under paragraph (2). The limitations in paragraph (2) (a) shall not in any event apply when the indicator price of cocoa is above the maximum price.

(4) The limitations under paragraph (2) (a) shall apply to cocoa purchased under *bona fide* contracts concluded when the indicator price was above the maximum price, nor those in (2) (b) to cocoa purchased under *bona fide* contracts concluded before the indicator price below the minimum price. In such cases the reduction shall, subject to the provisions of paragraph (2) (b), be applied in the following quota year unless the Council decides to waive the reductions or to apply them in the subsequent quota year.

(5) Members shall inform the Council regularly of quantities of cocoa imported by them from non-members or exported by them to non-members.

(6) Any imports by a member from non-members in excess of the quantity which it is permitted to import under this article shall be deducted from the quantity which such member would otherwise be permitted to import in the next quota year, unless the Council decides otherwise.

(7) If a member on more than one occasion fails to comply with the provisions of this article, the Council may by special vote suspend both its voting rights in Council and its right to vote or to have its votes cast by the Executive Committee.

(8) The obligations set out in this article shall not prejudice conflicting bilateral or multilateral obligations assumed by members with respect to non-members before the entry into force of this Agreement, provided that a member which has assumed such conflicting obligations shall fulfil them in such a way as to attenuate as much as possible the conflict between those obligations and obligations set out in this article, that it shall take steps as promptly as possible to reconcile those obligations and the provisions of this article, and that it shall describe to the Council in detail the nature of those obligations and the steps it has taken to attenuate or eliminate the conflict.

Article 55

Commercial Transactions with Non-Members

(1) Exporting members undertake not to sell cocoa to non-members on terms commercially more favourable than those which they are prepared to offer at the same time to importing members, taking into account normal trade practices.

(2) Importing members undertake not to buy cocoa from non-members on terms commercially more favourable than those which they are prepared to accept at the same time from exporting members, taking into account normal trade practices.

(3) The Council shall periodically review the operation of paragraphs (1) and (2) and may require member countries to supply appropriate information in accordance with article 56.

(4) Without prejudice to the provisions of paragraph (8) of article 54, any member which has reason to believe that another member has not fulfilled the obligation under paragraphs (1) or (2) may so inform the Executive Director and call for consultations under article 60, or refer the matter to the Council under article 62.

CHAPTER XIII **INFORMATION AND STUDIES**

Article 56 *Information*

(1) The Organization shall act as a centre for the collection, exchange and publication of:

(a) Statistical information on world production, sales, prices, exports and imports, consumption and stocks of cocoa; and

(b) In so far as is considered appropriate, technical information on the cultivation, processing and utilization of cocoa.

(2) In addition to information which members are required to furnish under other articles of this Agreement, the Council may require members to furnish such information as it considers necessary for its operations, including regular reports on policies for production and consumption, sales, prices, exports and imports, stocks and taxation.

(3) If a member fails to supply, or finds difficulty in supplying, within a reasonable time, statistical and other information required by the Council for the proper functioning of the Organization, the Council may require the member concerned to explain the reasons therefor. If it is found that technical assistance is needed in the matter, the Council may take any necessary measures.

Article 57 *Studies*

The Council shall, to the extent it considers necessary, promote studies of the economics of cocoa production and distribution, including trends and projections, the impact of governmental measures in exporting and importing countries on the production and consumption of cocoa, the opportunities for expansion of cocoa consumption for traditional and possible new uses, and the effects of the operation of this Agreement on exporters and importers of cocoa, including their terms of trade, and may submit recommendations to members on the subjects of these studies. In the promotion of these studies the Council may co-operate with international organizations.

Article 58 *Annual Review*

The Council shall, as soon as practicable after the end of each quota year, review the operation of this Agreement and the performance of members in conforming to the principles and promoting the objectives thereof. It may then make recommendations to members regard ways and means of improving the functioning of the Agreement.

CHAPTER XIV RELIEF FROM OBLIGATION IN EXCEPTIONAL CIRCUMSTANCES

Article 59

Relief from Obligations in Exceptional Circumstances

(1) The Council may, by special vote, relieve a member of an obligation on account of exceptional or emergency circumstances, *force majeure*, or international obligation under the Charter of the United Nations for territory, administered under the Trusteeship System.

