

# ICC 131-4

24 February 2022 Original: English



### Decisions and Resolutions adopted at the 131st Session of the International Coffee Council

### 9 and 10 February 2022

### Opening of the 131st Session of the Council

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- 1. H. E. Ambassador Iván Romero-Martínez, of Honduras, chaired the 131<sup>st</sup> Special Session of the International Coffee Council convened for the appointment of the new Executive Director of the Organization. The session was held virtually (Zoom platform) on 9 and 10 February 2022 due to social distancing restrictions.
- 2. The Chair of the Council opened the Council by welcoming all Members and then giving his official opening statement<sup>1</sup>. He stressed the importance of carefully considering the candidates for the post of Executive Director given the delicate leadership role the position entailed. He additionally pointed out the historical benchmark the election of the 8<sup>th</sup> Executive Director would represent, since both the Brazilian and the Vietnamese candidate would set an unprecedented milestone in the Organization's history one being the first female and the other the first Asian Executive Director, respectively.
- 3. The Head of Operations introduced the procedures for the conduct of informal bilateral consultations expected to take place during the two days of the Session, which aimed to ascertain Members' support for each candidate for the post of Executive Director.

#### Item 1: Adoption of the Agenda

- 4. The Head of Operations informed the Council that, in compliance with Paragraph 4 of Article 11 of the 2007 Agreement, the quorum for holding the 131st Session of the International Coffee Council had been reached.
- 5. The Chair of the Council noted that the running order of the agenda was rearranged and that Item 4 "Vice-Chair of the Council" would be considered on 10 February to allow Members to focus on the election of the new Executive Director during the first day of the Session.
- 6. The Council adopted the draft Agenda contained in document <u>ICC-131-0 Rev. 2</u>.

#### Item 2: Credentials

- 7. The Head of Operations stated that the credentials received were found to be in good order and noted the Secretariat, as standard practice, would issue at a future date a Credentials Report and a list of delegations that attended the Council session.
- 8. The Council approved the verbal report of credentials.

<sup>&</sup>lt;sup>1</sup> Subsequently published as <u>ICC-131-3</u>.

## Item 3 Votes for coffee year 2021/22

### Item 3.1 Redistribution of votes for coffee year 2021/22

9. The Head of Operations reported on document <u>ICC-131-1 Rev. 1</u> containing the redistribution of votes for coffee year 2021/22, which had been calculated on the basis of the initial distribution of votes as per document <u>ICC-130-1 Rev. 1</u> and in accordance with Article 12 of the International Coffee Agreement (2007). He explained Tables 1, 2, 3 and 4 and informed that since the publication of the document the Secretariat had received a payment from India which did not affect the redistribution of votes contained in Table 1 as India was not in arrears. He reminded that only Members of the International Coffee Agreement 2007 who had paid their contributions were eligible to vote during the Council.

# Item 3.2 Extension of the International Coffee Agreement – Communication from Vietnam

- 10. The Chair of the Council noted that Members had previously received three different documents to be considered under this item: a communication from Vietnam, contained in document <u>ED-2383/21 Rev. 1</u>; a draft resolution on the restoration of voting rights of Viet Nam contained in document <u>WP-Council 318/21 Rev. 2</u>; and a communication from Brazil contained in document <u>ED-2395/22</u>.
- 11. The Chair asked the Executive Director to report on the item.
- 12. The Executive Director informed he would report on behalf of the Vice-Chair of the Finance and Administration Committee, since he had chaired the meeting held on 3 February 2022 due to the absence of the Vice-Chair for health reasons and upon Members' request. He introduced the proposal submitted by Viet Nam, which consisted of three main points:
  - a) payment of the outstanding balance of £100,000 for contributions due for coffee year 2019/2020 by 30 June 2022;
  - b) payment of the entirety of its contributions due for coffee year 2021/2022 by 31 March 2023;
  - c) restoration of Viet Nam's voting rights with immediate effect.
- 13. The Executive Director added that the draft resolution to approve the proposal of Viet Nam would also state the episode would not constitute any kind of precedent or waiver of the obligations under Article 21 of the International Coffee Agreement.

