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**OFFICE OF THE CABINET SECRETARY**

**MFDA/SDFA/TCA/18 VOL.III**

**16<sup>th</sup> February, 2026**

**Mr. Samuel Njoroge, CBS**  
Clerk of the National Assembly  
Parliament of Kenya  
**NAIROBI**

① DAPS TO acknowledge receipt & referral to committee.  
cm 26/4/26

Dear *Njoroge,*

**PARLIAMENTARY MEMORANDUM ON KENYA'S  
RATIFICATION OF THE INTER-AFRICAN COFFEE  
ORGANIZATION (IACO) NEW AGREEMENT**

The above subject matter refers.

The Cabinet, during its meeting on 21<sup>st</sup> January, 2025, approved the ratification of the Inter-African Coffee Organization (IACO) New Agreement.

Pursuant to Section 8 of the Treaty-Making and Ratification Act, Cap 4D, I hereby submit the Parliamentary Memorandum and copies of the Agreement for consideration by the National Assembly.

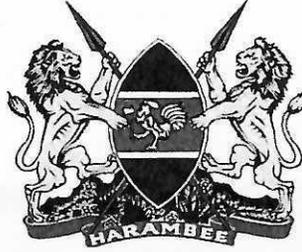
Yours *Sincerely,*

**H.E. DR. MUSALIA MUDAVADI, E.G.H.**  
**PRIME CABINET SECRETARY AND CABINET SECRETARY**  
**MINISTRY OF FOREIGN AND DIASPORA AFFAIRS**

NATIONAL ASSEMBLY  
RECEIVED  
20 FEB 2026  
CLERK'S OFFICE  
P.O. Box 41842, NAIROBI

Encl.





**MINISTRY OF FOREIGN AND DIASPORA AFFAIRS**

**STATE DEPARTMENT FOR FOREIGN AFFAIRS**

**PARLIAMENTARY MEMORANDUM**

**ON**

**KENYA'S RATIFICATION OF THE INTER-AFRICAN**

**COFFEE ORGANIZATION (IACO) NEW**

**AGREEMENT**

 <b>THE NATIONAL ASSEMBLY</b> PAPERS LAID	
DATE: 04 MAR 2026	DAY: WED
TABLED BY:	DEPUTY LEADER OF MAJORITY PARTY
CLERK OF PARLIAMENT	V. WAMBUI

**PARLIAMENTARY MEMORANDUM ON KENYA'S RATIFICATION OF  
THE INTER-AFRICAN COFFEE ORGANIZATION (IACO) NEW  
AGREEMENT**

**1.0. OBJECTIVES OF THE MEMORANDUM**

1.1. The purpose of this Parliamentary Memorandum is to:

- i) Apprise the National Assembly on the significance of the Inter-African Coffee Organization (IACO) New Agreement; and
- ii) Seek approval from the National Assembly for Kenya to ratify the Inter-African Coffee Organization (IACO) New Agreement.

**2.0. BACKGROUND**

2.1. On 7<sup>th</sup> December 1960, eleven (11) Heads of State and Government of African coffee-producing countries, including Kenya, established the Inter-African Coffee Organization (IACO). The purpose of the Organization was to bring African coffee-producing countries under one entity to negotiate the sale of their coffee, identify common challenges, find solutions to

common problems, and collect statistics on the performance of the industry. (The 1960 Agreement is hereby attached as ANNEX A).

- 2.2. According to Article 3 of the 1960 IACO Agreement, the objectives of IACO were to; study problems concerning African coffee, in particular, the production, processing, and marketing; ensure access to markets at optimum prices; promote the consumption of coffee in Africa; and undertake promotional activities to increase demand.
- 2.3. Membership to IACO pursuant to the 1960 Agreement was restricted to coffee-producing countries in Africa and the neighboring islands of Africa. Currently, the Organization comprises of 25 Members. This restricts the participation of importing/consuming African states.
- 2.4. Since its formation, IACO has been a government-driven entity focusing on policy issues, with limited room for private sector engagement, given that public institutions dominated the coffee sector at inception. Today, the coffee industry is largely driven by private sector actors: producers, processors, and exporters.
- 2.5. There was, therefore, a need to include and allow participation of all stakeholders in IACO. Of particular significance is the creation of the African Continental Free Trade Area (AfCFTA),

which opens opportunities for intra-Africa trade, under which the African coffee value chain is expected to transform significantly.

2.6. In view of these new realities and the need to admit African coffee-consuming countries as Members and encourage private sector participation, members concluded a New Agreement, adopted during the 60th Annual General Assembly in November 2020. (The New IACO Agreement, which replaces the 1960 Agreement and its successive amendments, is attached as ANNEX B).