(2) The Council, in granting relief to a member under paragraph (1), shall state explicitly the terms and conditions on which, and the period for which, the member is relieved of the obligation.

(3) Notwithstanding the foregoing provisions of this article, the Council shall not grant relief to a member respect of:

(a) The obligation under article 24 to pay contribution or the consequences of a failure to pay them;

(b) Any export quota or other limitation on exports the quota or other limitation has already been exceeded;

(c) The obligation to require payment of any charge or contribution under article 37.

CHAPTER XV CONSULTATIONS DISPUTES AND COMPLAINTS

Article 60

Consultations

Each member shall accord sympathetic consideration any representations made to it by another member concerning the interpretation or application of this Agreement and shall afford adequate opportunity for consultation. In the course of such consultations, on the request either party and with the consent of the other, the Executive Director shall establish an appropriate conciliation procedure. The costs of such procedure shall not be chargeable to the Organization. If such procedure leads to a solution, this shall be reported to the Executive Director. If no solution is reached, the matter may, at the request of either party, be referred to the Council in accordance with article 61.

Article 61
Disputes

(1) Any dispute concerning the interpretation or application of this Agreement which is not settled by the parties to the dispute shall, at the request of either party to the dispute, be referred to the Council for decision.

(2) When a dispute has been referred to the Council under paragraph (1), and has been discussed, a majority of members, or members holding not less than one third of the total votes, may require the Council, before giving its decision, to seek the opinion on the issues in dispute of an *ad hoc* advisory panel to be constituted as described in paragraph (3).

(3) (a) Unless the Council unanimously decides otherwise, the *ad hoc* advisory panel shall consist of:

(i) Two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience, nominated by the exporting members;

(ii) Two such persons nominated by the importing members; and

(iii) A chairman selected unanimously by the four persons nominated under (i) and (ii) or, if they fail to agree, by the Chairman of the Council.

(b) Nationals of Contracting Parties shall not be ineligible to serve on the *ad hoc* advisory panel.

(c) Persons appointed to the *ad hoc* advisory panel shall act in their personal capacities and without instructions from any Government.

(d) The cost of the *ad hoc* advisory panel shall be paid by the Organization.

(4) The opinion of the *ad hoc* advisory panel and the reasons therefor shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

Article 62
Complaints and Action by the Council

(1) Any complaint that any member has failed to fulfil its obligations under this Agreement shall, at the request of the member making the complaint, be referred to the Council, which shall consider it and make a decision on the matter.

(2) Any finding by the Council that a member is in breach of its obligations under this Agreement shall be made by a simple distributed majority vote and shall specify the nature of the breach.

(3) Whenever the Council, whether as a result of a complaint or otherwise, finds that a member is in breach of its obligations under this Agreement it may, without prejudice

to such other measures as are specifically provided for in other Articles of this Agreement, including article 72, by special vote:

(a) Suspend that member's voting rights in the Council and in the Executive Committee; and

(b) If it considers necessary, suspend additional rights of such member, including that of being eligible for, or of holding, office in the Council or in any of its committees until it has fulfilled its obligations.

(4) A member whose voting rights are suspended under paragraph (3) shall remain liable for its financial and other obligations under this Agreement.

CHAPTER XVI FINAL PROVISIONS

Article 63 Signature

This Agreement shall be open for signature at United Nations Headquarters from 15 November 1972 until a including 15 January 1973 by any Government invited the United Nations Cocoa Conference, 1972.

Article 64 Ratification, Acceptance, Approval

(1) This Agreement shall be subject to ratification acceptance or approval by the signatory Governments in accordance with their respective constitutional procedures.

(2) Except as provided in article 65, instruments of ratification, acceptance or approval shall be deposited with the Secretary-General of the United Nations not later than 30 April 1973.

(3) Any signatory Government which has not deposit its instrument of ratification, acceptance or approval in accordance with paragraph (2) may be granted one more extensions of time by the Council.

(4) Each Government depositing an instrument of ratification, acceptance or approval shall, at the time of such deposit, indicate whether it is an exporting member or importing member.