- 14. He noted that while no consensus on whether to approve Viet Nam's proposal had been reached during the meeting of the Finance and Administration Committee held in February 2022, Members had considered:
  - a) the possibility to offer the same terms to all other Members in the same circumstances; in this sense, the Secretariat received no expressions of interest from the Members in question after contacting them;
  - b) three different scenarios for the payment of contributions for coffee year 2021/22: payment due by March 2023, as proposed by Viet Nam; payment due by December 2022; and no need to discuss payments for the 2021/22, considering that the deadline for payment of contributions had not yet expired.
- 15. The Executive Director noted that, as per the communication circulated as document <u>ED-2395/22</u>, Brazil was unable to agree with the proposal by Viet Nam since this would constitute exceptional treatment to a specific Member State and create a dangerous precedent that could jeopardize the finances of the Organization.
- 16. The delegate of Viet Nam thanked all delegates who attended the FAC meeting held on 3 February 2022 and informed that, following consultations with the Vietnamese authorities, he was in the position to confirm Viet Nam would pay its contributions for coffee year 2021/22 by 31 December 2022, as suggested by some Members.
- 17. The delegate of Colombia reiterated the position expressed during the FAC meeting in February 2022 and emphasized the exceptional nature of the resolution if approved. He also stressed the need to offer to all Members in arrears the same terms offered to Viet Nam.
- 18. The delegate of Switzerland stressed the importance of honouring financial obligations and paying contributions on time in order to avoid endangering the effective functioning of the Organization. She expressed appreciation for Viet Nam's commitment to the ICO and supported the proposal of Viet Nam, noting this exception should not constitute a waiver of obligations under Article 21.
- 19. The delegate of Nicaragua welcomed the proposal of Viet Nam, stressing governments should always comply with their financial obligations and noting all Members have been affected by the covid-19 pandemic in the same way. She also endorsed the position of the delegate of Colombia and agreed with the proposal of extending the same terms to other Members in arrears.

- 20. The delegate of the European Union echoed the position of Switzerland and expressed his concerns about the financial prospects of the Organization, urging all Members to fulfil their financial commitments. He considered positively the proposal of Viet Nam and expressed appreciation for the prompt reply to the request to review the deadline for the payment of contributions for coffee year 2021/22.
- 21. The delegate of Japan partially supported the proposal of Viet Nam and informed he was willing to join the consensus on the proposed scheme for the payment of contributions for coffee year 2020/21. With reference to contributions due for coffee year 2021/22, he pointed out the communication from the Vietnamese Ministry of Agriculture and Rural Development did not mention any commitment in this regard, also adding that it would be inappropriate to accept Viet Nam's proposal considering that the deadline for the payment was not yet due and that this could force the Organization to approve similar requests also from other Members.
- 22. The delegate of India supported the proposal of Viet Nam and welcomed the positive response of the Vietnamese government to all the negotiations led by the Finance and Administration Committee.
- 23. The Chair of the Council summarized the main points of the consensus reached, noting that: i) Vietnam committed to the payment of contributions for coffee year 2021/22 by 31 December 2022; ii) all Members in arrears could benefit from the same terms offered to Viet Nam; iii) this exception would not represent a precedent and a waiver of obligations under Article 21.
- 24. The delegate of Japan supported the consensus reached also with reference to contributions for the coffee year 2021/22 due by Viet Nam.
- 25. Despite disagreeing with the proposal of Viet Nam for the reasons listed in document <u>ED-2395/22</u> the delegate of Brazil welcomed the decision of Viet Nam to join the extension of the current International Coffee Agreement and stressed the importance of the active participation of the Vietnamese government in the activities of the Organization. In these conditions, he was prepared to join the consensus.
- 26. In response to the delegate of Peru who queried about the possibility of having a different calendar of payments approved, the Executive Director clarified that the conditions applied to Viet Nam should be considered as the only applicable also to other Members in a similar position of arrears.

- 27. In light of the consensus reached and of the restoration of voting rights of Viet Nam, the Executive Director informed that document <a href="ICC-131-1 Rev. 1">ICC-131-1 Rev. 1</a> on the redistribution of votes for coffee year 2021/2022 would be revised and circulated as document <a href="ICC-131-1">ICC-131-1</a> Rev. 2.
  - 28. The Council approved the draft Resolution for Viet Nam contained in document WP-Council 318/21 Rev. 2 with payment of the contribution for coffee year 2021/22 to be made by the end of December 2022. The resolution was subsequently circulated as ICC-Resolution 475, a copy of which is attached to these Decisions.

