UNCTAD/ITCD/COM/11

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

INTERGOVERNMENTAL PRODUCER-CONSUMER COOPERATION IN COMMODITIES IN MID1990s

A handbook on international commodity agreements,
arrangements and study groups

UNITED NATIONS
New York and Geneva, 1998

NOTE

UNCTAD/ITCD/COM/11

CONTENTS

INTRODUCTION

1. This document has been prepared to contribute to the transparency of commodity markets by presenting in a single place, in readily accessible language the main features of all existing intergovernmental international commodity agreements and arrangements.

2. Most of the international commodity agreements (ICAs), such as those on cocoa, jute and jute products, olive oil and table olives, natural rubber, sugar and tropical timber, were negotiated by United Nations conferences under the auspices of UNCTAD, while others (on coffee and on grains), which existed before UNCTAD's inception, continued to be negotiated by their respective Councils. The same applies to the international study groups (ISGs). While the first operational ISG -on rubber- was established in 1944, all ISGs (on lead and zinc, on nickel, on copper and on tin) established subsequently were negotiated at United Nations conferences (the last three of which were held under the auspices of UNCTAD). Currently, UNCTAD has observer status in all existing ICAs and ISGs.

3. Historically, emphasis in a number of ICAs has been on the stabilization of prices, on the assumption that greater price stability is in the mutual interest of both producers and consumers. In addition to price stabilization, ICAs have generally had the objective of export earnings stabilization and growth, and longer-term development objectives, such as improved market access and supply reliability; increased diversification and industrialization; improved competitiveness of natural products *vis-à-vis* synthetics and substitutes; improved marketing, distribution and transportation systems; and increased consumption. At present there are only two ICAs (on cocoa and on natural rubber) which still provide for stabilization of prices and markets. These agreements are considered to be **ICAs with economic provisions.**

4. The latest agreements on coffee, sugar and grains do not contain any of the above objectives, and they are considered to be **administrative agreements**. The major objectives of such agreements are: to ensure international cooperation; to provide a forum for international consultations; to promote expansion of international trade; to act as a centre for the collection, exchange and publication of information; to promote studies; and to encourage and increase consumption of the commodities in question. Although administrative agreements contain no price stabilization measures, most of them include a provision for possible consideration of this subject.

5. Established in 1982 and 1983, new ICAs on jute and jute products, and on tropical timber can be broadly described as **"developmental" or "other measures" agreements**. The main purpose of such agreements is to provide a framework for cooperation and consultation between producers and consumers and to implement projects in areas such as research and development, trade expansion, market promotion, cost reduction and improvement of market information. It is noteworthy that some of these agreements (especially the agreement on tropical timber) also contain environmental considerations. Other existing agreements, both those with economic provisions and administrative agreements also give due consideration to environmental aspects.

CHAPTER I

STATUS AND MAIN FEATURES OF THE EXISTING INTERNATIONAL COMMODITY AGREEMENTS

A. International Cocoa Agreement, 1993

6. The International Cocoa Agreement, 1993, was established on 16 July 1993 by the United Nations Cocoa Conference, 1992 (the text of the Agreement is contained in UNCTAD document TD/COCOA.8/17/Rev.1). The Conference was held at the Palais des Nations, Geneva, in five parts, in 1992 and 1993. It was attended by representatives of 58 States. Representatives of the European Economic Community participated in all parts of the Conference. The 1993 Agreement replaced the International Cocoa Agreement, 1986, which was due to expire on 1 October 1993. The 1993 Agreement was open for signature at the United Nations Headquarters in New York from 16 August to 30 September 1993 inclusive.

7. The Agreement had not entered into force by 1 October 1993, the date specified in article 56, because the relevant conditions had not been met. The International Cocoa Council, at its 46th regular session held in London in September 1993, therefore decided to extend the period for signature of the Agreement by five months - from 1 October 1993 to 28 February 1994 - as well as to extend the period for ratification, acceptance or approval by the signatory Governments for the same period of time. (The possibility of such an extension was provided for article 52 of the Agreement).

8. By 22 February 1994, 13 countries, representing 86.92 per cent of exports and 14 countries, representing 54.56 per cent of imports, had deposited the required instruments with the Secretary-General of the United Nations. The exporters had fulfilled their target (80 per cent), but the importers were short of their target (60 per cent) by 5.44 per cent.

9. In accordance with article 56 of the 1993 Agreement, the Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, invited those Governments and intergovernmental organizations which had deposited instruments of ratification, acceptance or approval, or had notified the depositary that they would apply the Agreement provisionally, to meet and to decide whether to put it into force provisionally or definitively among themselves, in whole or in part. The meeting was held at the headquarters of the International Cocoa Organization in London on 22 February 1994. It decided to put the Agreement into force provisionally, in whole, as of 22 February 1994. (For the membership of the Agreement see annex I.)

10. The objectives of the Agreement are:

(a) To promote the development and strengthening of international cooperation in all sectors of the world cocoa economy;

(b) To contribute to stabilization of the world cocoa market in the interest of all members, by seeking in particular:

(c) To bring about the balanced development of the world cocoa economy by seeking to facilitate the necessary adjustments in production and to promote consumption so as to secure an equilibrium in the medium and long term between supply and demand;

(d) To ensure adequate supplies at reasonable prices equitable to producers and consumers;

(e) To facilitate the expansion of international trade in cocoa;

(f) To promote transparency in the workings of the world cocoa economy through the collection, analysis and dissemination of relevant statistics and the undertaking of appropriate studies;

(g) To promote scientific research and development in the field of cocoa;

(h) To provide an appropriate forum for the discussion of all matters relating to the world cocoa economy.

11. The purpose of the International Cocoa Organization is to administer the provisions and supervise the

operation of the Agreement. It acts as a centre for the efficient collection, exchange and dissemination of statistical information on world production, prices, exports and imports, consumption and stocks of cocoa, and in so far as is considered appropriate, technical information on the cultivation, processing and utilization of cocoa. Its headquarters are in London, United Kingdom.

12. The 1993 Agreement provides for new economic clauses encouraging the balanced development of production and consumption so as to secure the best equilibrium between supply and demand. The new production policy referred to as the production-management plan had to be adopted by the exporting members in a Production Committee. The Production Committee is requested to establish indicative figures for annual levels of global production necessary to achieve and maintain equilibrium between supply and demand. The International Cocoa Council is requested to adopt annual forecasts of world production and consumption, to be revised annually. In the light of these indicative figures, exporting member countries will implement the production-management plan and each of them will draw up a programme for the adjustment of their production, and be responsible for the policies and measures applied for that purpose.

13. Giving due consideration to environmental aspects, the International Cocoa Organization established the Expert Working Group on Research and Environment, as well as the Environment Fund to promote and support environmentally sound and sustainable production, handling, storage and processing of cocoa. The Fund will finance the development and dissemination of environmentally friendly technologies and practices in the cocoa sector.

14. The Agreement will remain in force until the end of the fifth full cocoa year after its entry into force, unless it is extended or terminated earlier. As it came into force in February 1994, it may expire in September 1999. However, the International Cocoa Council may, by special vote, extend the Agreement in whole or in part for two periods not exceeding two cocoa years each, i.e. until September 2003.

B. International Coffee Agreement, 1994

15. At its 64th session, the International Coffee Council approved on 30 March 1994 the text of the International Coffee Agreement, 1994, the draft of which was prepared by the Executive Board of the Council. The representatives of 19 States non-members of the Council attended this session as observers. The 1994 Agreement replaced the International Coffee Agreement, 1983, which was due to expire on 1 October 1994. The 1994 Agreement was open for signature at the United Nations Headquarters in New York from 18 April to 26 September 1994 inclusive.

16. Since the requirements for the Agreement's entry into force had not been satisfied by the specified date of 26 September 1994, the representatives of 17 exporting countries' and 12 importing countries' Governments which had deposited instruments of ratification, acceptance or approval had decided at the Council's meeting on 30 December 1994 that the Agreement would enter into force provisionally among themselves on 1 October 1994. (For the membership of the Agreement see annex II).

17. The objectives of the 1994 Agreement are:

(a) To ensure enhanced international cooperation in connection with world coffee matters;

(b) To provide a forum for intergovernmental consultations, and negotiations when appropriate, on coffee matters and on ways to achieve a reasonable balance between world supply and demand on a basis which will ensure adequate supplies of coffee at fair prices to consumers and markets for coffee at remunerative prices to producers, and which will be conducive to long-term equilibrium between production and consumption;

(c) To facilitate the expansion of international trade in coffee through the collection, analysis and dissemination of statistics and the publication of indicator and other market prices, and thereby to enhance transparency in the world coffee economy;

(d) To act as a centre for the collection, exchange and publication of economic and technical information on coffee;

(e) To promote studies and surveys in the field of coffee;

(f) To encourage and increase the consumption of coffee.

18. The purpose of the International Coffee Organization is to administer the provisions and supervise the operation of the Agreement. It acts as a centre for the collection, exchange and publication of statistical information on world production, prices, exports and imports, distribution and consumption of coffee, and in so far as is considered appropriate, technical information on the cultivation, processing and utilization of coffee. The Organization promotes the preparation of studies and surveys concerning the economics of coffee production and distribution, the impact of government measures in producing and consuming countries on the production and consumption of coffee, and the opportunities for expansion of coffee consumption for traditional and possible new uses. The headquarters of the International Coffee Organization is in London, United Kingdom.

19. The International Coffee Council was requested to establish a system of indicator prices which should provide for the publication of a daily composite indicator price. In order to facilitate the collection of statistics on the international coffee trade and to ascertain the quantities of coffee exported by each exporting member, the Organization established a system of Certificates of Origin. Every export of coffee by an exporting member is covered by a valid Certificate of Origin.

