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# **United Nations Cocoa Conference, 2010**

Geneva, 19–23 April 2010 Item 6 of the provisional agenda

# Preparation of a successor agreement to the International Cocoa Agreement, 2001

# Note by the UNCTAD secretariat

This document indicates the amendments to document TD/Cocoa.10/R.1 as proposed by the Working Group for a Future International Cocoa Agreement, established by the Council of the International Cocoa Organization (ICCO). They were the results of the discussions held during the meeting of the Working Group for a Future International Cocoa Agreement which took place on 25 March 2010.

With reference to document TD/Cocoa.10/R.1, entitled "Preparation of a successor agreement to the International Cocoa Agreement, 2001" prepared by UNCTAD in Geneva on the basis of the text transmitted by the Executive Director of ICCO, the Working Group for a Future International Cocoa Agreement (the "Group") amended the following articles, with the name and numbering corresponding to the articles contained in the aforementioned documents.

#### Preamble

The following alternative text was proposed by the Consumers:

#### "THE PARTIES TO THE AGREEMENT,

- "Recognizing the contribution of the cocoa sector to poverty eradication and the achievement of internationally-agreed development goals, including the Millennium Development Goals (MDGs);
- "Recognizing the importance of cocoa [...] for the economies of many countries that are largely dependent upon this commodity for their export earnings and for the achievement of their development programmes and strategies;
- "Recognizing the importance of the cocoa sector to the livelihoods of millions of people, particularly in developing countries, and bearing in mind that in many of these countries production is on small-scale family farms;
- "Recognizing the need to continue fostering the sustainable development of the cocoa sector, leading to enhanced employment and income, increased protection of the environment and better living standards and working conditions in Member countries;
- "Recognizing that close international cooperation on cocoa-related matters can foster an economically diversified cocoa sector, the sustainable development of producing countries, the increase of cocoa production, consumption and trade, as well as good relations between cocoa producer and consumer Members:
- "Recognizing that dialogue and cooperation between Members, international organizations, the private sector, the civil society and other stakeholders can contribute to the development of the cocoa sector;
- "Recognizing the importance of ensuring transparency of the international cocoa market in order to achieve a balanced sustainable world cocoa economy; for the benefit of both producers and consumers;
- "Recognizing the contribution of the previous International Cocoa Agreements of 1973, 1975, 1980, 1986, 1993 and 2001 to the development of the world cocoa economy;

"HEREBY AGREE THE FOLLOWING:"

#### Article 1 (Objectives)

The Group agreed to remove the second paragraph of the article.

#### Article 13 (Cooperation with other organizations)

The Group agreed to amend the fifth paragraph as follows: "The Council may seek to cooperate with other relevant experts in cocoa matters."

#### Article 14 (Invitation and admission of observers)

The Group agreed to amend the third paragraph and to add a fourth paragraph as follows:

"3. The Council may also invite non-governmental organizations having relevant expertise in aspects of the cocoa sector, as observers.

"4. For each of its sessions, the Council shall decide on the attendance of observers, including, on an ad hoc basis, non-governmental organizations having relevant expertise in aspects of the cocoa sector, in conformity with the conditions set out in the administrative rules of the Organization."

## Article 27 (Establishment of the Economics Committee)

The Group agreed to amend the text in the second sentence of the first paragraph as follows: "An Economics Committee is hereby established. The Economics Committee shall:".

## Article 32 (Cocoa substitutes)

The Group agreed to maintain the title of the article as follows: "Cocoa substitutes".

## Article 43 alt (Mandate and activities on sustainability)

The Consumers' group proposed to the following new alternative text (in place of the previous one):

- "1. The mandate of the Organization on sustainability shall encompass all types of activities contributing to the achievement of a sustainable world cocoa economy, under the guidance and authority of the Council.
- "2. Members shall make all necessary efforts to accomplish a sustainable cocoa economy, taking into account the sustainable development principles and objectives contained, *inter alia*, in the Rio Declaration on Environment and Development and in Agenda 21 adopted in Rio de Janeiro in 1992, the United Nations Millennium Declaration adopted in New York in 2000 and in the Report of the World Summit on Sustainable Development adopted in Johannesburg in 2002.
- "3. The Organization shall assist Members to realize their goals in the development of a sustainable cocoa economy.
- "4. In their activities, Members will integrate the three interdependent pillars of economic, social and environmental sustainability.
- "5. Members shall encourage stakeholders in the cocoa economy including farmers, cooperatives, traders, exporters, processors, manufacturers, wholesalers, retailers and non-governmental organizations to contribute to their sustainability goals and activities.
- "6. The Organization shall actively seek multilateral and bilateral donors in the support of programmes, projects and activities aimed at achieving sustainability in the cocoa economy."