2.7. The objective of the IACO New Agreement is to develop a concerted approach among member states to identify and propose solutions to common problems given similar technical, geographical, economic, and social conditions prevailing in Africa.

2.8. The New Agreement has currently been ratified by seven (7) States; Ethiopia, Uganda, Rwanda, Gabon, Cameroon, Côte d'Ivoire, and Ghana.

### **3.0. PROBLEM ANALYSIS**

3.1. While there is significant coffee consumption in Africa, many African countries currently import substantial amounts of coffee

from Europe, the Middle East, and Asia. This presents a major market opportunity for African producers, including Kenya. Owing to this liberalized global coffee economy, coffee farmers in Africa are greatly exposed to the various factors that influence the performance of the value chain, where forces of demand and supply reign.

- 3.2. The steady decline in global coffee prices erodes Africa's global competitiveness. While other exporting regions improve productivity to cope with price and climate challenges, Africa faces high technical inefficiency and lack of technological progress. The Covid-19 pandemic ushered an unprecedented joint supply and demand shock to the global coffee sector.
- 3.3. Consequently, the incentive for coffee production is declining, and farmers are gradually abandoning coffee cultivation. Africa's share in global coffee production and export is also shrinking.
- 3.4. Africa produces some of the highest quality coffee varieties, yet untapped revenue potential exists from promoting the uniqueness of these coffees. Coffee-consuming countries and the private sector remain minimally involved in the current governance framework of IACO.

3.5. To address these constraints and support growth, IACO Member States found it necessary to amend and update the Agreement to reflect regional and international developments in the sector.

3.6. The IACO New Agreement provides an opportunity for the Continent, through regional and bilateral frameworks, to find solutions addressing challenges that have impeded coffee trade and growth within the continent.

#### **4.0. OBJECTIVES OF (IACO) NEW AGREEMENT**

4.1. Article 1 of the New Agreement provides that:

“The purpose of this Agreement is to change the structure, operating rules, and functions of the Inter-African Coffee Organization created in 1960, with the objective of:

- i) making it the framework for identification and coordinated resolution of problems linked to the development of the coffee value chain in Africa; and
- ii) sustainably improving the living conditions of producers, as well as the profitability of all actors in the chain.”

4.2 In comparison to Article 3 of the 1960 Agreement, Article 2 of the New Agreement enhances the functions of IACO to include:

- i) Encouraging a concerted approach among Member States to identify and solve common problems;
- ii) Collecting and disseminating information relating to coffee production, processing, marketing, and consumption;
- iii) Harmonizing coffee production and marketing policies during market imbalances;
- iv) Assisting research and development programs to improve cultivation practices;
- v) Developing research, production, processing, and marketing skills in Member States; and
- vi) Promoting and encouraging coffee consumption, particularly highlighting its beneficial health effects.

## **5.0. OBLIGATIONS IMPOSED TO THE MEMBER STATES BY (IACO) NEW AGREEMENT**

5.1. Article 6 requires Kenya, upon ratification, to:

- i) Adopt measures to fulfill obligations under the Agreement;
- ii) Fully cooperate with other Member States to achieve objectives and provide all relevant information;
- iii) Provide statistics and relevant data for analysis of the coffee value chain in accordance with the rules established by the General Assembly; and
- iv) Pay annual contributions as determined by the General Assembly.

## **6.0. JUSTIFICATION OF RATIFICATION**

6.1. Coffee is a key cash crop in Kenya, grown by small-scale farmers under five hundred and fifty-six (556) co-operative societies and by large-scale estates comprising of 2,132 farmers. In 2020/2021, the total area under coffee was 118,382 Ha, producing 44,898 MT of clean coffee (small-holders 30,811 MT; estates 14,103 MT). Arabica coffee is the main variety, with about 5 million Kenyans directly or indirectly deriving livelihoods from the crop.

6.2. The New Agreement, which includes coffee-consuming countries and the private sector, is critical for the protection and development of Kenya's coffee industry. Upon ratification, Kenya will benefit from:

i) **Regional representation in coffee matters;**

Article 10 of the New Agreement provides that the General Assembly shall be composed of all the Member States. This interaction will allow Kenya to act collectively with other Members towards a shared vision and solutions to the coffee industry in Africa;

ii) **Cooperation with governments, non-governmental organizations, and the private sector;**

Kenya will be able to participate at an inter-governmental level, on coffee policy, trade and development issues and related matters, thereby gaining access to the know-how and experience of other countries in structuring their coffee economies;

iii) **Access to information and analysis from IACO;**

IACO is mandated to collect and disseminate for the benefit of Member States information relating to

coffee production, processing, marketing and consumption;

iv) **Research, production, processing, and marketing skill development;**

Upon ratification, Kenya will benefit from IACO'S mandate to research, processing and marketing skills in the coffee industry.

v) **Promotion of coffee consumption;**

Upon ratification, Kenya will benefit from the promotion of its coffee consumption in order to increase its coffee demand, bearing in mind that IACO's coffee consumption slogan is Drink African Coffee Build Africa's Economy; and

vi) **Assistance in the development and funding of coffee projects through the African Coffee Development Fund;**

Kenya will benefit from funding to enhance its coffee industry. It should be noted that under the 1960 IACO framework, Kenya has benefitted immensely through the establishment of two coffee houses at Egerton University and Kenya University.