20. The Council may examine the possibility of negotiating a new International Coffee Agreement, including an Agreement which could contain measures designed to balance the supply of and demand for coffee, and take such action as it deems appropriate. Recognizing the utmost importance of achieving the greatest possible increase in coffee consumption, members of the Agreement undertake to seek ways and means by which the obstacles to increased trade and consumption may be progressively reduced and eventually, wherever possible, eliminated, or by which the effects of such obstacles may be substantially diminished.

21. The Agreement entered into force on 1 October 1994, and will remain in force for a period of five years (i.e. until 30 September 1999), unless extended (for such period as the Council may determine) or terminated earlier by decision of the Council.

C. International Agreement on Jute and Jute Products, 1989

22. The International Agreement on Jute and Jute Products, 1989, was established on 3 November 1989 by the United Nations Conference on Jute and Jute Products, 1989 (the text of the Agreement is contained in UNCTAD document TD/JUTE.2/6/Rev.2). The Conference was held in one part in Geneva, in October-November 1989. It was attended by representatives of 38 States and the European Economic Community. The 1989 Agreement replaced the International Agreement on Jute and Jute Products, 1982, which was due to expire on 8 January 1991. The 1989 Agreement was open for signature at the United Nations Headquarters in New York from 1 January to 31 December 1990 inclusive.

23. The Agreement had not entered into force by 1 January 1991, the date specified in article 40, since the relevant conditions had not been met by that time. As of 12 April 1991, three exporting countries, representing 89.128 per cent of exports, and 17 importing countries as well as the European Economic Community, representing 52.323 per cent of imports, had deposited the required instruments with the Secretary-General of the United Nations. The exporters had fulfilled their target (85 per cent), but the importers were short of their target (65 per cent) by 12.677 per cent.

24. In accordance with article 40 of the 1989 Agreement, the Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, invited those Governments and intergovernmental organizations which had deposited instruments of ratification, acceptance or approval, or had notified the depositary that they would apply

the Agreement provisionally, to meet and to decide whether to put the Agreement into force provisionally or definitively among themselves, in whole or in part. The meeting, which was held in Geneva on 12 April 1991, decided to put the Agreement into force provisionally in whole as of 12 April 1991. (For the membership of the 1989 Agreement see annex III).

25. The main features of the 1989 Agreement are much the same as those of the 1982 Agreement. The objectives of the 1989 Agreement are, however, more detailed. The most important of these objectives are to enhance the competitiveness of jute and jute products; to maintain and enlarge existing markets as well as to develop new ones; and to develop new end-uses of jute, including new jute products; as well as the objectives relating to the improvement of yields and quality in jute agriculture, and improvement of the quality of jute products and reduction of their cost of production. One new objective is to give environmental aspects due consideration in the activities of the Organization, particularly by creating awareness of the beneficial effects of the use of jute as a natural product.

26. These objectives should be met, in particular, by means of: research and development, market promotion and cost reduction, including human resources development; collation and dissemination of information, including market information relating to jute and jute products; and studies of trends in the short-and long-term problems of the world jute economy. Like the 1982 Agreement, the new Agreement contains no price stabilization measures. It does, however, include the same provision for consideration of this subject as well as of other important issues concerning jute and jute products.

27. The Agreement provides for the continuation of the institutional framework established under the 1982 Agreement. In particular, the International Jute Organization continues in being for the purpose of administering the provisions and supervising the operation of the Agreement. It continues to function through the International Jute Council, whose main operational activities are to identify and select projects in the fields of research and development, market promotion and cost reduction, and arrange for their preparation, implementation and monitoring. The headquarters of the International Jute Organization are in Dhaka, Bangladesh.

28. As regards the criteria for selection of projects, whereas the 1982 Agreement specified that projects should have the potential for benefiting more than one exporting member and be of benefit to the jute economy as a whole, the new Agreement provides that projects shall have the potential for benefiting more than one member, of which at least one is an exporting member, and be of benefit to the jute economy as a whole. Thus, the 1989 Agreement has more scope for selection of projects benefiting importing countries, both producers and non-producers alike. Criteria retained unchanged from the 1982 Agreement are that projects shall be related to the maintenance or expansion of international trade in jute and jute products and shall offer prospects for favourable economic results in relation to costs in the short term and the long term.

29. The Agreement will remain in force for a period of five years from the date of its entry into force, unless extended or terminated by the International Jute Council in accordance with its provisions. In this regard, the Agreement provides that the Council may, by special vote, extend the Agreement for not more than two periods of two years each. The Agreement was extended the first time, by decision of the Council at its twenty-third session in April 1995, for a period of two years until 11 April 1998. At its twenty-fourth session in April 1996, the Council, pursuant to article 46 (2) of the Agreement, further extended the Agreement -by Decision I (XXIV)- until 11 April 2000.

D. International Natural Rubber Agreement, 1995

30. The International Natural Rubber Agreement (INRA), 1995, was established by the United Nations Conference on Natural Rubber, 1994, on 17 February 1995 in Geneva (the text of the Agreement is contained in UNCTAD document TD/RUBBER.3/11/Rev.1). The Conference was held at the Palais des Nations, Geneva, in three

parts in 1994 and 1995. It was attended by representatives of 37 States and the European Economic Community. The 1995 Agreement replaced the International Natural Rubber Agreement, 1987, which was due to expire on 28 December 1995. The INRA, 1995, stipulates that the International Natural Rubber Organization, established by the INRA, 1979, continues in being, with its headquarters in Kuala Lumpur, Malaysia, for the purpose of administering the provisions and supervising the operation of the Agreement.

(a) Main features of the INRA, 1995

31. The main features of the 1995 Agreement are much the same as those of the 1979 and 1987 Agreements.[1] It maintains the same objectives, the most important of which are to stabilize prices and to achieve a balanced growth between supply and demand. As also provided in the 1979 and 1987 Agreements, natural rubber prices are to be stabilized through the operations of an international natural rubber Buffer Stock of 550,000 tonnes as the sole instrument of market intervention. The Buffer Stock will consist of a normal Buffer Stock of 400,000 tonnes and a contingency Buffer Stock of 150,000 tonnes.

32. The 1995 Agreement maintains the same basic structure of the price range. The reference price on entry into force of the Agreement has to be the reference price at the time of the expiry of the 1987 Agreement on 28 December 1995, which was 206.68 Malaysian/Singapore cents per kilo. The lower indicative price on entry into force will be 157 Malaysian/Singapore cents per kilo (it was 150 Malaysian/Singapore cents per kilo under the 1979 and 1987 Agreements). The upper indicative price remains unchanged at 270 Malaysian/Singapore cents per kilo, the level set under both previous Agreements. Around the reference price are the upper and lower intervention prices at plus and minus 15 per cent of the reference price. At these levels, the Buffer Stock Manager may intervene in the market but is not obliged to do so. At plus and minus 20 per cent of the reference price are the upper and lower trigger action prices, which are levels at which the Buffer Stock Manager must intervene in order to stabilize prices. Above and below these levels, but not specifically related to the reference price, are the upper and lower indicative prices, which are limits that cannot be breached by the trigger action prices when the reference price (and consequently the intervention and trigger action prices) is revised upwards or downwards. A feature of the 1995 Agreement is that revision of the reference price will not result in the intervention price breaching the level at which the contingency Buffer Stock will be brought into operation.

33. Like the 1979 and 1987 Agreements, the 1995 Agreement contains provisions for revisions of the reference price, based on trends in market prices and/or net changes in the Buffer Stock=s size. There are, however, several modifications to the periodicity of reviews and extent of revision of price levels governing market intervention. The first review of the reference price under the 1995 Agreement will take place at the first regular session of the International Rubber Council after the entry into force of the Agreement. Thereafter, the reference price will be reviewed every 12 months, instead of every 15 months under the 1987 Agreement and every 18 months under the 1979 Agreement. The periodicity of reviews of the indicative prices will be every 24 months, with an initial review at the first regular session of the Council under the 1995 Agreement. The indicative prices were reviewed every 30 months under the 1979 and 1987 Agreements. Another modification relates to revision of the reference price at the first regular session of the Council under the 1995 Agreement. Under the 1987 Agreement, if at the time of the regular price review the average of the daily market indicator price for the preceding six months has been above the upper intervention (Amay sell@) price or below the intervention (Amay buy@) price, the reference price is automatically revised upwards or downwards by 5 per cent, unless the Council decides on a higher percentage adjustment. While this feature is maintained under the 1995 Agreement, an exception is made for revision at the first Council session, which may be only 4 per cent of the reference price. It is noteworthy that, under the 1979 Agreement, revision was automatically 5 per cent, unless the Council decided on a lower or higher percentage adjustment.

34. Like in the 1979 and 1987 Agreements, when purchases or sales for the Buffer Stock reach the 400,000 tonne level, the 1995 Agreement provides that the Council will decide on the price at which the contingency Buffer Stock is to be brought into action to defend the lower or upper indicative prices. As under the 1987 Agreement, unless the Council decides otherwise, these intervention levels will be 2 Malaysian/Singapore cents above the lower

indicative price for Buffer Stock purchases and 2 Malaysian/Singapore cents below the upper indicative price for Buffer Stock sales. Under the 1979 Agreement, they were defined as the mid-point between the lower trigger action price and the upper indicative price.