Article 65 Notification

(1) A signatory Government may notify the depositary authority that it is undertaking to seek ratification, acceptance or approval in accordance with its constitutional procedures as rapidly as possible on or before 30 April 19 or in any case within a period of two months thereafter.

(2) A Government for whom conditions of accession have been established by the Council may notify the depositary authority that it is undertaking to seek accession in accordance with its constitutional procedures as rapidly as possible and in any case not later than two months from the date of receipt of its notification by the depositary authority.

(3) A Government giving a notification in accordance with paragraph (1) or (2) shall have the status of observer from the date of receipt of its notification until either it has given an indication of provisional application in accordance with article 66 or the time limit in its notification under paragraph (1) or (2) has expired. If the Government is unable either to ratify, accept, approve or accede within the specified period, or to give an indication in accordance with article 66, the Council may, in the light of the action taken by the Government concerned in accordance with paragraph (1) or (2), extend the Government's status of observer for a further specified period.

Article 66

Indication of Provisional Application

(1) A signatory Government which gives a notification under paragraph (1) of article 65 may also indicate in its notification, or at any time thereafter, that it will apply this Agreement provisionally either when it enters into force in accordance with article 67 or, if this Agreement is already in force, at a specified date. An indication by a signatory Government that it will apply this Agreement when it enters into force in accordance with article 6 shall, for the purposes of provisional entry into force of this Agreement, be equal in effect to an instrument of ratification, acceptance or approval. Each Government giving such an indication shall at that time state whether it is joining the Organization as an exporting member or an importing member.

(2) When this Agreement is in force, either provisionally or definitively, any Government which gives a notification under paragraph (2) of article 65 may also indicate in its notification, or at any time thereafter, that it will apply this Agreement provisionally at a specified date. Each Government giving such an indication shall at that time state whether it is joining the Organization as an exporting member or an importing member.

(3) A Government which has indicated under paragraph (1) or (2) that it will apply this Agreement provisionally, either when it enters into force or at a specified date shall, from that time, be a provisional member of this Organization until either it has deposited its instrument of ratification, acceptance, approval or accession or until the time limit in its notification under article 65 has expired, whichever is the earlier. If, however, the Council is satisfied that the Government concerned has not deposited its instrument owing to difficulties in completing its constitutional procedures, the Council may extend that Government's provisional membership for a further specified period.

Article 67

Entry into Force

(1) This Agreement shall enter definitively into force on 30 April 1973, or on any date within the following two months, if by that date Governments representing at least

five exporting countries having at least 80 per cent of the basic quotas as set out in annex A and Governments representing importing countries having at least 70 per cent of total imports as Set out in annex D have deposited their instruments of ratification, acceptance or approval with the Secretary-General of the United Nations. It shall also enter definitively into force at any time after it is provisionally in force and these percentage requirements are satisfied by the deposit of instruments of ratification acceptance, approval or accession.

(2) This Agreement shall enter provisionally into force on 30 April 1973, or on any date within the following months, if by that date Governments representing exporting countries having at least 80 per cent of the basic quotas as set out in annex A and Governments representing importing countries having at least 70 per cent of total imports as set out in annex D have deposited their instruments of ratification, acceptance or approval with the Secretary-General of the United Nations or have indicated that they will apply this Agreement provisionally. During the period this Agreement is provisionally in force Governments that have deposited instruments of ratification, acceptance, approval or accession as well as the Governments that have indicated that they will apply Agreement provisionally shall be provisional members this Agreement.

(3) If the requirements for entry into force under paragraph (1) or (2) are not met within the prescribed period of time, the Secretary-General of the United Nations shall invite, at the earliest time he considers practicable after 30 June 1973, the Governments which have deposited instruments of ratification, acceptance or approval or have indicated in accordance with article 66 that they apply this Agreement provisionally, to meet to decide whether to put this Agreement provisionally or definitively into force among themselves in whole or in part. If no decision is reached at this meeting, the Secret General may convene such further meetings as he considers appropriate. The Secretary-General shall invite the Governments which have given a notification in accordance with article 65 to attend all such meetings as servers. Accession shall be in accordance with article 68. During any period this Agreement is in force provisionally under this paragraph, Governments that have deposited instruments of ratification, acceptance, approval or accession as well as those Governments that have indicated that they will apply this Agreement provisionally, shall be provisional members of this Agreement. While this Agreement is in force provisionally under this paragraph, Governments participating shall make the necessary arrangements to review the situation and decide whether this Agreement shall definitively enter into force among themselves, continue provisionally in force or terminate.