#### Item 4 Vice-Chair of the Council

- 29. The Chair of the Council recalled that during the 130<sup>th</sup> Session of the ICC held in September 2021 the Council had only elected its Chair, while the position of Vice-Chair remained vacant. He noted that according to Article 10 of the 2007 Agreement, the Vice-Chair for coffee year 2021/22 should be elected from among the representatives of importing Members and invited the delegate of the European Union, spokesperson of the Importing Members, to take the floor.
- 30. The delegate of the European Union informed that no applications for the position of Vice-Chair of the Council had been received.
- 31. The Chair of the Council thanked the delegate of the European Union for his intervention and postponed the election of the Vice-Chair of the Council to the next session of the ICC.

Item 5: Decision on the appointment of the Executive Director

# Item 5.1: Voting procedures and procedures for the presentations to be made by the candidates

32. Following the recommendation of the Finance and Administration Committee, the voting procedures for the post of Executive Director contained in document WP-Council 319/21 Rev. 2 and the modus operandi for candidates to make their presentations in order to ensure an equitable and open procedure contained in document WP-Council 320/21 were duly approved by the Council.

# Item 5.2: Candidates for the post of Executive Director Item 5.2.1: Candidate from Brazil: Mrs Vanúsia Maria Carneiro Noqueira

- 33. Following the alphabetical order of the candidates' surnames, the Chair invited the Head of Delegation of Brazil to make a statement in support of the Brazilian candidate, Mrs Vanúsia Maria Carneiro Nogueira.
- 34. In his statement, the delegate of Brazil highlighted Mrs Nogueira's longstanding professional experience in the coffee sector as well as her active role in the coffee community both at the national and international level. He noted that Mrs Nogueira had received public support from many associations of the Brazilian private sector, as well as the support from several international organizations, such as the Alliance for Coffee Excellence, the International Women's Coffee Alliance and the *Instituto del Café de Costa Rica*. With reference to her vision for the future of the Organization, the delegate of Brazil emphasized Mrs Nogueira would focus on the revision of the International Coffee Agreement to make the Organization more inclusive and innovative by strengthening the Coffee Public-Private Task Force, mobilizing resources and integrating different actors in the activities of the ICO.
- 35. The candidate of Brazil, Mrs Vanúsia Maria Carneiro Nogueira, provided an overview of her professional experience in the coffee sector and as Executive Director of the Brazil Specialty Coffee Association, highlighting her strong organizational skills and her engagement in coffee-related activities at international level. Her presentation focused on the main challenges faced by the coffee sector globally as well as on the opportunities to be explored and developed through the enhancement of the ICO structure, the work of the Coffee Public-Private Task Force and the development of strategic partnerships and dialogue with different stakeholders in the coffee sector.
- 36. The delegate of the European Union asked what Mrs Nogueira's priorities as Executive Director would be as well as the main accomplishment she would like to achieve in the position.
- 37. In response to the delegate of the European Union, Mrs Nogueira mentioned the need to enhance the structure of the Secretariat team, to increase the Organization's recognition and to mobilize funds from different donors for the development of ICO activities and projects.