35. A number of other modifications were made in the 1995 Agreement as compared with both the 1979 and 1987 Agreements. For the purpose of the efficient operation of the Buffer Stock, the Council, under the 1995 Agreement, may decide by consensus to allow the Buffer Stock Manager to purchase future contracts up to a maximum of two months forward on the strict and absolute condition that tenders are taken up on maturity. The daily market indicator price is maintained as a composite, weighted average of daily official prices on the Kuala Lumpur, London, New York and Singapore markets, as under the 1979 and 1987 Agreements[2]. However, unlike the previous Agreements, the Council may decide to include additional established commercial markets in the calculation of the daily market indicator price if such markets are deemed to influence the international price of natural rubber. Also, the weighting of the three grades of rubber - RSS 1, RSS 3 and TSR 20 - used in the calculation will be in the proportion of 2:3:5, respectively (the weightings were equal under the 1979 and 1987 Agreements).

36. Like the previous two Agreements, the 1995 Agreement contains a set of objectives which are clearly commodity-developmental in scope. It aims at improving the competitiveness of natural rubber through research and development, and in so doing helps to ensure a regular and reliable supply of the commodity. Also the Agreement seeks to expand international trade in, and to improve market access for, natural rubber, and to facilitate and promote improvements in its processing, marketing and distribution. To realize its development objectives, the Agreement seeks to further international cooperation in and consultations on natural rubber, and to promote an increased flow of technical and capital resources to the natural rubber industry by identifying and proposing appropriate measures and techniques for its development. To facilitate this, the Agreement has a provision for taking full advantage of the facilities of the Common Fund for Commodities and for seeking assistance from international and regional organizations and financial institutions. A new provision included in the 1995 Agreement permits the Council to accept any voluntary financial contributions in support of approved projects. The management of financial contributions is subject to rules established by special votes of the Council. A new article provides that members shall endeavour to pay due attention to environmental aspects, as agreed both at the eighth session of the United Nations Conference on Trade and Development and at the United Nations Conference on Environment Development, held in 1992.

<u>(b) Entry into force of the INRA, 1995</u>

37. The 1995 Agreement was open for signature at the United Nations Headquarters in New York from 3 April to 28 December 1995 inclusive.
Article 61 states that it shall enter into force definitively on 29 December 1995 or any date thereafter, if by that date Governments accounting for at least 80 per cent of net exports and Governments accounting for at least 80 per cent of net imports have deposited their instruments of ratification, acceptance, approval or accession, or have assumed full financial commitment to the Agreement. The Agreement provides for provisional entry into force on that date, or any date before 1 January 1997, if Governments accounting for at least 75 per cent of net exports and Governments accounting for at least 75 per cent of net imports have deposited their instruments of ratification, acceptance or approval, or have notified the depositary under paragraph 1 of article 60 that they will apply the Agreement provisionally and assume full financial commitment to the Agreement.

38. The Agreement had not entered into force by 29 December 1995, the date specified in article 61, since the relevant conditions had not been met by that date. As of 28 December 1995, four major exporting countries (Thailand, Indonesia, Malaysia and Sri Lanka), representing 94.383 per cent of net exports, and 14 importing countries plus the European Community, together representing 48.423 per cent of net imports, had signed the Agreement. While the exporting countries were able to fulfil the requirements for provisional and definitive entry into force, the importing countries and groups which signed the Agreement could not reach the level of 75 per cent of net imports for provisional entry into force.

39. A number of countries were unable to sign the Agreement in time, owing to administrative delays. The Executive Director of the International Natural Rubber Organization, after carrying out consultations with the Chairman and members of the International Natural Rubber Council, addressed a letter to the Secretary-General of UNCTAD conveying the wish of the members of the INRA, 1987, that a fourth part of the United Nations Conference on Natural Rubber be convened for one day as soon as possible for the sole purpose of modifying the period of signature as contained in article 57 of the INRA, 1995.

40. Following that request the Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, convened the fourth part of the United Nations Conference on Natural Rubber, 1994, on 28 March 1996 to consider the possible extension of the period of signature in article 57 of the INRA, 1995. A resolution entitled AConsideration of the possible extension of the period of signature in article 57 of the International Natural Rubber Agreement, 1995" was adopted at that meeting extending the period of signature to 31 July 1996 inclusive and requesting the depositary of the Agreement to receive signatures until that date. It also invited those Governments that had not done so to take the appropriate action in order to bring the Agreement into force as soon as possible and before 1 January 1997.

41. However, the Agreement was not able to enter into force before 1 January 1997. The target of 75 per cent for the Agreement to have entered into force provisionally before 1 January 1997, although met by the exporting countries, was not met by the importing countries. (Five exporting countries, representing 97.329 per cent of exports, and 12 importing countries, representing 69.799 per cent of imports, had become parties to the Agreement before 1 January 1997.) The Agreement provides that if it does not enter into force as a result of the non-fulfilment of the conditions referred to above, the Secretary-General of the United Nations shall convene a meeting of those countries that have become parties to the Agreement for the purpose of deciding whether to put it in force among themselves. Accordingly, the Executive Director of the International Natural Rubber Organization, after consultation with the exporting and importing countries that had become parties to the Agreement, requested the Secretary-General of UNCTAD to convene a meeting of those countries.

42. Pursuant to this request, the Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, convened on 6 February 1997 in Geneva a meeting of the Governments of States parties to the International Natural Rubber Agreement, 1995. This meeting was attended by all countries which had taken by that date the necessary action to apply the Agreement. A number of other countries attended the meeting as observers. Representatives of the participating countries took a unanimous decision to put the Agreement into force provisionally among themselves, in whole, with immediate effect, for a period of up to 12 months. (For the list of States parties to the Agreement see annex IV). The requirements for the definitive entrancy into force of the Agreement were expected to be fulfilled by the end of this period.

43. The Agreement entered into force definitively on 14 February 1997 when all the relevant conditions for its entry into force had been met. The Agreement was to remain in force for a period of four years, unless extended or terminated earlier by decision of the International Natural Rubber Council. The Agreement provides for extension by a period or periods not exceeding two years in all, as from the date of expiry of the four-year period.

E. International Agreement on Olive Oil and Table Olives, 1986, as amended and extended, 1993

44. The International Agreement on Olive Oil and Table Olives, 1986, was amended and extended by a Protocol negotiated in March 1993 at the United Nations Conference on Olive Oil and Table Olives, 1993. This Conference was convened by the Secretary-General of UNCTAD at the Palais des Nations in Geneva, at the request of the International Olive Oil Council, and was attended by representatives of 27 States and the European Community.

45. The Conference established the text of the Protocol on 10 March 1993 and requested the Secretary-General

of the United Nations, the depositary of the Agreement, to prepare and circulate the 1986 Agreement and the 1993 Protocol as a single instrument to be known as the "International Agreement on Olive Oil and Table Olives, 1986, as amended and extended, 1993". (The text of the 1986 Agreement is contained in UNCTAD document TD/OLIVE OIL.8/7; the text of the 1993 Protocol is contained in UNCTAD document TD/OLIVE OIL.9/6; the text of the single instrument is contained in the document "International Agreement on Olive Oil and Table Olives, 1986, as amended and extended, 1993", United Nations, 1995; Update: January 1997). The Protocol was open for signature from 1 May until 31 December 1993. It entered into force provisionally on 26 January 1994, and definitively on 25 March 1994. (For the membership of the Agreement see annex V).

46. The major objectives of the Agreement cover the following areas: international cooperation and concerted action; modernization of olive cultivation and olive oil extraction and table olive processing; expansion of international trade in olive products; and the standardization of international trade in those products. The Agreement incorporates provisions whereby due consideration should be given to environmental aspects at all stages of olive and olive oil production, and full advantage should be taken of the facilities of the Second Account of the Common Fund for Commodities.

47. The International Olive Oil Council is the body responsible for administering the Agreement and supervising its operation. Its headquarters are in Madrid, Spain. Its tasks are broadly to follow developments in the market-place, to draw up provisions and principles to ensure regular trading,
to draw up product standards, to implement technical cooperation programmes, to conduct promotional and consumer education campaigns, to foster research into the biological properties of olive oil and table olives, and generally to promote any activities conducive to the harmonious expansion of the world olive products economy.

48. The Agreement will remain in force until 31 December 1998 unless the Council decides to prolong, renegotiate or terminate it. If it decides to prolong it, the Council may do so beyond that date for successive periods not exceeding two years on each occasion.

F. International Tropical Timber Agreement, 1994

49. The International Tropical Timber Agreement, 1994, was established on 26 January 1994 by the United Nations Conference for the Negotiation of a Successor Agreement to the International Tropical Timber Agreement, 1983 (the text of the 1994 Agreement is contained in UNCTAD document TD/TIMBER.2/16). The Conference was held at the Palais des Nations, Geneva, in four parts in 1993 and 1994. Representatives of 63 States attended the Conference. Representatives of the European Community participated in all parts of it. The 1994 Agreement replaced the 1983 Agreement, which was due to expire on 31 March 1994. The Agreement was open for signature at the United Nations Headquarters in New York from 1 April 1994 until one month after the date of its entry into force.

50. In January 1994 the International Tropical Timber Council, having met at the Palais des Nations, Geneva, extended the 1983 Agreement for the period until the entry into force of the new Agreement. Since the requirements for entry into force of the new Agreement had not been met on 1 September 1995, the Secretary-General of the United Nations invited those Governments which had signed the Agreement definitively or had ratified, accepted or approved it, or had notified the depositary that they would apply it provisionally, to meet on 13 September 1996 to decide whether to put it into force provisionally or definitively among themselves in whole or in part.

51. Following the adoption by the International Tropical Timber Council of Decision 2(XX), the Executive Director of the International Tropical Timber Organization, in a letter dated 4 June 1996, requested the Secretary-General of UNCTAD to convene a meeting in Geneva in accordance with paragraph 3 of article 41 of the International Tropical Timber Agreement, 1994. Pursuant to that request, the Secretary-General of UNCTAD, on behalf of the Secretary-General of the United Nations, convened on 13 September 1996 a meeting of Governments

which had signed the Agreement definitively or on whose behalf instruments of ratification, acceptance or approval, or notifications of provisional application, had been deposited with the Secretary-General of the United Nations, to decide whether to put the Agreement into force definitively or provisionally among themselves, in whole or in part, on such date as they might determine.

