

Finance and Administration Committee  
61<sup>st</sup> Meeting  
3 September 2024  
London, United Kingdom

**Russian Federation contribution**

RESTRICTED

**Background**

1. The International Coffee Council, at its 137<sup>th</sup> Session held online on 19 March 2024, noted that some Member countries proposed the utilization of a contribution received from the Russian Federation as an excess of the 2023/24 Assessed Contributions for projects and programmes within the Trust Fund. The Council also noted the use of this contribution would be discussed within the FAC once received.
2. The total 2023/24 contribution due from the Russian Federation is £101,863.01. Out of the contribution received (£100,226.65) on 22 July 2024, £2,128.26 was applied to its Arrears from coffee year 2022/23, and £98,098.39 has been applied towards coffee year 2023/24.
3. The Secretariat noted that Rule 8 of the Financial Rules and Regulations of the ICO, which is related to the Reserve Fund and other funds, should be applicable in this case (**Annex I**).

**Action**

The Committee is requested to consider the Member countries' proposal and the Financial Rules of the ICO, discuss and submit a recommendation to the Council.

## **International Coffee Organization – Financial Rules**

### **RULE 8**

#### **Reserve Fund and other Funds**

1. A Reserve Fund shall be established for the purposes of meeting potential obligations or requirements in the event of the need to terminate the Agreement and of accounting for the expenditure of the Organization. The Executive Director shall provide each Council session with an up-to-date estimate of the expenditure which the liquidation of the Organization would entail.
2. Sums transferred from the Reserve Fund to finance budgeted expenditure for the duration of a financial year shall be repaid to the Reserve Fund at the latest during the following financial year, except when the Reserve Fund already has sufficient resources to finance the liquidation of the Organization.
3. Except when sums thus transferred may be recovered from other sources, advances from the Reserve Fund for extraordinary, unforeseen expenditure shall be repaid under the conditions laid down in Rule 8.2.
4. The allocation of income from the investment of Reserve Fund resources shall be decided in the context of the establishment of the Budget, taking into account the resources necessary to finance the liquidation of the Organization.
5. The Executive Director may request the Finance and Administration Committee to consider the establishment of trust funds and special accounts. The Committee will review the request and send it to the Council with its recommendation regarding a decision.
6. The purpose and limit of each trust fund and special account shall be clearly defined by the appropriate authority in consultation with the Finance and Administration Committee. The Executive Director may, when necessary in connection with the purposes of the Reserve Fund, trust fund or special account, prepare special financial regulations to govern the operations of such funds and accounts for the review of the Finance and Administration Committee which will forward its recommendation for a decision to the Council. Unless otherwise provided, such funds and accounts shall be administered in accordance with these Financial Rules.