## **7.0. CONSTITUTIONAL AND LEGAL IMPLICATIONS**

- 7.1. The IACO New Agreement does not propose any amendments to the Constitution. It is consistent with constitutional provisions and existing legislation such as Crops Act 2013 and Crops (Coffee) (General) Regulations, 2019.

## **8.0. IMPLICATIONS ON MATTERS RELATING TO THE COUNTIES**

- 8.1. The obligations under the IACO New Agreement are concurrent functions of both the National and County Governments under the Constitution.
- 8.2. According to the Fourth Schedule of the Constitution of Kenya, the National Government is mandated to develop a National Agricultural Policy.

## **9.0. MINISTRY RESPONSIBLE FOR IMPLEMENTING IACO UPON ACCESSION**

- 9.1. The implementation of the IACO Agreement will be under the responsibility of the Ministry of Agriculture, Livestock, Fisheries and Co-operatives.

## **10.0.PUBLIC PARTICIPATION CONDUCTED ON IACO TO STAKEHOLDERS**

10.1. Public participation was conducted by the line ministry before submission to the Cabinet. This was carried out via a notice placed in the Daily Nation of 28<sup>th</sup> December, 2021 and no feedback was received. In addition, the Ministry of Agriculture and Livestock Development, the Ministry of Foreign and Diaspora Affairs, the Office of the Attorney General and State Department of Justice and the Agriculture and Food Authority, held two inter-ministerial meetings to discuss the ratification of the New Agreement from 17<sup>th</sup> -19<sup>th</sup> November, 2021 and from 26<sup>th</sup> -28<sup>th</sup> January, 2022 respectively.

10.2. Additional public participation is expected to be conducted by the relevant parliamentary committee pursuant to Section 8 (3) of the Treaty Making and Ratification Act, No 45 of 2021 (Rev. 2018)

## **11.0.RESERVATIONS**

11.1. Article 37 of the IACO Agreement does not allow reservations to be made to the Agreement. It however allows for the voluntary withdrawal, by sending a written notification pursuant to Article 38.

## **12.0.FINANCIAL IMPLICATIONS**

12.1. Pursuant to Article 6 (3) of the New Agreement, Kenya continue to pay annual contributions as determined by the General Assembly. Upon failure to pay the annual contribution, Kenya shall have its voting rights and right to participate in meetings of specialized committees suspended until its contribution is paid in full, pursuant to Article 22.

12.2. Kenya currently pays an annual contribution of €48,048. The Financial requirements for the implementation of the IACO New Agreement will therefore not lead to additional public expenditure given that Kenya is already a member of IACO.

## **13.0 RECOMMENDATION TO THE NATIONAL ASSEMBLY**

13.1. In consideration of the aforementioned facts, the National Assembly is invited to:

- i) Note the contents of the Parliamentary Memorandum;
- ii) Approve Kenya's ratification to the IACO New Agreement; and
- iii) Direct the Prime Cabinet Secretary for Foreign and Diaspora Affairs to prepare and deposit instruments of accession to the relevant depository.

**SUBMITTED BY MINISTRY OF FOREIGN AND DIASPORA AFFAIRS**

**DECEMBER, 2025**

SIGNED  DATED 22<sup>nd</sup> DECEMBER, 2025

**H.E. DR. MUSALIA MUDAVADI, E.G.H.  
PRIME CABINET SECRETARY AND CABINET SECRETARY,**



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**ESTABLISHMENT AGREEMENT**

**OF THE**

**INTER-AFRICAN COFFEE ORGANISATION (IACO)**

**(Replacing the Agreement of 1960 and its successive amendments)**

*Adopted at IACO's 60<sup>th</sup> General Assembly in November 2020*

On Resolution of the General Assembly of the Inter-African Coffee Organisation approved on 6<sup>th</sup> February 2018 in Grand Bassam, Côte d'Ivoire, a draft of the revised text of the Inter-African Coffee Organisation Agreement was to be prepared and submitted for consideration by Members.