52. As of 12 September 1996, 18 producing countries and 17 consuming countries, and one intergovernmental organization (The European Union), had signed the Agreement definitively or deposited the required instruments or given notification of provisional application to the Secretary-General of the United Nations. The meeting, having noted that producing countries and consuming countries had fulfilled their requirements for the provisional entry into force of the 1994 Agreement, decided to put the International Tropical Timber Agreement, 1994, into force provisionally in whole as of 1 January 1997 (for the membership of the Agreement see annex VI).

53. The objectives of the 1994 Agreement are:

- To provide an effective framework for consultation, international cooperation and policy development with regard to all relevant aspects of the world timber economy;
- To provide a forum for consultation to promote non-discriminatory timber trade practices;
- To contribute to the process of sustainable development;
- To enhance the capacity of members to implement a strategy for achieving exports of tropical timber and timber products from sustainable managed sources by the year 2000;
- To promote the expansion and diversification of international trade in tropical timber from sustainable sources;
- To promote and support research and development;
- To develop and contribute towards mechanisms for the provision of new and additional financial resources and expertise to producing members;
- To improve market intelligence;
- To promote increased and further processing of tropical timber from sustainable sources in producing member countries;
- To encourage members to support and develop industrial tropical timber reforestation and forest management activities as well as rehabilitation of degraded forest land;
- To improve marketing and distribution of tropical timber exports from sustainable managed sources;
- To encourage members to develop national policies;
- To promote the access to, and transfer of, technologies and technical cooperation;
- To encourage sharing of information about the international timber market.

54. The new Agreement continues to apply only to tropical timber, but also provides "an effective framework for consultation, international cooperation and policy development among all members with regard to all relevant aspects of the world timber economy". The consumers made a statement of commitment in connection with the sustainable management of their forests. The Agreement also takes into account "the linkages of tropical timber trade and the international timber market and the need for taking a global perspective in order to improve transparency in the international timber market".

55. The new Agreement establishes a fund for sustainable management of tropical-timber-producing forests called "The Bali Partnership Fund". This is designed to help producing members to make the investments necessary to achieve the objectives of the Agreement. With regard to trade discrimination, it stipulates that nothing in the Agreement authorizes the use of measures to restrict or ban international trade in, particularly as they concern imports and utilization of, timber and timber products.

56. The International Tropical Timber Organization (ITTO), which was established by the International Tropical Timber Agreement, 1983, with eadquarters in Yokohama, Japan, remains in being for the purposes of administering the provisions and supervising the operation of the new Agreement. ITTO has a general mandate to promote the trade in tropical timber, a unique feature of that mandate being the conservation of tropical forests resources.

57. The objectives of ITTO include improving the economic information on tropical timber for the benefit of members and the international community, and improving market intelligence with a view to ensuring greater transparency of the tropical timber market. The Organization publishes an *Annual Statistical Review* as well as a bi-weekly *Market Information Service* listing prices of important species/products. A forum for all members to discuss trade issues is provided by ITTO's Annual Market Discussion. Also, ITTO maintains close contacts with organizations dealing with non-tropical-timber commodities.

58. ITTO's policy-oriented studies on trade and environment issues include studies on economic linkages between tropical timber trade and sustainable development and on certification of timber products. In addition, ITTO played a leading role as regards the issue of trade and environment within the Intergovernmental Panel on Forests (IPF) established under the UN Commission on Sustainable Development, and continues to do so under the newly constituted Intergovernmental Forum on Forests (IFF).

59. Likewise in the ITTA, 1983, the core purpose of the operational activities of the ITTO Council and the Permanent Committees is to formulate and implement projects in three fields: reforestation and forest management, forest industry, and economic information and market intelligence. A closely linked function is to seek finance for projects approved by the Council. In recent years, more funds have been allocated to activities concerned with advice on policy development, for example the creation of sustainable management guidelines. In addition, ITTO has funded and continues to fund many statistical training and development projects, including regional workshops and country-level statistical infrastructure projects. Through this series of projects, ITTO also helps members to improve their knowledge of trade trends and prospects.

60. The Agreement stipulates that the Council shall review the scope of the Agreement four years after its entry into force, and that reservations may not be made with respect to any of its provisions. It further stipulates that it will remain in force for a period of four years after its entry into force unless it is extended, renegotiated or terminated. As the Agreement entered into force on 1 January 1997, it is due to expire on 31 December 2000. The Council, however, may decide to extend the Agreement for two periods of three years each.[3]

G. International Sugar Agreement, 1992

61. The International Sugar Agreement, 1992, was established on 20 March 1992 by the United Nations Sugar Conference, 1992 (the text of the Agreement is contained in UNCTAD document TD/SUGAR.12/6). The Conference was held at the Palais des Nations, Geneva, in one part, and was attended by representatives of 65 States and the European Economic Community. The 1992 Agreement replaced the International Sugar Agreement, 1987, which was due to expire on 31 December 1992. The 1992 Agreement was open for signature from 1 May to 31 December 1992.

62. The Agreement had not entered into force by 1 January 1993, the date specified in article 40, since the relevant conditions had not been met by that date. (For the Agreement to enter into force automatically, it was necessary for the Governments holding 60 per cent of the votes to have deposited their instruments by 31 December 1992.) In the event, only 15 countries, accounting together for 51.65 per cent of the total votes, had taken such action.

63. The Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, invited those Governments that had deposited instruments of ratification, acceptance or approval, or had notified the depositary that they would apply the Agreement provisionally, to meet in London on 20 January 1993 and to decide whether to put the Agreement into force provisionally or definitively among themselves, in whole or in part. The meeting decided to put the Agreement into force provisionally in whole as of 20 January 1993 for a period of three years, with a possibility of extension for successive periods of two years each. (For the membership of the 1992 Agreement see annex VII).

64. The objectives of the Agreement are: to ensure enhanced international cooperation in connection with world sugar matters and related issues; to provide a forum for intergovernmental consultations on sugar and on ways to improve the world sugar economy; to facilitate trade by collecting and providing information on the world sugar market and other sweeteners; and to stimulate demand for sugar, particularly for non-traditional uses.

65. The International Sugar Organization (ISO) is maintained for the purposes of administering the Agreement and supervising its operation. The Organization will continue to act as a centre for the collection and publication of statistical information and studies on world production, prices, exports and imports, consumption and stocks of sugar (including both raw and refined sugar) and other sweeteners, as well as taxes on sugar and other sweeteners. Members undertake to supply all available statistics and information to enable ISO to discharge its functions under this Agreement. The Headquarters of ISO are in London, United Kingdom.

66. The International Sugar Council was requested to establish a Committee on Sugar Market Evaluation, Consumption and Statistics. The Committee is charged with keeping under continuous review matters relating to the world economy of sugar and other sweeteners, and undertaking work in the following areas: preparation of sugar statistics and statistical analysis of sugar production, consumption, stocks, international trade and prices; analysis of market behaviour and factors which affect it, with special reference to the participation of developing countries in world trade; analysis of demand for sugar, including the effects of the use of any form of natural and artificial substitutes for sugar on world trade in, and consumption of, sugar; and other issues as approved by the Council. In order to achieve the objectives of the Agreement, the Council may assist both in scientific research and development in the sugar economy and in the dissemination of the results obtained in this field.

67. The Agreement does not contain measures aimed at regulating price levels, but the Council may study the feasibility of negotiating a new international sugar agreement, including a possible agreement with economic provisions. The major difference between the 1992 Agreement and the previous Agreements is the introduction of a single list of members for the purposes of calculation of votes and members' contributions to the administrative budget of the Organization. In addition, provision has been made to update the votes annually according to a transparent formula based on changes in members' share of trade. The new Agreement provides that ISO should take full advantage of the facilities of the Common Fund for Commodities. It includes provision whereby due consideration should be given to environmental aspects in all stages of sugar production.

68. The Agreement should have remained in force until 31 December 1995, unless extended or terminated by decision of the International Sugar Council. It was open to the Council to extend it for successive periods, not exceeding two years on each occasion. By Resolution ISC-Decisions-8, adopted at its Eighth Session on 1 December 1995, the International Sugar Council decided, pursuant to article 45 of the Agreement, to extend the International Sugar Agreement, 1992, until 31 December 1997. By Resolution ISC-Decisions-11, adopted at its Eleventh Session on 29 May 1997, the Council approved the extension of the Agreement for another period of two years, until 31 December 1999.

H. International Grains Agreement, 1995

69. The International Grains Agreement, 1995, consisting of the Grains Trade Convention, 1995, and the Food Aid Convention, 1995, came into force on 1 July 1995. It replaced the Wheat Trade and Food Aid Conventions, 1986.

(a) Grains Trade Convention, 1995

70. The negotiations for the Grains Trade Convention (GTC), 1995, were conducted by the International Wheat

Council. The new Convention, which is fundamentally the same as its predecessor, is designed to further grain market expansion and stability and enhance world food security. It contains a number of improvements and takes into account the implications of the Uruguay Round negotiations in the GATT, formally completed in April 1994. It provides scope for expansion and refinement of the statistical and market information services to member Governments, and provides formal and informal opportunities for consultations between members. Although there are no economic provisions - the 1967 Wheat Trade Convention was the last to have any - the Council may initiate negotiations on these if it believes they would have any chance of success. The GTC covers all grains, and not wheat alone. (Consequently, the Convention, Council and Agreement have all been renamed, with Agrains@ replacing Awheat@ in each case).