#### Article 44 (Mandate and activities on sustainability)

This article was deleted.

#### Article 45 (Establishment of the Consultative Board on the World Cocoa Economy)

The Consumers' group suggested the following alternative text for the first three paragraphs for consideration by the Group during the Conference:

- "1. A Consultative Board on the World Cocoa Economy is hereby established to encourage the active participation of experts of the private sector in the work of the Organization and to promote a continuous dialogue among experts from the public and private sectors.
- "2. The Consultative Board on the World Cocoa Economy shall:

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- (a) Advise the Council on issues of general and strategic interest to the cocoa sector;
- (b) Identify threats to supply and demand and propose actions to meet the challenges;
- (c) Identify ways and means of strengthening the position of farmers, with a view to improving their livelihoods;
- (d) Contribute to the development of a sustainable cocoa economy;
- (e) Develop modalities and frameworks for promotion of consumption;
- (f) Facilitate the availability of information on production, consumption and stocks; and
- (g) Advise on other matters within the scope of the Agreement.
- "3. The Consultative Board may submit recommendations on the above matters to the Council."

## Article 46 (Composition of the Consultative Board on the World Cocoa Economy)

The Group agreed to limit the composition to eight experts.

# Article 47 (Meetings of the Consultative Board on the World Cocoa Economy)

The Group agreed on the text initially proposed in the first paragraph by the Producers' group.

The Group agreed on the following text for the fourth paragraph: "The Board may also invite eminent experts or personalities of high standing in a specific field, from the public and private sectors, including appropriate non-governmental organizations, having relevant expertise in aspects of the cocoa sector, to participate in its work and meetings."

# Annex B (Imports of cocoa calculated for the purpose of article 58)

The Consumers' group proposed to amend the table as presented in the following page, to reflect the membership of the European Union in the ICCO.

Country	<b>b</b> /	2005/06 2006/07 2007/08		Average 3-year period 2005/06 - 2007/08		
			(t	ons)		(share)
European Union:	m	2 484 235	2 698 016	2 686 041	2 622 764	53.24%
Austria		20 119	26 576	24 609	23 768	0.48%
Belgium/Luxembourg		199 058	224 761	218 852	214 224	4.35%
Bulgaria		12 770	14 968	12 474	13 404	0.27%
Cyprus		282	257	277	272	0.01%
Czech Republic		12 762	14 880	16 907	14 850	0.30%
Denmark		15 232	15 493	17 033	15 919	0.32%
Estonia		37 141	14 986	- 1 880	16 749	0.34%
Finland		10 954	10 609	11 311	10 958	0.22%
France		388 153	421 822	379 239	396 405	8.05%
Germany		487 696	558 357	548 279	531 444	10.79%
Greece		16 451	17 012	17 014	16 826	0.34%
Hungary		10 564	10 814	10 496	10 625	0.22%
Ireland		22 172	19 383	17 218	19 591	0.40%
Italy		126 949	142 128	156 277	141 785	2.88%
Latvia		2 286	2 540	2 434	2 420	0.05%
Lithuania		5 396	4 326	4 522	4 748	0.10%
Malta		34	46	81	54	-
Netherlands		581 459	653 451	681 693	638 868	12.97%
Poland		103 382	108 275	113 175	108 277	2.20%
Portugal		3 643	4 179	3 926	3 916	0.08%
Romania		11 791	13 337	12 494	12 541	0.25%
Slovak Republic		15 282	16 200	13 592	15 025	0.30%
Slovenia		1 802	2 353	2 185	2 113	0.04%
Spain		150 239	153 367	172 619	158 742	3.22%
Sweden		15 761	13 517	14 579	14 619	0.30%
United Kingdom		232 857	234 379	236 635	234 624	4.76%
United States		822 314	686 939	648 711	719 321	14.60%
Malaysia	c/ m	290 623	327 825	341 462	319 970	6.49%
Russian Federation	m	163 637	176 700	197 720	179 352	3.64%
Canada		159 783	135 164	136 967	143 971	2.92%
Japan		112 823	145 512	88 403	115 579	2.35%
Singapore		88 536	110 130	113 145	103 937	2.11%
China		77 942	72 532	101 671	84 048	1.71%
Switzerland	m	74 272	81 135	90 411	81 939	1.66%