#### Item 5.2.2: Candidate from Viet Nam: Mr Tran Kim Long

- 38. Following the alphabetical order of the candidates' surnames, the Chair invited the Head of Delegation of Viet Nam to make a statement in support of its candidate, Mr Tran Kim Long.
- 39. In her statement, the delegate of Viet Nam stressed the country's willingness to keep working closely with the Organization and its Members, focusing specifically on price stability, sustainable coffee production and quality, especially following the negative impact of the coffee price crisis and the covid-19 pandemic on world coffee production and consumption. She emphasized Mr Tran's strong managerial and negotiation skills, his knowledge of the coffee sector and solid professional experience in the international development field with both bilateral and multilateral organizations (FAO, World Bank, ADB, etc.) as well as the private sector.
- 40. After presenting an overview of the Organization, its governance structure and the objectives of the International Coffee Agreement, the candidate of Viet Nam emphasized the importance of the revision of the new ICA to continue enhancing transparency and responsibility towards Members. With reference to the key priorities of his action plan if elected as Executive Director, Mr Tran mentioned i) working toward a swift entry into force of the new International Coffee Agreement; ii) maintaining the intergovernmental nature of the Organization; iii) enhancing sustainable production in coffee-producing countries; iv) strengthening the linkages with consuming countries and emerging markets, such as China, India and Korea; v) prioritizing partnerships with other international organizations and agencies; vi) integrating the Coffee Public-Private Task Force into the new ICA; vii) ensuring the financial stability of the Organization through the mobilization of funds; and viii) improving and implementing new rules, regulations and strategies.
- 41. The delegate of the European Union asked Mr Tran what would be the main accomplishment he would like to achieve during his mandate as Executive Director.
- 42. In his reply, the candidate of Viet Nam mentioned the enhancement of human resources structure as well as the mobilization of funds for the implementation of activities.
- 43. The delegate of Switzerland questioned Mr Tran about his position on the role of the private sector within the new International Coffee Agreement and the potential benefits of a stronger cooperation between the Organization and private sector actors.

- 44. The candidate of Viet Nam stressed his willingness to continue promoting public-private partnerships as also promoted by Viet Nam at the national level and his support to the integration of the Coffee Public-Private Task Force into the new ICA.
- 45. With reference to the human resources of the Organization, the delegate of Cameroon asked Mr Tran how he intended to proceed to identify the necessary expertise while ensuring a broad geographical representation.
- 46. In response to the delegate of Cameroon, the candidate of Viet Nam praised the work of the staff of the ICO and pointed out any good professional could be recommended for ICO staff positions.

#### Item 5.3: Informal bilateral consultations

- 47. The Chair of the Council thanked the two candidates for their presentations and informed Members he would move to a separate virtual breakout room to start the informal bilateral consultations with all the delegations attending the 131<sup>st</sup> Special Session of the International Coffee Council. The Chair emphasized the confidential nature of bilateral consultations and informed Members that, in the interests of impartiality, he would be assisted in this exercise by the Head of Operations, since the Executive Director was a compatriot of one of the two candidates.
- 48. Based on time zones, the Chair informed he would conduct consultations with Central and South American Members and with some of ICO African and European Members on 9 February afternoon, while Asian and all other African and European Members remained would be consulted on 10 February in the morning.
- 49. Following the conclusion of bilateral consultations with all delegations that submitted credentials for the 131<sup>st</sup> Special Session of the Council, the Chair of the Council informed Member he had consulted the delegations of Brazil and Vietnam and provided an overview of the voting intentions of Members.
- 50. The Head of Operations summarized the main points raised by delegations during the bilateral consultations and highlighted Members expressed their appreciation for i) the opportunity to vote for the first time for a woman and for a representative from Asia; ii) the transparency of the consultation process; iii) candidates' professional experience both in the coffee sector and other sectors, as well as their abilities to lead the Organization; and iv) the willingness of the candidates to have a stronger relationship with the private sector.

- 51. The Chair of the Council invited the delegate of Viet Nam to take the floor.
- 52. The delegate of Viet Nam thanked all delegates for their support to the Vietnamese candidate and informed Members Viet Nam would join the consensus reached within the bilateral consultations.
- 53. The Chair of the Council sincerely thanked the delegate of Viet Nam for his constructive and collaborative position and announced the Council decided to appoint by consensus Mrs Vanúsia Maria Carneiro Nogueira of Brazil as the new Executive Director of the International Coffee Organization.
- 54. The delegate of Brazil congratulated the Chair of the Council on conducting capably the 131<sup>st</sup> Special Session of the Council and the ICO Secretariat on organizing the meeting and providing assistance throughout the session. He also congratulated Mrs Nogueira and stressed she would work in favour of all Members of the Organization.
- 55. Mrs Vanúsia Nogueira thanked ICO Members for their trust and support and extended her sincere thanks to the Brazilian Government, the private sector and the head of Brazilian delegation to the ICO, stressing once again the key role partnerships and collaboration would play throughout her mandate.
- 56. The Chair of the Council congratulated Mrs Nogueira on being the first woman in ICO history to lead the Organization and reiterated the full support of the Council to the work to be carried out during her mandate.
- 57. The delegations of Angola, Burundi, Colombia, Costa Rica, Côte d'Ivoire, Ethiopia, the European Union, Honduras, India, Indonesia, Kenya, Mexico, Nepal, Nicaragua, Norway, Papua New Guinea, the Philippines, Peru and Switzerland congratulated Mrs Nogueira on her election and extended their sincere thanks to Mr Tran as well as to the Government of Viet Nam for their commitment.
  - 58. The Council appointed by consensus Mrs Vanúsia Maria Carneiro Nogueira as the new Executive Director of the Organization.