71. The Market Conditions Committee (replacing the former Sub-Committee on Market Conditions) is a Committee of the whole. It keeps the world grain economy under review. The Committee=s discussions concentrate on matters of topical interest. When appropriate, experts are invited to address it on relevant matters.

72. The Council is financed by contributions from member Governments which are based on their votes, reflecting shares in international trade in all grains. Mechanisms have been established to allow votes to be adjusted from time to time to bring them into line with current trade patterns.

73. The Council continues to encourage new members to join the GTC. Many non-member Governments with a significant interest in the world grains trade were informed of the negotiations, and invited to take part in the Conference of Governments held on 7 December 1994 when the text was established. All these countries (as well as previous members of the 1986 Convention) were entitled to join the Convention from the outset. After 1 July 1995, any State could accede to it on conditions established by the Council. As of 1 July 1995, there were 26 members, and by 1 October 1997 membership had grown to 33 (for the list of current members see annex VIII).

74. The Grains Trade Convention, 1995, has an initial duration of three years (to 30 June 1998) but is likely, as with the previous Convention, to be extended by the Council for successive further periods of two years.

(b) <u>Food Aid Convention, 1995</u>

75. While there are several important innovations, the basic principles of the Food Aid Convention, 1995, which was negotiated by the Food Aid Committee, and completed at sessions in December 1994 and March 1995, are the same as those of its predecessor. The objective of the Convention remains to secure, through a joint effort by the international community, the achievement of the target of at least 10 million tonnes of food aid annually to developing countries in the form of grains suitable for human consumption. Compared with the previous Convention, the minimum individual annual contributions of Canada, Norway and the United States were reduced and that of Switzerland increased. Donors= combined minimum pledges now total 5.35 million tonnes (wheat equivalent), compared with 7.52 million tonnes under the 1986 Convention (for the list of donors of the Food Aid Convention see annex VIII).

76. There is no change in the terms of the aid contributions, which are to be supplied to the maximum extent possible as gifts of grains or grants of cash. Aid may be provided bilaterally, but members are urged to direct a greater proportion of their aid through multilateral channels, in particular the World Food Programme. Pulses (i.e. grain legumes) have been added to the list of grains which can be supplied under the Convention. At the outset, a member=s aid shipments of pulses are limited to 10 per cent of its total annual contributions, but the Food Aid Committee may modify the maximum percentage in the light of experience.

77. Regarding cash contributions provided by some donors for the purchase of grain to provide food aid, the aim of the Food Aid Convention remains the same. Such contributions should be used, as far as possible, to buy grain from developing countries, with priority to developing members of the Convention. Without changing the basic principle that contributions, in whatever form, are to be measured in terms of tonnages of wheat, the new Convention

states with greater clarity how contributions of grains and products and of cash are to be evaluated in terms of their wheat equivalents. In the case of rice, the fixed rate of equivalence under the 1986 Convention has been replaced by a flexible formula which takes account of changing export price relationships between rice and wheat.

78. A specific reference is made to the categories of developing countries and territories recognized by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD). In supplying aid, donors are to give priority to countries and territories classified as least developed countries, other low-income countries or lower-middle-income countries.

79. The initial duration of the Convention will be three years (i.e. until 30 June 1998). As before, the Food Aid Committee may agree to extend it further for successive periods of not more than two years on each occasion. To facilitate the accession of new donors, the conditions under which they may join the Convention have been amended. The basic minimum food aid contribution of an acceding country (previously not formally specified) has been set at 20,000 tonnes, and its contributions may be phased in over the first three years of membership.

CHAPTER II

STATUS AND MAIN FEATURES OF THE EXISTING INTERNATIONAL STUDY GROUPS

Summary

80. International Study Groups (ISGs) are multilateral intergovernmental consultative organizations usually created for the purpose of enhancing international market transparency and providing a forum for consultations between producers and consumers of a particular commodity. An ISG normally comes into being when there is sufficient will on the part of interested Governments but no consensus on establishing a fully fledged international commodity agreement.

81. The first operational ISG was that on rubber, established in 1944. Since then ISGs have been created only for minerals and metals. The first one - the International Lead and Zinc Study Group - was created in 1959 as a result of the United Nations Conference on Lead and Zinc, which was convened under the auspices of the United Nations Economic and Social Council. Since that time, all negotiations on creation of ISGs have been held under the auspices of UNCTAD, namely those for the International Nickel Study Group (established in 1990), the International Copper Study Group (established in 1992) and the International Tin Study Group. (The text of the Terms of Reference of the latter Group was established and approved by the United Nations Tin Conference, 1988, on 7 April 1989, but has not entered into force since the relevant conditions for its signature have not been met).

82. ISGs' mandates generally provide for enhanced international cooperation on issues related to a particular commodity and for a forum in which governmental consultations pertaining to the commodity in question can be held. Broadly speaking, ISGs provide forums for all market participants, both producers and consumers, as well as traders, to examine their common problems and conduct an open dialogue and free exchange of information. ISGs have no provisions for market intervention of any kind. The principal functions of each Group are delineated in their respective Terms of Reference.

83. Membership of Groups is open to all States interested in the production or consumption of, or international trade in, a particular commodity, and to any intergovernmental organization with responsibilities in respect of negotiation, conclusion and application of international agreements, particularly commodity agreements. All functioning ISGs on metals have been designated as International Commodity Bodies for the purpose of sponsoring projects on a particular commodity to be financed by the Common Fund for Commodities through its Second Account.

84. The Terms of Reference of ISGs do not set dates for their expiry but usually state that the Group may at any time decide to terminate its Terms of Reference by a stipulated majority vote of members.

A. International Rubber Study Group

85. The International Rubber Study Group (IRSG) was established in 1944 as an intergovernmental organization after termination of the International Rubber Regulation Scheme that had operated from 1934.

86. The objectives of the Group are:

- To provide a forum for the discussion of all aspects of the world rubber industry, including the production, marketing and distribution of synthetic and natural rubber and the consuming industries;
- To publish on a regular basis statistics on the world rubber industry; and
- To conduct economic/statistical studies of subjects of particular importance to the industry.

87. The IRSG's secretariat, which is based in London, United Kingdom, is charged with the collection and monthly publication in the *Rubber Statistical Bulletin* of world rubber statistics; the publication of the monthly *International Rubber Digest*; the preparation of economic/statistical studies; the organization of the Group's yearly meetings; and maintaining continuous liaison with the rubber industry and relevant international bodies.

88. The IRSG membership comprises all major producers and consumers of natural and synthetic rubber (for the list of Group members see annex IX). The IRSG's Panel of Associates was set up in 1990 to forge a closer relationship between the Group and the elastomer industry. It is currently composed of over 40 major rubber producing, trading and consuming companies. Membership of the Panel provides free access to the IRSG's extensive database, all publications free of charge and invitations to meetings of the Group and its subsidiary bodies. Any corporation, company, or national, regional or international association or organization with a direct interest in the rubber industry is eligible to apply for membership, which is subject to approval by the Executive Committee of the Group.

B. <u>International Lead and Zinc Study Group</u>

89. In September 1958, under the auspices of the United Nations Economic and Social Council, a United Nations Exploratory Meeting on Lead and Zinc was convened by the Secretary-General of the United Nations at the request of the Interim Co-ordinating Committee for International Commodity Agreements (ICCICA), after consultations with the Governments of the countries substantially interested in lead and zinc. At the meeting, convened in London, 32 countries were represented by delegations and six countries by observers. The Exploratory Meeting established a Lead and Zinc Committee to explore, amongst other things, "the establishment of a study group".

90. As a result of discussions at the Exploratory Meeting and of the work of its Lead and Zinc Committee, a United Nations Conference on Lead and Zinc was convened at the Palais des Nations, Geneva, in November 1958 under the auspices of the United Nations Economic and Social Council. The Conference recommended that "ICCICA, acting in accordance with the functions given to it by the Economic and Social Council of the United Nations, arrange for the convening of the first meeting of such an intergovernmental study group". The Conference retained the Lead and Zinc Committee, "pending the establishment of a study group".

91. As a result of the recommendation to ICCICA, a further United Nations Conference on Lead and Zinc, known as the Inaugural Meeting for Lead and Zinc, was held at the United Nations Headquarters in New York in May 1959, under the auspices of the United Nations Economic and Social Council. It was convened to "undertake the work necessary to establish an international study group on lead and zinc". The first session of the Group was held in Geneva in January 1960.

92. The International Lead and Zinc Study Group was formed as an autonomous intergovernmental organization to provide opportunities for regular intergovernmental consultations on international trade in lead and zinc; to provide continuous information on the supply and demand position of lead and zinc and its probable development, and to make special studies of the world situation regarding lead and zinc; and to consider possible solutions to any problems or difficulties which are unlikely to be resolved in the ordinary development of world trade. The Study Group does not interfere with national economic policies on lead and zinc nor does it impose any restrictions on member countries.

93. Membership of the Group is open to member countries of the United Nations, of its special agencies or of the WTO, which consider themselves substantially interested in the production or consumption of, or trade in, lead and/or zinc. The current membership is representative of producing and consuming countries which represent about 90 per cent of the world production and over 80 per cent of the world consumption of both lead and zinc. In addition, several intergovernmental and non-governmental organizations, all substantially interested in lead and zinc, are officially accredited observers. (For the membership of the Group see annex X).

94. In its initial period, the Group's headquarters were located in the United Nations Headquarters in New York and serviced by the staff of the United Nations and subsequently by UNCTAD (the Director of the Commodities Division of UNCTAD acted as Secretary-General of the Group from 1965 until 1968). Since then, the Group has had an independent secretariat, which on 1 April 1977 was relocated to London, United Kingdom.

