



INTERNATIONAL  
COFFEE  
ORGANIZATION



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**Communication from the Chair of  
the International Coffee Council**

1. The Executive Director attaches, for the information of ICO Members, a communication sent by the Chair of the International Coffee Council (ICC).
2. The communication contains two proposed resolutions regarding: (i) the outstanding contributions of the Russian Federation and (ii) the Secretariat's search for new premises, to be considered by the ICC at its 136<sup>th</sup> Session on 28 and 29 September 2023.

Massimiliano Fabian  
Chair of the ICC

22 September 2023

Ms Vanusia Nogueira  
Executive Director  
International Coffee Organization  
222 Gray's Inn Road  
London, WC1X 8HB

Dear Executive Director,

Based on discussions held at the 59<sup>th</sup> Meeting of the Finance and Administration Committee and following informal consultations with the spokespersons for the importing and exporting Members, I have the honour to attach **two draft resolutions** to facilitate discussions at the Council. The resolutions concern the following matters:

- the outstanding contributions owed by the Russian Federation for 2021/22 and 2022/23; and
- the Premises question.

I kindly request that this letter and the attached draft resolutions be circulated among ICO Member states for the consideration of the Council at its 136<sup>th</sup> Session in Bengaluru, India.

I avail myself of this opportunity to renew to the Secretariat of the International Coffee Organization the assurances of my highest consideration.



Massimiliano Fabian  
Chair  
International Coffee Council

**DRAFT RESOLUTION ON THE OUTSTANDING CONTRIBUTIONS OF  
THE RUSSIAN FEDERATION**

CONSIDERING:

Paragraph (2) of Article 21 of the International Coffee Agreement (ICA) 2007 which provides that, “If any Member fails to pay its full contribution to the Administrative Budget within six months of the date on which the contribution is due, its voting rights and its right to participate in meetings of specialized committees shall be suspended until its contribution has been paid in full. However, unless the Council so decides, such Member shall not be deprived of any of its other rights nor relieved of any of its obligations under this Agreement”;

Paragraphs (4) and (7) of Resolution 470 of the International Coffee Council (ICC) which resolve, respectively, “to suspend temporarily the membership of all Members in persistent arrears, unless the Council decides otherwise” and “to determine contributions at the beginning of each coffee year based on the redistribution of votes within each category of Members (whether exporting or importing) resulting from the temporary suspension of membership, in accordance with the provisions of paragraph (7) of Article 12 of the ICA 2007”;

That the Russian Federation currently has outstanding contributions for coffee years 2021/22 and 2022/23 of £76,240 and £98,032, respectively;

That the Government of the United Kingdom previously imposed financial sanctions which prevented the Russian Federation from promptly transferring funds to the International Coffee Organization (ICO);

That the Russian Government has previously always met its financial obligations on time and has engaged with the ICO Secretariat as it was ready to do so also for coffee years 2021/22 and 2022/23, but could not transfer its contributions due to prevailing constraints in the United Kingdom;

That the ICO Secretariat has been consulting with the competent authorities of the Government of the United Kingdom to pursue the resolution of the aforementioned practical impediments, and is consulting with the Russian Federation to find an alternative payment method;

That the current circumstances do not warrant a decision on the application of Resolution 470 or the allocation of a waiver.

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. To instruct the Executive Director to continue the technical process with the authorities of the host government to enable the concerned Member to settle its outstanding contributions, and to report at the next meeting of the Finance and Administration Committee.
2. To consider, in the interim, until the overall situation is clarified, the inclusion of the Russian Federation when calculating Members’ assessed contributions to the 2023/24 Administrative Budget.
3. To review this matter at the next session of the International Coffee Council.

**DRAFT RESOLUTION ON PREMISES**

## CONSIDERING:

That the Secretariat of the International Coffee Organization (ICO) will need to vacate its premises at 222 Gray's Inn Road, London, no later than June 2025, with no possibility for extension of the current lease.

That the Secretariat has presented two potential options for consideration by the Finance and Administration Committee (FAC): (i) remaining in the United Kingdom; or (ii) moving abroad, providing preliminary cost estimates for both in document FA-358/23 Rev. 1.

That, as decided at the 58<sup>th</sup> Meeting of the FAC, the Secretariat has contacted representatives of the Government of the United Kingdom to discuss possible support and options for remaining in the country.

That the process for the entry into force of the International Coffee Agreement (ICA) 2022 is ongoing, with the current agreement (ICA 2007) proposed to be extended for one or two years until 1 February 2025 or 1 February 2026 (WP-Council 333/23 Rev. 1), and therefore this may substantially impact the Secretariat's ability to negotiate and sign a new lease beyond the expiry date of the ICA.

That the necessary measures for moving may take considerable time.

## THE INTERNATIONAL COFFEE COUNCIL

## RESOLVES

1. To instruct the Executive Director:
  - (a) to continue looking at the property market in London to find suitable premises for the ICO;
  - (b) to continue communicating with the authorities of the host country to seek: (i) suitable premises for the ICO, either cost-free or on a discounted basis; and (ii) assistance to overcome the aforementioned constraints regarding the negotiation of a new lease beyond the expiry date of the ICA.
  - (c) to continue reviewing all options, both in the United Kingdom and other ICO Member countries, and to provide an assessment of cost-saving opportunities;
  - (d) to report to the next meeting of the Finance and Administration Committee.
2. To invite ICO Members to consider hosting the ICO and provide suitable premises, either cost-free or on a discounted basis, and other benefits for the Organization and all ICO Members.
3. To review this matter at the next Session of the International Coffee Council.