#### Item 6: Implementation of the Programme of Activities 2021/22

59. Due to the absence of the Chair of the Council, the Executive Director chaired the Session for Item 6 of the agenda and its three sub-items.

#### Item 6.1: World Coffee Statistics Database

- 60. The ICO Statistical Coordinator, Mr Dock No, introduced the World Coffee Statistics Database (WCSD), which had been launched on 31 January 2022. He noted the new tool contained almost the entire regular coffee statistics of the Organization from 1963 and would enable direct access to data reports by all Members and paying subscribers.
- 61. After outlining the procedure for the registration of Members to the database, Mr No gave a practical demonstration on how to use the WCSD and benefit from the almost limitless combination of data, which allowed users to disaggregate the data by countries of origin or countries of destination of a single reporter or a multitude of reporters either individually or combined. He also emphasized how the WCSD would launch the Organization to the global coffee industry as the benchmark source for all coffee-related statistics.
- 62. Mr Kaw, from the company Paramarsh Informatics that had been contracted to set up the database, briefly described the building process of the WCSD developed in collaboration with the Secretariat and thanked the Statistics team for the work carried out together.
- 63. The delegate of Brazil congratulated the Statistics team for the work carried out and underlined how the WCSD represented an important contribution to strengthen the Organization's role as a forum and main reference for coffee statistics.
- 64. The Executive Director noted how the new database would be a new opportunity to increase revenues of the Organization from other sources than contributions and encouraged Members to share their up-to-date contacts with the Secretariat in order to make the registration process of users easier.
  - 65. The Council took note of the report.

#### Item 6.2: Coffee Development Report 2021

- 66. The Executive Director invited Prof. Felix Kwame Yeboah from Michigan State University (MSU) to present a preview of ICO's Coffee Development Report 2021, which would focus on the role of youth in the coffee sector. He also thanked the Government of Germany for co-funding this activity, in addition to its strong financial support to the Coffee Public-Private Task Force (CPPTF).
- 67. Professor Yeboah's presentation focused on how to harness youth engagement towards a sustainable and resilient global coffee value chain and described the objectives of the work being carried out by the MSU team, namely i) examining trends, opportunities and barriers to youth engagement in agriculture with an emphasis on the coffee value chain; ii) identifying best practices and cost-effective approaches for supporting youth engagement in the coffee sector; iii) recommending areas for pragmatic investments and supportive policies that could foster meaningful youth engagement in the coffee value chain. Among the themes that had emerged from the research, Professor Yeboah highlighted how youth would exert considerable influence on the future trajectory of coffee production through their labour, consumption patterns, and activism and stressed young people's role as valuable agents of change and catalysts for innovation and technology adoption to foster sustainability and resilience in the coffee sector. He finalized his presentation asking for Members' active participation and engagement to share relevant information about national initiatives in this sense.
- 68. The delegate of Brazil congratulated the work of the MSU and suggested the report also include recommendations taking into account the environmental component.
- 69. The delegate of Mexico thanked Professor Yeboah for his insightful presentation and mentioned profitability and fair compensation as key factors to attract youth interest in coffee production, as well as transparency in the supply chain to increase youth consumption.
- 70. The delegate of Kenya stressed the relevance of the question on how to promote greater engagement of youth in the coffee sector and identified the provision of extension services, as well as the need to educate the youth on the benefits the coffee sector could offer, as possible solutions to the question.

- 71. The delegate of Nicaragua congratulated Professor Yeboah on his presentation and informed that Nicaragua would be glad to share further information on youth-led national initiatives and best practices in the coffee sector with the MSU team.
- 72. The Council took note of the report.