C. <u>International Nickel Study Group</u>

95. In April 1979, six countries (Australia, Canada, France, the Federal Republic of Germany, Japan and the United States), following a joint Australian/Canadian initiative, carried out studies and met a number of times (the United Kingdom participated in the first meeting) to evaluate the need for and feasibility of improving international statistics on nickel through an intergovernmental organization involving both producers and consumers and outside UNCTAD, along the lines of the International Lead and Zinc Study Group. Between 1979 and 1984 several meetings of the larger producing and consuming countries took place in order to consider the quality of international nickel statistics and possible ways of correcting deficiencies.

96. An Intergovernmental Exploratory Meeting on Nickel, hosted by Australia and Canada, was held in Geneva in October 1984. It was attended by 31 countries, representing over 95 per cent of world nickel production and over 90 per cent of world consumption. UNCTAD attended this meeting as an observer, together with the EEC, GATT and the International Lead and Zinc Study Group.

97. The purpose of that meeting was Ato explore the possibility of establishing an intergovernmental nickel discussion group to improve the statistics and other information on world nickel production, consumption and trade with a view to achieving greater transparency in the international nickel economy, and to provide a forum for consultation". It was decided to call for a second meeting, to be organized under the auspices of UNCTAD. As a result of this, a Preparatory Meeting on Nickel was held in Geneva in April 1985 Ato consider further the proposal to establish an intergovernmental nickel study group and, in particular, to consider an international statistical system for nickel, secretariat arrangements, a draft agreement for the establishment of such a group and draft rules of procedure@. The Preparatory Meeting requested the Secretary-General of UNCTAD to convene a negotiating conference on the establishment of an autonomous International Nickel Study Group in Geneva in October 1985.

98. Pursuant to that request, the Secretary-General of UNCTAD convened the United Nations Conference on Nickel, 1985. It was held in two parts in October-November 1985 and in April-May 1986, and was attended by the representatives of 33 States and the European Economic Community. On 13 May 1986 the Conference established the Terms of Reference of the International Nickel Study Group. These terms of Reference as approved by the Conference provide for the establishment of an International Nickel Study Group.

99. The objective of the Group is to ensure enhanced international cooperation on issues concerning nickel, in particular by improving the information available on the international nickel economy and by providing a forum for intergovernmental consultations on nickel. In pursuance of this objective, the functions of the Group are to establish the capacity for, and to undertake the continued monitoring of, the world nickel economy and its trends, particularly by establishing, maintaining and continuously updating a statistical system on world production, stocks, trade and consumption of all forms of nickel; to conduct between members consultations and exchanges of information on developments related to the production, stocks, trade and consumption of all forms of nickel; to undertake studies as appropriate on a broad range of important issues concerning nickel, in accordance with the decisions of the Group; and to consider special problems or difficulties which exist or may be expected to arise in the international nickel economy.

100. The Group was inaugurated at a meeting of member and other interested countries on 25-28 June 1990 in The Hague, Netherlands. The Group's secretariat was established in The Hague early in 1991, the year in which the Group began its operations.

101. Members of the International Nickel Study Group are Governments of both nickel-producing and nickel-consuming countries (for the list of members see annex XI). Membership of the Group is open to all States interested in the production or consumption of, or international trade in, nickel, and to any intergovernmental organization with responsibilities in respect of the negotiation, conclusion and application of international agreements, particularly commodity agreements. The Group has been designated as an International Commodity Body for the purpose of sponsoring projects on nickel to be financed by the Common Fund for Commodities through its Second Account.

D. International Copper Study Group

102. At a series of ad hoc meetings sponsored by UNCTAD in 1986 and 1987 delegates from copper-producing and copper-consuming countries reviewed the world copper situation and discussed the need for an autonomous intergovernmental organization. They recommended that a United Nations Conference on Copper be convened in order to look into the desirability of creating an International Copper Study Group.

103. Pursuant to that recommendation, the Secretary-General of UNCTAD convened the United Nations Conference on Copper, 1989. It was held in two parts in June 1988 and February 1989, and was attended by representatives of 46 States and the European Economic Community.

104. On 24 February 1989 the Conference established the text of the Terms of Reference of the International Copper Study Group (UNCTAD document TD/COPPER/15). At a meeting held in the Palais des Nations, Geneva, on 23-24 January 1992 the countries and the intergovernmental organization that had notified their acceptance of the Terms of Reference decided to put them into force definitively among themselves in whole as of 23 January 1992. At the same meeting it was agreed that the Secretary-General of UNCTAD should, as provided in the Terms of Reference, convene the inaugural meeting of the Group before 1 July 1992.

105. Pursuant to this request, the Secretary-General of UNCTAD, acting on behalf of the Secretary-General of the United Nations, convened the inaugural meeting of the Group, to be held from 22 to 26 June 1992 at the Palais des Nations. In November of that year, Lisbon, Portugal was selected as the site for the Group's headquarters.

106. The Terms of Reference as approved by the Conference provide for the establishment of an International Copper Study Group, the objectives of which are to ensure enhanced international cooperation on issues related to copper by improving the information available on the international copper economy and by providing a forum for intergovernmental consultations on copper. The Group is to provide a forum for all market participants, both producers and consumers, to examine their common problems and conduct an open dialogue and a free exchange of information.

107. In pursuance of these objectives the functions of the Group are to conduct consultations and exchanges of information on the international copper economy; to improve statistics on copper; to undertake regular assessments of the market situation and outlook for the world copper industry; to undertake studies on issues of interest to the Group; to undertake activities related to efforts pursued by other organizations aimed at developing the market for copper and contributing to the demand for copper; and to consider special problems or difficulties which exist, or may arise, in the international copper economy.

108. Greater market transparency is an important goal of the Group, to be achieved through more complete, reliable and up-to-date statistics, as well as through special investigations and studies. Greater market transparency would aid companies in choosing correct market strategies, and a better balance between supply and demand would thus be more likely to be achieved. The Group endeavours to provide its members with the most accurate,

comprehensive and timely information on capacities, production, consumption, trade, stocks, prices, technologies, research and development, and other areas that may influence the supply of and demand for copper.

109. The Group holds discussions among members and third parties, such as copper research and market development organizations, on ways and means of increasing the demand and developing the market for copper, and within this framework, suggests market development studies that are directed to, and undertaken by, established market development organizations. In addition, the Group offers to facilitate coordination between these organizations and to support the extension of market development activities.

110. The Group has been designated as an International Commodity Body for the purpose of sponsoring projects on copper to be financed by the Common Fund for Commodities through its Second Account.

111. Membership of the Group is open to all States interested in the production or consumption of, or international trade in, copper, and to any intergovernmental organization with responsibilities in respect of the negotiation, conclusion and application of international agreements, particularly commodity agreements (for the list of Group members see annex XII).

CHAPTER III

OTHER ARRANGEMENTS

A. Common Fund for Commodities

112. The fourth session of UNCTAD in its resolution 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities proposed, *inter alia*, the establishment of the Common Fund for Commodities, designed to underpin the existing ICAs with financial backing. The Agreement Establishing the Common Fund for Commodities (Agreement) was negotiated in UNCTAD from 1976 to 1980. It came into effect in June 1989 when the Final Act of the United Nations Negotiating Conference on a Common Fund for Commodities under the Integrated Programme for Commodities (IPC) was signed.

113. The objectives of the Fund, as contained in the Agreement, are (i) to serve as a key instrument in attaining the agreed objectives of the IPC; and (ii) to facilitate the conclusion and functioning of ICAs, particularly concerning commodities of special interest to developing countries.

114. The functions of the Fund cover three areas, namely:

(i) to contribute to financing of international buffer stocks and internationally coordinated national stocks, all within the framework of ICAs, using the resources of the First Account;

(ii) to finance, through its Second Account, measures in commodity development, other than buffer stock operations. The measures should aim at improving the structural conditions in markets and at enhancing the long-term competitiveness and prospects of commodities. Support can cover research and development, productivity improvements, marketing and diversification measures; and

(iii) to promote coordination and consultation through its Second Account with financiers, donors, producers, consumers and other interested parties, with regard to measures in the field of commodities other than stocking, and their financing, with a view to providing a commodity focus.

115. As demand for buffer stocking through the First Account did not materialize, the Governing Council of the Fund, by its decision in 1996, set aside part of the accumulated net earnings of the First Account for commodity market projects, which aim at helping countries, especially developing countries and in particular the least developed among them, to organize efficient commodity markets. The reform of the capital portion of the First Account resources is ongoing.

116. International Commodity Bodies (ICBs), which are enabled to sponsor projects for the Second Account operations, are to be intergovernmental commodity bodies. In order to qualify for designation as an ICB to the Fund, the organization must fulfil the following basic characteristics: it should be involved on a continuing basis with the trade, production and consumption aspects of the commodity concerned; its members should comprise producers and consumers representing an adequate share of exports and imports of the commodity concerned; it should have an effective decision-making process; and it should be in a position to discharge its responsibilities arising from its designation to the Fund for the purpose of the Second Account. As of December 1997, 23 organizations had been designated as ICBs for the purpose of the Second Account (all nine existing international commodity agreements, four existing international study groups, and ten FAO subsidiary commodity bodies (see annex XIII).

117. The Common Fund for Commodities is an autonomous intergovernmental financial institution which forms a partnership of 104 member States plus the European Commission. Membership is open to all States members of the United Nations or of any of its specialized agencies, or of the International Atomic Agency, and intergovernmental organizations of regional economic integration which exercise competence in fields of activity of the Fund. The

organs of the Fund are the Governing Council and the Executive Board. The latter is advised by a Consultative Committee on technical and economic aspects of projects. The Managing Director is the Chief Executive Officer and at the same time Chairman of the Executive Board. The headquarters of the Common Fund are located in Amsterdam, Netherlands.[4]

B. International Cotton Advisory Committee

118. Formally, the International Cotton Advisory Committee (ICAC) cannot be called an international commodity agreement, as the text of an agreement as such does not exist and, therefore, is not subject to termination or extension. However, the ICAC, being an intergovernmental commodity institution, has features of an international commodity agreement with administrative provisions.

