Maryland Journal of International Law

Volume 2 | Issue 2 Article 9

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Resources — Regulation of the Ecosphere

INTERNATIONAL COFFEE AGREEMENT

The International Coffee Agreement of 1976 entered into force on October 1, 1976, subject to ratification or acceptance by at least 30 governments of the current 64 exporting and importing member nations of the International Coffee Organization. The 1976 agreement is a continuation of the International Coffee Agreement of 1968 as extended by protocol and will remain in effect until September 30, 1982, unless extended. The agreement will attempt to achieve a reasonable balance between world coffee supply and demand; to establish coffee prices fair to producers and consumers, thereby avoiding harmful price fluctuations; and to foster international cooperation in the handling of world coffee problems. The Organization itself also seeks to develop the production resources and economic well-being of member countries and to increase both the purchasing power of coffee-exporting countries and the consumption of coffee by importing countries.

Under the agreement no exporting member will adopt governmental measures to allow the sale of coffee to nonmembers on terms more favorable than those offered to members. Furthermore, the members agree to periodic compliance reviews and, if requested, will provide the Organization with additional data on coffee production, prices, and trade.

The headquarters of the Organization will remain in London. Each of the members shall appoint a single representative holding a minimum of five votes to the governing council of the Organiztion. The council will select an executive board consisting of eight exporting and eight importing members for each coffee year (October 1 through September 30). The council then may delegate to the board all powers except specified budgetary, disciplinary, and similar responsibilities. Upon the recommendation of the board, the council appoints an executive director to serve as the chief administrative officer of the Organization.

Specifically, the council shall calculate the basic, annual, and quarterly quotas for exporting countries according to the pertinent price data and information obtained from export certificates of origin. A system of indicator prices will provide a daily composite indicator on the basis of which the council can define price ranges and price differentials for the principal coffee types and groups. A fund financed by a compulsory levy on coffee exports will promote consumption of all types and brands of coffee in all importing member countries. Finally, the Organization will serve as the center for collection and publication of technical, scientific, and statistical data on coffee production and trade.

The appendices of the text of the agreement contain lists of member nations, the distribution of votes in the council, and the initial 1976–1977 export quotas for members exporting less than 400,000 bags of coffee.