

INTERNATIONAL
COCOA AGREEMENT, 1975

CHAPTER I - OBJECTIVES

Article 1

Objectives

The objectives of this Agreement take into account the recommendations as contained in the Pinal 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 earnings from the exports of cocoa of producing member countries thereby helping to provide the necessary incentive for a dynamic and rising rate of production and 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 member countries, in particular the need to increase consumption;

(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) **Tonne** 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 determined in accordance with 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 any country; provided that, for the purposes of these definitions 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 referred to in 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 71, 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 a country or a member respectively whose imports of cocoa expressed in terms of beans exceed its exports;

(p) **Producing country or producing member** means a 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 represents at least 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 71, 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 71, 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.

3. A member may change its category of membership on such conditions as the Council may establish.