119. The ICAC is an association of governments with an interest in the production, export, import and consumption of cotton. It is an organization designed to promote cooperation in the solution of cotton problems, particularly those of international scope and significance. It was established in 1939 by the international conference on cotton with the aim of coping with the problem of sharp overproduction of cotton. The Secretariat of the Committee is in Washington D. C., United States of America.

120. The functions of the International Cotton Advisory Committee, as defined in its Rules and Regulations, are:

- To observe and keep in close touch with developments affecting the world cotton situation;
- To collect and disseminate complete, authentic and timely statistics on world cotton production, trade, consumption, stocks and prices;
- To suggest, as and when advisable, to the governments represented, any measures the Advisory Committee considers suitable and practicable for the furtherance of international collaboration directed towards developing and maintaining a sound world cotton economy; and
- To be the forum for international discussions on matters related to cotton prices.

121. Membership of the Committee, which represents the bulk of the world's production, trade and consumption of cotton, now comprises 41 Governments (see annex XIV).

C. International Tin Study Group

122. In November 1986, the Secretary-General of UNCTAD held consultations on tin in order to consider what form of international cooperation tin-producing and tin-consuming countries might wish to establish in the light of the decision by the International Tin Council, adopted in June 1986, not to negotiate a successor agreement to the Sixth International Tin Agreement, which was due to expire on 30 June 1987. At the consultations all the major tin-producing and tin-consuming countries indicated their interest in establishing some form of future international cooperation on tin, and it was agreed that a preparatory meeting on tin should be convened to consider preliminary draft terms of reference of an international tin study group.

123. The Preparatory Meeting on Tin was held in April 1988 at the Palais des Nations, Geneva. It recommended that a negotiating conference be convened on the establishment of an intergovernmental producer/consumer forum for tin.

124. Pursuant to that recommendation, the Secretary-General of UNCTAD convened the United Nations Tin Conference, 1988. The Conference was held in two parts in 1988 and 1989 and was attended by representatives of 42 States and the European Economic Community.

125. On 7 April 1989, the Conference established the text of the Terms of Reference of the International Tin Study Group (UNCTAD document TD/TIN.7/15). The Terms of Reference as approved by the Conference provide for the establishment of an International Tin Study Group, the objective of which is to ensure enhanced international cooperation on issues concerning tin, by improving the information available on the international tin economy and by providing a forum for intergovernmental consultations on tin. The functions of the Group are to establish the capacity for and to undertake the continued monitoring of, the world tin economy and its trends; to conduct consultations and exchanges of information on developments and trends related to the production, stocks, trade and consumption of all forms of tin; and to undertake studies as appropriate on a broad range of important issues concerning tin, in accordance with the decisions of the Group.

126. The Group may apply to be designated as an International Commodity Body for the purpose of sponsoring, on such terms and conditions as the Group may determine only by consensus, projects on tin to be financed by the Common Fund for Commodities through its Second Account.

127. Membership of the Group is open to all States interested in the production or consumption of, or international trade in, tin, and to any intergovernmental organization with responsibilities in respect of the negotiation, conclusion and application of international agreements, particularly commodity agreements. The headquarters of the Group will be at a location to be selected by the Group in the territory of a member State, unless the Group decides otherwise.

128. The Terms of Reference of the Group were to enter into force when States together accounting for at least 70 per cent of trade in tin, as set out in the annex to the Terms of Reference, had notified the Secretary-General of the United Nations of their acceptance of the Terms of Reference. If the requirements for entry into force had not been met by 31 December 1989, the Secretary-General of the United Nations was to convene a meeting of representatives of those States which had notified their acceptance to decide whether to put the Terms of Reference into force among themselves.

129. By 31 December 1989 the requirements for entry into force of the Terms of Reference had not been met. Moreover, after informal consultations with Governments it became evident that by that time the interest in creating the Group no longer existed. It has been decided, therefore, that it would not be appropriate for the Secretary-General of UNCTAD to convene such a meeting.

Annex I

Members of the International Cocoa Agreement, 1993
(As of 15 March 1998)

Exporting members

Brazil
Cameroon
Côte d'Ivoire
Dominican Republic
Ecuador
Gabon
Ghana
Grenada
Jamaica
Malaysia
Nigeria
Papua New Guinea
Sao Tome and Principe
Sierra Leone
Togo
Trinidad and Tobago
Venezuela

Importing members

Austria
Belgium/Luxembourg
Czech Republic
Denmark
Finland
France
Germany
Greece
Hungary
Ireland
Italy
Japan
Netherlands
Norway
Portugal
Russian Federation
Slovak Republic
Spain
Sweden
Switzerland
United Kingdom
European Community

Annex II

Members of the International Coffee Agreement, 1994
(As of 15 March 1998)

Exporting members

Angola
Bolivia
Brazil
Burundi
Cameroon
Central African Rep.
Colombia
Congo, Dem. Rep. of
Congo, Rep. of
Costa Rica
Côte d'Ivoire
Cuba
Dominican Republic
Ecuador
El Salvador
Equatorial Guinea
Ethiopia
Gabon
Ghana
Guatemala
Guinea
Haiti
Honduras
India
Indonesia
Jamaica
Kenya
Madagascar*
Malawi
Mexico
Nicaragua
Nigeria
Papua New Guinea
Paraguay*
Philippines
Rwanda
Tanzania
Thailand
Togo
Uganda, United Rep. of
Venezuela
Viet Nam
Zambia
Zimbabwe

Importing members

Austria
Cyprus
European Community
 Belgium/Luxembourg*
 Denmark
 Finland
 France
 Germany
 Greece
 Ireland
 Italy
 Netherlands
 Norway
 Portugal
 Spain
 Sweden
 United Kingdom
Japan
Switzerland

* Notification of provisional application.

Annex III

Members of the International Agreement on Jute and Jute Products, 1989

(As of 15 March 1998)

Exporting members

Bangladesh
China
India
Nepal
Thailand

Importing members

European Community
- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Greece
- Ireland
- Italy
- Luxembourg
- Netherlands
- Portugal
- Spain
- Sweden
- United Kingdom

Egypt
Indonesia
Japan
Norway
Switzerland

Annex IV

Members of the International Natural Rubber Agreement, 1995
(As of 15 March 1998)

Exporting members

Côte d'Ivoire
Indonesia
Malaysia
Nigeria
Sri Lanka
Thailand

Importing members

China
European Community
Austria
Belgium
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Luxembourg
Netherlands
Spain
Sweden
United Kingdom
Japan
United States of America

Annex V

Members of the International Agreement on Olive Oils and Table Olives, 1986, as amended and extended, 1993
(As of 15 March 1998)

Algeria
Cyprus
Egypt
European Community
(with its 15
member States)
Israel
Lebanon
Morocco
Syrian Arab Rep.
Tunisia
Turkey
Yugoslavia

Annex VI

Members of the International Tropical Timber Agreement, 1994
(As of 15 March 1998)

Producing Countries

Bolivia
Brazil
Cambodia
Cameroon
Central African Republic
Colombia
Congo, Dem. Rep. of
Congo, Rep. of
Côte d'Ivoire
Ecuador
Fiji
Gabon
Ghana
Guyana
Honduras
India
Indonesia
Liberia
Malaysia
Myanmar
Panama
Papua New Guinea
Peru
Philippines
Thailand
Togo
Venezuela

Consuming countries

Australia
Canada
China
Egypt
European Union
Austria
Belgium/Luxembourg
Denmark
France
Germany
Greece
Ireland
Italy
Netherlands
Norway
Portugal
Spain
Sweden
United Kingdom
Japan
Nepal
New Zealand
Republic of Korea
Russian Federation
Switzerland
United States of America

Annex VII

Members of the International Sugar Agreement, 1992
(As of 15 March 1998)

Argentina
Australia
Belarus
Belize
Brazil
Colombia
Costa Rica
Côte d'Ivoire
Cuba
Dominican Republic
Ecuador
El Salvador
European Community
Austria
Belgium
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Luxembourg
Netherlands
Portugal
Spain
Sweden
United Kingdom
Fiji
Guatemala
Guyana
Hungary
India
Jamaica
Japan
Kenya
Korea, Republic of
Latvia
Malawi
Mauritius
Mexico
Panama
Philippines
South Africa
Sudan
Swaziland
Switzerland
Thailand
Trinidad and Tobago
Turkey
Ukraine
Zimbabwe

Annex VIII

Members of the International Grains Agreement, 1995
(As of 15 March 1998)

Grains Trade Convention, 1995

Algeria
Argentina
Australia
Bolivia
Canada
Côte d'Ivoire
Cuba
Egypt
Ecuador
European Community
Hungary
India
Iraq
Japan
Jordan
Kazakhstan
Kenya
Korea, Republic of
Malta
Mauritius
Morocco
Norway
Pakistan
Panama
Russian Federation
Saudi Arabia
South Africa
Switzerland
Tunisia
Turkey
United States of America
Vatican City
Yemen

Food Aid Convention, 1995

Argentina
Australia
Canada
European Community and its member States
Japan
Norway
Switzerland
United States of America

Annex IX

Members of the International Rubber Study Group
(As of 15 March 1998)

