



Organización Internacional del Café
Organizaçào Internacional do Café
Organisation Internationale du Café

ICC 92-3

4 February 2005
Original: English

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**Decisions and Resolutions adopted
at the Ninety-second Session (Special
of the International Coffee Council**

28 January 2005

1. The International Coffee Council, chaired by Mr. Markus Schlagenhof of Switzerland, met on 28 January 2005.

Item 1: Adoption of the Agenda

2. The Council adopted the draft Agenda contained in document ICC-92-0 Rev. 1.

Item 2: Votes and credentials

Item 2.1: Votes in the Council for coffee year 2004/05

3. The Council took note of the situation of outstanding payments affecting voting rights as at 20 January 2005 and approved the redistribution of votes in the Council and Executive Board for coffee year 2004/05 contained in document EB-3873/04 Rev. 1.

Item 2.2: Credentials

4. The Council noted that the Secretariat had examined the credentials received from Members and had informed the Chairperson of the Council that they were found to be in good and due form. The Council decided to approve the verbal report on credentials presented by the Secretary which was subsequently circulated, together with the List of Delegations, as document ICC-92-1.

Item 3: Financial and administrative matters

**Item 3.1: Administrative Accounts of the Organization
for financial year 2003/04 and Report of the Auditors**

5. On the recommendation of the Executive Board, the Council decided to approve the Administrative Accounts and the Report of the Auditors for financial year 2003/04 contained in document EB-3879/05.

Item 3.2: Premises at 22 Berners Street

6. The Chairperson of the Executive Board said that intensive discussions had taken place in the Executive Board after receiving a report from the Finance Committee concerning the premises at 22 Berners Street. The Board had expressed its appreciation to the Executive Director for the progress made in negotiations with the Landlord and to Members for contributing offers for the headquarters. The representative of the EC had made a statement on the ICO headquarters (contained in document EB-3883/05) acknowledging that there was no consensus regarding its proposal to postpone a final decision on the premises until the May Council session and that it was not in a position to put forward during the present meeting a formal alternative offer regarding the ICO headquarters. It would present its definitive position on the relocation of the headquarters of the ICO by 4 March 2005 and considered that the legal formalities for the signature of a new lease should not start before 5 March. Members had not been presented with an alternative headquarters proposal at this Session, at which they confirmed that a decision was required. The Council took note of this report.

7. The Chairperson reminded Members that the Council had decided to hold this Special Session on the understanding that a decision on the premises would be reached at this meeting. Paragraph (2) of Article 7 of the International Coffee Agreement provided that “The seat of the Organization shall be in London unless the Council by a distributed two-thirds majority vote decides otherwise.” As there was no consensus to defer a decision on the premises to another date, and there was no majority in favour of relocating the headquarters, it could be concluded that Members’ preference was to remain in London. In this case, there was no need for a vote under the provisions of Article 7.

8. The Council further noted that at this stage, the EC had no alternative option apart from that of remaining in London and that the position of the EC was clearly outlined in the statement by the representative of the EC, a copy of which is attached to these decisions (document EB-3883/05).

9. The Council also took note of a statement by Japan (document ICC-92-2, a copy of which is attached to these decisions).

10. It further noted that as there was no alternative option on the table at this time, the Council supported the option of remaining at the premises at 22 Berners Street. The proposal concerning a new lease for 22 Berners Street appeared to be financially viable. The Council appreciated the efforts of some Members in contributing offers for the headquarters, which had had a positive impact on negotiations with the Landlord. It was recognized that a spirit of consensus was being preserved with the solution that had been reached.

11. In conclusion, the decision reached by the Council entails approval for signing a new lease at 22 Berners Street, commencing on 1 April 2005, which is financially viable and secures a balanced budget without the need for additional contributions from Members.

Item 3.3: Administrative Budget for financial year 2004/05

12. The Council noted that the Administrative Budget for financial year 2004/05 contained in document EB-3875/04 was approved in September 2004 subject to confirmation in the light of a decision concerning the premises of the Organization. Given the developments specified under Item 3.2 of these Decisions, the Council duly confirmed the Budget approved in September 2004¹.

Item 4: 2nd World Coffee Conference

13. On behalf of the Chairperson of the Conference, the representative of Brazil informed the Council that the 2nd World Coffee Conference would take place on 24 and 25 September 2005, followed by other ICO meetings including the Council and Executive Board from 26 to 30 September 2005. It would be chaired by the Brazilian Minister of Agriculture, Mr. Roberto Rodrigues, and the President of Brazil, H.E. Mr. Luiz Inácio Lula da Silva, had already confirmed his participation. A meeting had taken place in November 2004 with the Governor and authorities of the State of Bahia, the Secretary for Commodities and the ICO Executive Director to discuss the preparations for the Conference. The Governor and other authorities had reiterated their full support for this initiative. The Ministry of Foreign Affairs had initiated the process of sending invitations and was participating at all stages in the organization of the event. An ICO Contact Group had made recommendations on the speakers and structure of the Conference, which would comprise three main sessions. The Minister of Agriculture welcomed the continuing support of the Executive Director, the Contact Group and all Members in the preparations for the event.