(4) The Secretary-General of the United Nations shall convene the first session of the Council to be held as soon as possible, but not later than 90 days after this Agreement enters provisionally or definitively into force.

[Article 68](#) [Accession](#)

(1) The Government of any State Member of United Nations, its specialized agencies or the International Atomic Energy Agency may accede to this Agreement upon conditions that shall be established by the Council.

(2) if the Government is the government of an exporting country which is not listed in annex A or annex C the Council shall, as appropriate, establish a basic quota for that country which shall be deemed to be listed in annex A. If such a country is listed in annex A, basic quota specified therein shall be the basic quota for that country.

(3) Accession shall be effected by deposit of an instrument of accession with the Secretary-General of the United Nations.

(4) Each Government which deposits an instrument of accession shall, at the time of such deposit, indicate whether it is joining the Organization as an exporting member or an importing member.

Article 69 Reservations

Reservations may not be made with respect to any of the provisions of this Agreement.

Article 70 Territorial Application

(1) A Government may at the time of signature or deposit of an instrument of ratification, acceptance, approval or accession, or at any time thereafter, by notification to the Secretary-General of the United Nations, declare that this Agreement shall extend to any of the territories for whose international relations it is for the time being ultimately responsible and this Agreement shall extend to the territories named therein from the date of such notification, or from the date on which this Agreement enters into force for that Government, whichever is the later.

(2) Any Contracting Party which desires to exercise its rights under article 3 in respect of any of the territories for whose international relations it is for the time being ultimately responsible may do so by making a notification to that effect to the Secretary-General of the United Nations, either at the time of the deposit of its instrument of ratification, acceptance, approval or accession, or at any later time. If the territory which becomes a separate member is an exporting member and is not listed in annex A or annex C the Council shall, as appropriate, establish a basic quota for it which shall be deemed to be listed in annex A. If such territory is listed in annex A, the basic quota specified therein shall be the basic quota for that territory.

(3) Any Contracting Party which has made a declaration under paragraph (1) may at any time thereafter, by notification to the Secretary-General of the United Nations, declare that this Agreement shall cease to extend to the territory named in the notification, and this Agreement shall cease to extend to such territory from the date of such notification.

(4) When a territory to which this Agreement has been extended under paragraph (1) and which subsequently attains independence, the Government of that territory may within 90 days after the attainment of independence declare by notification to the Secretary-General of United Nations that it has assumed the rights and obligations of

a Contracting Party to this Agreement. It shall as from the date of such notification, be a Contracting Party to this Agreement. If such Party is an exporting member and is not listed in annex A or annex C Council shall, as appropriate, establish a basic quota it which shall be deemed to be listed in annex A. If s Party is listed in annex A, the basic quota specified there shall be the basic quota for that Party.

Article 71
Voluntary Withdrawal

At any time after the entry into force of this Agreement any member may withdraw from this Agreement by giving written notice of withdrawal to the Secretary-General of the United Nations. Withdrawal shall become effective 90 days after the notice is received by the Secretary General of the United Nations.

Article 72
Exclusion

If the Council finds, under paragraph (3) of article that any member is in breach of its obligations under Agreement and decides further that such breach significantly impairs the operation of this Agreement, it ma special vote exclude such member from the Organization. The Council shall immediately notify the Secretary General of the United Nations of any such exclusion. Ninety days after the date of the Council's decision, that member shall cease to be a member of the Organization and such member is a Contracting Party, a Party to Agreement.