Belgium	Myanmar
Cameroon	Netherlands
Côte d'Ivoire	Nigeria
France	Russian Federation
Germany	Singapore
India	Spain
Indonesia	Sri Lanka
Italy	Thailand
Japan	United Kingdom
Malaysia	United States of America

Annex X

Members of the International Lead and Zinc Study Group
(As of 15 March 1998)

Australia
Belgium
Brazil
Bulgaria
Canada
China
Finland
France
Germany
India
Ireland
Italy
Japan
Korea, Republic of
Morocco
Netherlands
Norway
Peru
Poland
Russian Federation
South Africa
Spain
Sweden
Thailand
United Kingdom
United States of America

Annex XI

Members of the International Nickel Study Group
(As of 15 March 1998)

Australia
Canada
Cuba
European Union
Finland
France
Germany
Greece
Indonesia
Italy
Japan
Netherlands
Norway
Russian Federation
Sweden

Annex XII

Members of the International Copper Study Group
(As of 15 March 1998)

Belgium	Japan
Canada	Luxembourg
Chile	Mexico
China	Netherlands
European Union	Norway
Finland	Peru
France	Poland
Germany	Portugal
Greece	Russian Federation
Indonesia	Spain
India	United States
Italy	Zambia

Annex XIII

Designated International Commodity Bodies (ICBs) under the Common Fund for Commodities as of 15 March 1998

(a) Intergovernmental commodity bodies

1. International Cocoa Organization (ICCO)
2. International Coffee Organization (ICO)
3. International Copper Study Group (ICSG)
4. International Cotton Advisory Committee (ICAC)
5. International Grains Council (IGC)
6. International Jute Organization (IJO)
7. International Lead and Zinc Study Group (ILZSG)
8. International Natural Rubber Organization (INRO)
9. International Nickel Study Group (INSG)
10. International Olive Oil Council (IOOC)
11. International Rubber Study Group (IRSG)
12. International Sugar Organization (ISO)
13. International Tropical Timber Organization (ITTO)

(b) Food and Agricultural Organization (FAO) subsidiary commodity bodies

14. Intergovernmental Group on Bananas
15. Intergovernmental Group on Citrus Fruit
16. Intergovernmental Sub-Committee on Fish Trade
17. Intergovernmental Group on Grains
18. Intergovernmental Group on Hard Fibres
19. Intergovernmental Sub-Group on Hides and Skins
20. Intergovernmental Group on Meat
21. Intergovernmental Group on Oils, Oilseeds and Fats
22. Intergovernmental Group on Rice
23. Intergovernmental Group on Tea

Annex XIV

Members of the International Cotton Advisory Committee
(As of 15 March 1998)

Argentina
Australia
Azerbaijan
Belgium
Bolivia
Brazil
Cameroon
Chad
Colombia
Côte d'Ivoire
Egypt
Finland
France
Germany
Greece
India
Iran
Israel
Italy
Japan
Korea, Republic of
Mali
Netherlands
Pakistan
Paraguay
Philippines
Poland
Russian Federation
South Africa
Spain
Sudan
Switzerland
Syrian Arab Republic
Taiwan Province of China
Turkey
Uganda
United Kingdom
United Republic of Tanzania
United States of America
Uzbekistan
Zimbabwe

Annex XV

Addresses of International Commodity Organizations

International Cocoa Organization (ICCO)
Mr. Edouard Kouamé
Executive Director
22 Berners Street
London W1P 3DB
United Kingdom
Tel: (44-171) 637 3211 (Switchboard)
Telex: 28173 ICOCOA G
Fax: (44-171) 631-0114

International Coffee Organization (ICO)
Mr. Celsius A. Lodder
Executive Director
22 Berners Street
London W1P 4DD
United Kingdom
Tel: (44-171) 580 8591
Telex: 267 659 INTCAF G
Fax: (44-171) 580-6129

International Jute Organisation (IJO)
Mr. K.M. Rabbani
Executive Director
145 Monipuripara
Near Farmgate, Tejgaon
Dhaka - 1215, Bangladesh
P.O. Box No. 6073, Gulshan, Dhaka
Tel: (+880-2) 912 55 81 - 5 (5 Lines)
Fax: (+880-2) 912 52 48/9
Telex: 642792 IJO BJ, Cable: IJAYO Dhaka

International Natural Rubber Organization (INRO)
Mr. Ahmad Zubeir Haji Noordin
Executive Director
4th Floor, Wisma SPK, Jalan Sultan Ismail
50250 Kuala Lumpur
P.O. Box 10374
50712 Kuala Lumpur, Malaysia
Tel: (603) 2486466
Telex: MA 31570 (INRO)
Fax: (603) 2486485

International Olive Oil Council (IOOC)
Mr. Fausto Luchetti
Executive Director
Principe de Vergara, 154
28002 Madrid
Spain
Tel: (34-1) 563 00 71

Telex: 48197-IOOC-E
Fax: (34-1) 563 12 63

International Tropical Timber Organization (ITTO)
Dr. B.C.Y. Freezailah
Executive Director
International Organizations Centre - 5th Floor
Pacifico-Yokohama
1-1-1, Minato-Mirai
Nishi-Ku
Yokohama 220
Japan
Tel: (81-45) 223 1110
Telex: 3822480 ITTO J
Fax: (81-45) 223-1111

International Sugar Organization (ISO)
Mr. Peter Baron
Executive Director
One Canada Square
Canary Wharf
London E14 5AA
United Kingdom
Tel: (44-171) 513 1144
Telex: 24143
Fax: (44-171) 513 1146

International Grains Council (IGC)
Mr. Germain Denis
Executive Director
One Canada Square
Canary Wharf
London E14 5AE
United Kingdom
Tel: 44 (0) 171 513 1122
Telex: 8813241
Fax: 44 (0) 171 513 0630
E-mail: igc-fac@int-grains-council.org.uk
WWW: http/www.int-grains-council.org.uk

International Rubber Study Group (IRSG)
Mr. M.E. Cain
Secretary-General
8th Floor
York House
Empire Way
Wembley HA9 0PA, United Kingdom
Tel: (+44) 081 903 7727
Telex: 895 1293 RUBBER G
Fax: (+44) 081-903 2848

International Lead and Zinc Study Group (ILZSG)

Mr. Francis Labro
Secretary-General
2 King Street
London SW1Y 6QP
United Kingdom
Tel: (+44) 171-839 85 50
Telex: 299819 ILZSG G
Fax: (+44) 171-930 46 35
E-mail: 101730,2542@compuserve.com

International Nickel Study Group (INSG)
Mr. Claude Lecoq
Secretary-General
Scheveningseweg 62
2517 KX The Hague
The Netherlands
Tel: (31-70) 354 33 26
Fax: (31-70) 358 46 12
E-mail: INSG@compusrve.com

International Copper Study Group (ICSG)
Mr. Valentin Daniels
Secretary-General
1000 Lisbon
Rua Almirante Barroso, No.38, 6th Floor
Portugal
Tel: (351-1) 352 4039
Fax: (351-1) 352 4035
E-mail. www.icsg.org

Common Fund for Commodities (CFC)
Mr. Rolf W. Boehnke
Managing Director
Stadhouderskade 56, 1072 AB Amsterdam
Postbus 74656
1070 BR Amsterdam
The Netherlands
Tel: (3120) 575 49 49
Telex: 12331 cfc nl
Fax: (3120) 676 02 31
E-mail: CommonFund@ compuserve.com

International Cotton Advisory Committee (ICAC)
Mr. Lawrence H. Shaw
Executive Director
1629 K Street NW
Suite 702, Washington, D.C. 20006
United States of America
Tel: (202) 463-6660
Telex: 408272789
Fax: (202) 463-6950

Endnotes

1. See also: United Nations Conference on Trade and Development. "Evaluation of the International Natural Rubber Agreements of 1979, 1987 and 1995". Report by the UNCTAD secretariat. UNCTAD/ITCD/TED/1, 2 July 1997.

2. The daily market indicator price (DMIP), as defined in the 1979 and 1987 Agreements, is a composite average of daily official current-month prices on the Kuala-Lumpur, London, New-York and Singapore markets. It comprises the RSS 3 and TSR 20 grades of rubber, the RSS grade being ribbed smoked sheet and the TSR grade being technically specified rubber in block form. All quotations are converted to f.o.b. Malaysian/Singapore ports and expressed in a composite Malaysian/Singapore currency.

3. For more detailed information on the ITTA, 1994, and ITTO activities, see "The International Tropical Timber Agreement (ITTA)", Environment and Development File, Sustainable Development Treaty Series, United Nations Non-Governmental Liason Service/NGLS, No. 8, March 1997; and "ITTO: Ten Years of Progress", Yokohama, International Tropical Timber Organization, 1996.

4. For a more detailed description of the activities of the Common Fund for Commodities, see: Agreement Establishing the Common Fund for Commodities, United Nations, TD/IPC/CF/CONF/25; Samuel A.Olowude "The framework and specificity of operations of the Common Fund for Commodities", Common Fund for Commodities, Workshop in Commodity Development in Africa, Abidjan, Côte d'Ivoire, 30 June - 4 July 1996; "Study on the functioning and future role of the Common Fund for Commodities", CFC/EB/21/2/Rev.1, Annex, 5 November 1996, Common Fund for Commodities, Twenty-first Meeting of the Executive Board, 21-23 October 1996; Common Fund for Commodities, "Draft five year action plan 1998-2002: Note by the Managing Director", CFC/EB/22/2, 19 February 1997; Common Fund for Commodities, Twenty-second Meeting of the Executive Board, 17-19 March 1997; Common Fund for Commodities, *Annual Report*, 1996; Common Fund for Commodities *Manual for the Preparation and Management of projects to be financed by the Common Fund for Commodities,* 2nd edition, Amsterdam, 1997.