14. The Executive Director said that he would take the opportunity of his mission to Brazil to invite the Minister of Agriculture, Mr. Roberto Rodrigues, to report personally to the Council at its next session. The ICO would also prepare a background document as a reference for the conference speakers and Members which would include analysis of the

¹ See also the statement of Japan attached as document ICC-92-2.

themes of the three main sessions of the Conference. The first session, “Lessons from the crisis”, would focus on the political issues. The second session, “Coffee policies in a market economy”, would include an analysis of national and international policies and the third session, “How to develop a sustainable coffee economy”, would look at how to ensure a sustainable future for the coffee sector. A webpage was being prepared which would provide information about the conference and further information would be available at the next meeting.

15. The Council took note of this report and further noted that the organizers would welcome suggestions from Members for speakers from Central America and other regions, in addition to those put forward by the ICO Contact Group. The Council took note of suggestions made at this session. Finally, the Council noted the suggestion to look at linking the Conference to the high-level summit, which would take place from 14 to 16 September 2005 in New York, to discuss the follow-up to the outcome of the UN Millennium Summit.

Item 5: Other business

Tsunami

16. The Council extended its condolences to ICO Members which had suffered loss of life and devastation in the tsunami in December 2004.

Mrs. Danièle Legaud

17. The Council paid tribute to the ICO’s former Head of Documents and Reprographics, Mrs. Danièle Legaud, who had worked at the ICO from December 1968 to March 2004 and who had died on 30 October 2004.

Mexico

18. The Council noted that as reported in the Executive Board, some restructuring of the coffee sector had taken place in Mexico. The Government had passed legislation on sustainable rural development providing for the development of “systems” for different commodities. A new system for coffee had been established in December 2004, comprising Government and private sector representatives. The Government would in future be represented at ICO meetings by the Ministry of Agriculture, and would take over the activities of the *Consejo Mexicano del Café*. Mr. Roberto Giesemann, the Chairperson of the *Consejo Mexicano del Café*, announced that he would no longer represent Mexico at ICO meetings. The Council expressed its warm appreciation to Mr. Giesemann for his leadership and excellent contribution to the work of the ICO.

Côte d'Ivoire

19. The Council noted that paragraph (4) of Article 30 of the Agreement provided that exporting Members could submit for approval by the Council a request to allow data conveyed in Certificates of Origin concerning exports of coffee to be transmitted to the ICO using an alternative method. Côte d'Ivoire, which had experienced difficulties in sending the data in Certificates of Origin, wished to request the Council's permission under the provisions of Article 30 to send statistical data in a different format. The Council noted that the Executive Director would contact the delegation of Côte d'Ivoire in this regard.

OAMCAF

20. The Council noted that as from 1 October 2005, Côte d'Ivoire would no longer be a member of OAMCAF and the Executive Director would be in touch with the representative of OAMCAF to discuss the implications of this development.

Item 6: Future meetings

21. The Council noted that the next session of the Council would take place in London from 17 to 20 May 2005 and that the Chairperson of the Council, Mr. Markus Schlagenhof, would host a reception on 18 May.

22. With regard to presentations and discussion at future meetings the Council noted the suggestion that it would be useful to have a report on progress on the implementation of the UN Millennium Development Goals.



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Statement

International Coffee Council
Ninety-second Session (Special)
28 January 2005
London, England

**Statement by the delegate of Japan
to the International Coffee Council
on 28 January 2005**

Thank you, Mr. Chairman,

I would like to reiterate the statement I made at the Executive Board.

I agree that it is the default for ICO to remain in London, according to the Agreement. However, staying in Berners Street is not the default. Moreover, I am aware that we have already agreed, as part of this year's budget, to stay in Berners Street on a provisional basis. However, the budget is only a single year commitment. We did not make any future commitment.

In addition, it is obvious that there is no consensus on this matter of premises at this stage. My delegation believes that some consensus is needed before signing a new lease. If a procedure is carried out without any formal decision, ICO's credibility will be significantly damaged.

In this regard, my delegation strongly believes that before signing a new contract, some formal decision by the Council is needed.

Thank you, Mr. Chairman.



International Coffee Organization
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Statement

Executive Board/
International Coffee Council
25 – 28 January 2005
London, England

**Statement by the EC on
the ICO headquarters**

1. Bearing in mind the provisions of Rule 26 of the Rules of the ICO, the European Community (EC) notes that there is no consensus at the ICO Council regarding its proposal to postpone a final decision on the possible relocation of the Organization until the next session of the ICO Council in May 2005
2. The EC acknowledges that it is not in a position to put forward during the present ICO Council meeting a formal offer regarding the headquarters of the Organization. We deeply regret this. However, the EC firmly believes that the mid- and long-term financial sustainability of the ICO deserves a better effort on such a relevant matter than the choice of a default option.
3. In this regard, the EC underlines that although the final offer by the Landlord in order to renew the lease of the current premises at 22, Berners St. by the 1st of April 2005 has some short-term financial improvements, the results could be less advantageous in the mid and long run than any of the four alternative proposals that the EC is currently considering, i.e. Bonn, Lisbon, Madrid and Venice. As a Member of the Organization, the EC feels that it should contribute to the best solution in the interest of the ICO.
4. The EC shall present its definitive position on the relocation of the headquarters of the Organisation by the 4th of March 2005, bearing in mind the financial interest of the Organization.
5. The EC therefore considers that the legal formalities for the signature of a new lease in respect of 22, Berners St. should not start before the 5th of March 2005 in order to allow the EC to present its proposal in respect of the headquarters.
6. Should the EC be in a position to put forward, on time, an offer for the headquarters which would represent significant financial benefits compared to the current location, the EC would present this to the ICO and would ask for an urgent special Session of its Council in conformity with Article 12 (1) of the Agreement.