Article 73
Settlement of Accounts with withdrawing or Excluded Members

(1) The Council shall determine any settlement of accounts with a withdrawing or excluded member. The Organization shall retain any amounts already paid by the withdrawing or excluded member, and such member shall remain bound to pay any amounts due from it to the Organization at the time the withdrawal or the exclusion becomes effective; provided, however, that in the case a Contracting Party which is unable to accept an amendment and consequently ceases to participate in this Agreement under the provisions of paragraph (2) of article 75 the Council may determine any settlement of account which it finds equitable.

(2) A member which has withdrawn or been excluded from, or has otherwise ceased to participate in, this Agreement shall not be entitled to any share of the proceeds of liquidation or the other assets of the Organization; nor shall it be burdened with any part of the deficit, if any the Organization upon termination of this Agreement.

Article 74
Duration and Termination

(1) This Agreement shall remain in force until the end of the third full quota year after its entry into force, unless extended under paragraphs (3) or (4) or terminated earlier under paragraph (5).

(2) The Council, before the end of the third quota year referred to in paragraph (1), may by special vote decide that this Agreement be renegotiated.

(3) If, before the end of the third quota year referred to in paragraph (1), negotiations for a new agreement to replace this Agreement have not yet been concluded the Council may, by special vote, extend this Agreement for a further quota year. The Council shall notify the Secretary-General of the United Nations of any such extension.

(4) If, before the end of the third quota year referred to in paragraph (1), a new agreement to replace this Agreement has been negotiated, and has been signed by sufficient Governments to bring it into force after ratification, acceptance or approval, but the new agreement has not provisionally or definitively entered into force this Agreement shall be extended until the provisional or definitive entry into force of the new agreement, provide that this extension shall not exceed one year. The Council shall notify the Secretary-General of the United Nation of any such extension.

(5) The Council may at any time, by special vote decide to terminate this Agreement Such termination shall take effect on such date as the Council shall decide provided that the obligations of members under article 3 shall continue until the financial liabilities relating to the buffer stock have been discharged or until the end of the third quota year after its entry into force, whichever is the earlier. The Council shall notify the Secretary-General of the United Nations of any such decision.

(6) Notwithstanding termination of this Agreement, the Council shall remain in being for as long as necessary to carry out the liquidation of the Organization, settlement of its accounts, and disposal of its assets, and shall have during that period such powers and functions as may be necessary for these purposes.

Article 75 *Amendments*

(1) The Council may by special vote recommend an amendment of this Agreement to the Contracting Parties. The Council may fix a time after which each Contracting Party shall notify the Secretary-General of the United Nations of its acceptance of the amendment. The amendment shall become effective 100 days after the Secretary-General of the United Nations has received notifications of acceptance from Contracting Parties representing at least 75 per cent of the exporting members holding at least 85 per cent of the votes of the exporting members, and from Contracting Parties representing at least 75 per cent of the importing members holding at least 85 per cent of the votes of the importing members or on such later date as the Council by special vote may have determined. The Council may fix a time within which each Contract Party shall notify the Secretary-General of the United Nations of its acceptance of the amendment, and, if amendment has not become effective by such time, it be considered withdrawn. The Council shall provide the Secretary-General with the information necessary to determine whether the notifications of acceptance received, sufficient to make the amendment effective.

(2) Any member on behalf of which notification of acceptance of an amendment has not been made by the date on which such amendment becomes effective shall of that

date cease to participate in this Agreement, or any such member satisfies the Council at its first meeting following the effective date of the amendment that acceptance could not be secured in time owing to difficulties in completing its constitutional procedures, and Council decides to extend for such member the period fixed for acceptance until these difficulties have been overcome. Such member shall not be bound by the amendment before it has notified its acceptance thereof.

Article 76
*Notifications by the Secretary-General
of the United Nations*

The Secretary-General of the United Nations shall notify all States Members of the United Nations, of any of its specialized agencies or of the International Atomic Energy Agency of each signature, of each deposit of its instrument of ratification, acceptance, approval or cession, of each notification under article 65 and indication under article 66, and of the dates on which Agreement comes provisionally and definitively into force. The Secretary-General shall notify all Contracting Parties of each notification under article 70, of each notice withdrawal, of each exclusion, of the termination of Agreement, of any extension of this Agreement, of date on which an amendment becomes effective or considered withdrawn, and of cessation of participation in this Agreement under paragraph (2) of article 75.