#### Item 6.3: ICO Coffee Market Development Toolkit

- 73. The ICO Chief Economist, Dr Denis Seudieu, shared the latest updates on the ICO Coffee Market Development Toolkit being designed by The Consultancy Inc. firm to promote coffee consumption and provide up-to-date strategies for market development in producing countries. He informed Members that an inception report containing the proposed design and the work plan had already been delivered in December 2021 (phase 1) and that the consultancy team was working on phase 2 foreseeing the preparation of content and the design of the web-based platform to host the Toolkit. He also noted phases 3 and 4 preparation of training materials and realization of virtual workshops with producing countries, respectively were planned to take place as soon as phase 2 was finalized.
- 74. Dr Seudieu additionally shared overall updates on the implementation of projects financed by ICO's Special Fund in Latin America, Africa and in Asia & Oceania.
- 75. The Council took note of the report.

#### Item 7: World Coffee Conference

- 76. Mr Anil Kumar Bhandari, President of the India Coffee Trust, stated that his organization had recommended to the Coffee Board of India and the Government of India that the World Coffee Conference, scheduled to take place in September 2022, be postponed. Mr Bhandari noted that the Government of India had reiterated their intention to host the event at a later date and informed they would ideally need a period of six months of global economic, logistical, and social normalcy and recovery from the covid-19 pandemic in order to start planning the organization of the event.
- 77. The delegate of India, Dr K. G. Jagadeesha (CEO and Secretary of the Coffee Board of India), concurred with the position of the India Coffee Trust, stressing the importance of conducting the World Coffee Conference in a conducive environment and in a befitting manner and reiterating India's willingness to host the event at a date to be agreed by the Council.

- 78. The Chair of the Council thanked the delegation of India for its commitment and renewed availability to host the World Coffee Conference and asked Members to consider the postponement proposed.
- 79. The delegate of Colombia endorsed the proposal by India and considered the choice to postpone the event in order to ensure a larger and more successful participation a cautious decision.
- 80. The Chair of the Council requested India to provide tentative dates for the World Coffee Conference to be considered by the Council under Item 8 "Future meetings".
- 81. The Council approved the proposal to postpone the World Coffee Conference to be held in India to 2023.

### Item 8: Future meetings

- 82. The Chair of the Council recalled that, as approved by the Council in its Session held in September 2021, the 132<sup>nd</sup> International Coffee Council Session and associated meetings would take place from 28 March to 1 April 2022, while the 133<sup>rd</sup> Session of the Council and associated meetings would be held from 12 to 16 September 2022.
- 83. He invited Members to suggest topics for presentations during the next Session for inclusion in the agenda.
- 84. The delegate of Brazil suggested the approval of the text of the new International Coffee Agreement be included in the agenda of the 132<sup>nd</sup> Council Session as an incentive to speed up the revision process started in 2020.
- 85. In response to a question from the delegate of Japan, the Chair of the Council clarified meetings of the Working Group on the Future of the Agreement would be resumed in the following week.
- 86. The Executive Director suggested the exact dates for the Council Session to take place in September 2022 be defined at a later stage and kindly invited India to submit tentative dates for the World Coffee Conference to take place in India in 2023 to allow for better planning. With reference to the dates of the Council sessions in 2023, the Executive Director suggested the week from 3 to 7 April 2023 for the Spring Session and from 11 to 14 September 2023 for the final Session.

- 87. The delegate of India informed tentative dates for the World Coffee Conference would be submitted at the 132<sup>nd</sup> Session of the Council.
- 88. The Council approved the proposal submitted by Brazil to include the approval of the new ICA in the agenda of the 132<sup>nd</sup> Council Session and took note of the preliminary dates for the Sessions of the Council in 2023 suggested by the Executive Director.