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Country	<b>b</b> /	2005/06	2006/07	2007/08	Avera 3-year p 2005/06 - 2	eriod
			(tons)		(share)	
Turkey		73 112	84 262	87 921	81 765	1.66%
Ukraine		63 408	74 344	86 741	74 831	1.52%
Australia		52 950	55 133	52 202	53 428	1.08%
Argentina		33 793	38 793	39 531	37 372	0.76%
Thailand		26 737	31 246	29 432	29 138	0.59%
Philippines		18 549	21 260	21 906	20 572	0.42%
Mexico	c/	19 229	15 434	25 049	19 904	0.40%
Korea, Republic of		17 079	24 454	15 972	19 168	0.39%
South Africa		15 056	17 605	16 651	16 437	0.33%
Iran (Islamic Republic of)		10 666	14 920	22 056	15 881	0.32%
Colombia	c/	16 828	19 306	9 806	15 313	0.31%
Chile		13 518	15 287	15 338	14 714	0.30%
India		9 410	10 632	17 475	12 506	0.25%
Israel		11 437	11 908	13 721	12 355	0.25%
New Zealand		11 372	12 388	11 821	11 860	0.24%
Serbia		10 864	11 640	12 505	11 670	0.24%
Norway		10 694	11 512	12 238	11 481	0.23%
Egypt		6 026	10 085	14 036	10 049	0.20%
Algeria		9 062	7 475	12 631	9 723	0.20%
Croatia		8 846	8 904	8 974	8 908	0.18%
Syrian Arab Republic		7 334	7 229	8 056	7 540	0.15%
Tunisia		6 019	7 596	8 167	7 261	0.15%
Kazakhstan		6 653	7 848	7 154	7 218	0.15%
Saudi Arabia		6 680	6 259	6 772	6 570	0.13%
Belarus		8 343	3 867	5 961	6 057	0.12%
Morocco		4 407	4 699	5 071	4 726	0.10%
Pakistan		2 123	2 974	2 501	2 533	0.05%
Costa Rica		1 965	3 948	1 644	2 519	0.05%
Uruguay		2 367	2 206	2 737	2 437	0.05%
Lebanon		2 059	2 905	2 028	2 331	0.05%
Guatemala		1 251	2 207	1 995	1 818	0.04%
Bolivia	c/	1 282	1 624	1 927	1 611	0.03%
Sri Lanka		1 472	1 648	1 706	1 609	0.03%
El Salvador		1 248	1 357	1 422	1 342	0.03%
Azerbaijan		569	2 068	1 376	1 338	0.03%
Jordan		1 263	1 203	1 339	1 268	0.03%
Kenya		1 073	1 254	1 385	1 237	0.03%
Uzbekistan		684	1 228	1 605	1 172	0.02%
Hong Kong, China		2 018	870	613	1 167	0.02%
Republic of Moldova		700	1 043	1 298	1 014	0.02%

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Country	<b>b</b> /	2005/06	2006/07	2007/08	Average 3-year period 2005/06 - 2007/08	
		(tons)			(share)	
Iceland		863	1 045	1 061	990	0.02%
The former Yugoslav Republic of Macedonia		628	961	1 065	885	0.02%
Bosnia and Herzegovina		841	832	947	873	0.02%
Cuba	c/	2 162	- 170	107	700	0.01%
Kuwait		427	684	631	581	0.01%
Senegal		248	685	767	567	0.01%
Libyan Arab Jamahiriya		224	814	248	429	0.01%
Paraguay		128	214	248	197	-
Albania		170	217	196	194	-
Jamaica	c/	479	- 67	89	167	-
Oman		176	118	118	137	-
Zambia		95	60	118	91	-
Zimbabwe		111	86	62	86	-
Saint Lucia	c/	26	20	25	24	-
Samoa		48	15	0	21	-
Saint Vincent and the Grenadines		6	0	0	2	
Total	d/	4 778 943	5 000 088	5 000 976	4 926 669	100.00%