Article 77
Authentic Texts of this Agreement

The texts of this Agreement in the English, French, Russian and Spanish languages shall all be equally authentic. The originals shall be deposited in the archive of the United Nations, and the Secretary-General of United Nations as the depositary authority shall translate certified copies thereof to each signatory or acceding Government and to the Executive Director of the Organization.

In witness whereof the undersigned, having been duly authorized to this effect by their respective Governments

HAVE SIGNED this Agreement on the dates appearing opposite their signatures.

ANNEX A

Basic quotas under paragraph (1) of article 30

<i>Exporting countries</i>	<i>Production (in thousands of tons)</i>	<i>Basic quotas (percentages)</i>
Ghana	580.9	36.7
Nigeria	307.8	19.5
Ivory Coast	224.0	14.2
Brazil	200.6	12.7
Cameroon	126.0	8.0
Dominican Republic..	47.0	3.0
Equatorial Guinea.....	38.7	2.4
Togo	28.0	1.8
Mexico	27.0	1.7
TOTAL	1580.0	100.0

Note: Calculated for the first quota year on the basis of the highest annual production figure during the past years beginning with and including the 1964/65 crop year.

ANNEX B

Countries producing less than 10,000 tons of bulk cocoa referred to in paragraph (1) of article 30

<i>Countries</i>	<i>Thousands of tons</i>	
	<i>1969/70</i>	<i>1070/71</i>
Zaire	4.9	5.6
Gabon	4.7	5.0
Philippines	4.3	3.6
Sierra Leone	4.0	5.1
Haiti	4.0	3.7
Malaysia.....	2.3	2.5
Peru.....	2.0	2.0
Liberia	1.9	1.8
Congo	1.3	2.0
Bolivia.....	1.3	1.4
Cuba.....	1.0	1.0
Nicaragua.....	0.6	0.6
New Hebrides.....	0.6	0.7
Guatemala.....	0.5	0.5
United Republic of Tanzania	0.4	0.4
Uganda.....	0.4	0.5
Angola.....	0.3	0.3
Honduras.....	0.3	0.3
TOTAL	1580.0	100.0

Source: FA.O, *Cocoa Statistics*, July 1972 (with the exception of the figures for Uganda which were provided by the delegation of that country to the United Nations Cocoa Conference, 1972).

ANNEX C

Fine or flavour cocoa producers

(1) Exporting countries producing exclusively fine or flavour cocoa:

Dominica	Sri Lanka
Ecuador	St. Lucia
Grenada	St. Vincent
Indonesia	Surinam
Jamaica	Trinidad and Tobago
Madagascar	Venezuela
Panama	Western Samoa

(2) Exporting countries producing fine or flavour cocoa, but exclusively:

Per cent of production consists of fine or flavour cocoa

Costa Rica	25
So Tome and Principe.....	50
Australia (Papua. New Guinea).....	75

ANNEX D

Imports of cocoa calculated for the purposes of article 10*

(In thousands of tons)

Importing countries invited

to the United Nations Cocoa Conference, 1972

United States of America	35
Federal Republic of Germany	16
The Kingdom of the Netherlands	14
United Kingdom of Great Britain and Northern	13
Union of Soviet Socialist Republics	12
France	6
Japan	4
Italy	4
Canada	4
Spain	3
Belgium	3
Switzerland	2
Poland	1
Czechoslovakia	1
Austria	1
Ireland	1
Yugoslavia.	1
Sweden	1
Argentina	1
Hungary.	1
Colombia	
Bulgaria	
Norway.	
Denmark	
South Africa	
Romania	
Finland	
New Zealand.	
Philippines	
Peru	
Chile	
India	
Algeria	
Uruguay	
Tunisia	
Malaysia	
Honduras	

Source: Based on FAO, *Cocoa Statistics*, July 1972.

*Three-year average, 1969-1971 - or average of the three last years for which statistics were available - of net imports of cocoa beans plus gross imports of cocoa products, converted to beans equivalent by using conversion factors contained in paragraph (2) of article 32.

ANNEX E

Exporting countries to which paragraph (2) of article 36 applies

Brazil

Dominican Republic