# Item 8.1: Decision on the format of the 132<sup>nd</sup> International Coffee Council Session

- 89. The Chair of the Council recalled that, during the 51<sup>st</sup> meeting of the Finance and Administration Committee held on 7 December 2021, the delegate of Brazil had proposed that the 132<sup>nd</sup> International Coffee Council be held on a hybrid basis (both online and inperson) in recognition of the fact that the covid-19 pandemic was fading away and also to provide an opportunity to bid farewell to the outgoing Executive Director.
- 90. The Executive Director presented the financial costs of the two formats considered (virtual and hybrid) and noted that holding the next two Sessions of the Council on a hybrid basis would imply an excess of £55,800 over the budget available, also in light of the postponement of the World Coffee Conference and the costs of the Council Session to take place in September 2022 being no longer supported by the Government of India.
- 91. The delegate of Brazil expressed his concerns about the budget of the Organization given the lack of resources to host a regular meeting of the Council in person and encouraged Members in arrears to pay their contributions to the Organization, while also stressing that no additional exceptions to the payment of contributions should be made in the future.
- 92. The Executive Director clarified that the budget of the Organization was based on the expected contributions by Members and any delays in payments would have an impact on the cash flow of the Organization. He also specified that, if no further contributions by Members were to be received in the near future, the cash reserves of the Organization would fall under its liquidation cost by June of the current year.

- 93. The delegate of Colombia noted that, while he agreed with the proposal to organize a befitting farewell to the Executive Director, the Organization was in no position to proceed in this sense due to financial constraints. He also urged Members in arrears to comply with their financial commitments.
- 94. The Executive Director suggested to postpone a final decision on the format of the 133<sup>rd</sup> Session of the Council, noting that other Members could still volunteer to host the Council Session in September 2022 as a way to ensure the meeting would be held in person without further financial implications for the budget of the Organization.
- 95. The Council approved to hold the 132<sup>nd</sup> Session of the Council virtually.

#### Item 9: Other business

- 96. The delegate of Colombia proposed that the 133<sup>rd</sup> Session of the Council be held in Colombia and requested to postpone the session until the first week of October 2022 due to a scheduling conflict (national coffee elections).
- 97. The delegate of Mexico thanked Colombia for their invitation and confirmed the participation of the Mexican delegation.
- 98. The Chair of the Council suggested the Council accept in principle the proposal made by Colombia to host the 133<sup>rd</sup> ICC Session and requested Colombia to liaise with the outgoing and incoming Executive Directors in order to identify possible dates for the session.
- 99. The Council approved the proposal by Colombia to host the 133<sup>rd</sup> Session of the Council.

#### Item 10: Closing session

100. The Chair of the Council thanked all Members for their presence. He expressed his gratitude to the Executive Director, the Head of Operations and all the staff of the ICO.

- 101. The Executive Director congratulated Mrs Nogueira on her election and stressed the high quality of the professional profiles of the two candidates for the position of Executive Director. He thanked the Chair of the Council for successfully conducting the election of the new Executive Director in a challenging online environment, as well as the staff of the Organization, interpreters and technicians for their support.
- 102. The Chair of the Council declared the 131<sup>st</sup> Special Session of the International Coffee Council closed.



## ICC Resolution 475

9 February 2022 Original: English



**International Coffee Council** 

131st Special Session
Virtual Session
9 and 10 February 2022
London, United Kingdom

#### **Resolution Number 475**

APPROVED AT THE FIRST PLENARY MEETING, 9 FEBRUARY 2022

#### RESTORATION OF VOTING RIGHTS OF VIET NAM

#### WHEREAS:

Paragraph (2) of Article 21 of the International Coffee Agreement 2007 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";

As at 24 January 2022 Viet Nam had outstanding contributions amounting to £100,000 for 2020/21; and

In recognition of the commitment by Viet Nam to pay its remaining arrears, it is deemed appropriate to restore its voting rights,

#### THE INTERNATIONAL COFFEE COUNCIL

#### **RESOLVES:**

- 1. To approve the payment by Viet Nam by 30 June 2022 of its outstanding contribution of £100,000 for coffee year 2020/21 to the Administrative Budget.
- 2. To approve the payment by Viet Nam of the assessed contribution of £153,433 for coffee year 2021/22 to the Administrative Budget by 31 December 2022.
- 3. To restore with immediate effect the voting rights of Viet Nam for as long as the above payment plan is maintained and future contributions are paid in accordance with the provisions of Article 21 of the 2007 Agreement.
- 4. That this Resolution shall not constitute a precedent in respect of the waiver of obligations relating to contributions under the provisions of Article 21 of the 2007 Agreement.
- 5. To request the Executive Director to inform the Finance and Administration Committee of Viet Nam's compliance with its obligations under paragraphs 1 and 2 of this Resolution.