By the same Resolution, the General Assembly recommended that the Secretary General hires a consultant to prepare the revised text of the Agreement, considering the new realities of the global coffee sector and the admission of African coffee consuming states as Members of the Organisation. Given that the overall objective had to be changed by the admission of coffee consuming states, a new Agreement, not a revision, had to be adopted to replace that of 1960 and its successive amendments. The proposed text was discussed at IACO's extra-ordinary General Assembly, held virtually on 30<sup>th</sup> July 2020. Several amendments were made to it for consideration at the 60<sup>th</sup> Annual General Assembly (AGA) hosted virtually from Accra by the Government of the Republic of Ghana.

Thus, this document contains the text of the 2020 Agreement of the Inter-African Coffee Organisation which was considered by the Members, discussed and approved at the 60<sup>th</sup> Annual General Assembly, to become the New Agreement to be deposited with the Executive Secretary of the United Nations Economic Commission for Africa, for signature under the provisions of Articles 33 and 44.

***Inter-African Coffee Organisation***

CAISTAB Building, Plateau  
Abidjan, Côte d'Ivoire

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# 2020 AGREEMENT OF THE INTER-AFRICAN COFFEE ORGANISATION

## PREAMBLE

### MEMBER STATES SIGNING THIS AGREEMENT

**RECOGNISING** the exceptional importance of coffee for the economies of many African coffee producing states which depend heavily on this commodity to achieve their social and economic development objectives;

**RECOGNISING** the importance of the coffee value chain in Africa to the livelihoods of millions of Africans, and bearing in mind that Africa's production is largely on small-scale family farms, as well as the millions of others in Africa who are coffee consumers;

**RECOGNISING** the contribution of the sustainable coffee sector in achieving the Sustainable Development Goals (SDGs), particularly regarding poverty eradication, fight against climate change, decent work and responsible production;

**HAVING REGARD** to the problems common to African coffee producing States and of the need to provide these States with a solid institutional framework enabling them to coordinate their policies and thereby seek to fulfil their legitimate aspirations;

**CONSIDERING** the numerous advantages which flow from the collaboration between Member States, that a concerted approach on the part of these States can bring about in their efforts to strengthen their position on the international stage and thus safeguard their interests in the international coffee trade;

**CONSIDERING** that collaboration between Member States, international organisations, the private sector and all other stakeholders can contribute to transform the coffee value chain in Africa;

**RECOGNISING** efforts by the African Union to establish the *African Continental Free Trade Area*, and the need to improve access to information on coffee, adoption of appropriate strategies to support production, processing and intra-African coffee trade, as well as the promotion of national consumption in producing States, thus creating opportunities for the transformation of the coffee value chain in Africa;

**RECOGNISING** the growing importance of coffee consumption in Africa;

**CONVINCED** of the need for African States to continue, within the framework of the Inter-African Coffee Organisation, to maintain close cooperation in all areas affecting their vital interests as producers and consumers of coffee;

**DETERMINED** to do their utmost to enable the Organisation to play an active role not only at the regional level but also at the international level;

**CONSCIOUS** of the need to amend and update the Agreement applicable to the Organisation to take account of developments in the regional and international situation;

**HAVE AGREED AS FOLLOWS:**

## **CHAPTER I: PRELIMINARY PROVISIONS**

### **ARTICLE 1: PURPOSE**

The purpose of this Agreement is to change the structure, operating rules and functions of the Inter-African Coffee Organisation created in 1960, with the objective of making it the framework for the identification and coordinated resolution of problems linked to the development of the coffee value chain in Africa, to sustainably improve the living conditions of producers, take into account the interest of coffee consumers in Africa, and the profitability of all actors in the chain.

### **ARTICLE 2: FUNCTIONS OF THE ORGANISATION**

To achieve its objective, the Organisation:

- 1- encourages the development of a concerted approach among Member States to identify and propose solutions to problems common to them given their similar technical, geographical, economic and social conditions prevailing in Africa;
- 2- collects and disseminates, for the benefit of Member States, information relating to coffee production, processing, marketing and consumption;
- 3- encourages, in the event of a market imbalance, the harmonisation of coffee production and marketing policies;
- 4- assists research and development programs to improve the level of cultural practices prevailing in the territories of Member States;
- 5- encourages and contributes to the development of research, production, processing and marketing skills in Member States;
- 6- promotes and encourages coffee consumption to increase African coffee demand, in particular by promoting the virtues of coffee specifically its beneficial effects on health;
- 7- takes all necessary measures to strengthen its institutional framework to enable Member States to play, individually and collectively, an effective role in international organisations and to ensure access to international markets for African producers;
- 8- develops, assesses and seeks funding for projects that benefit Member States and the coffee value chain in Africa;
- 9- promotes training and information programs to facilitate the transfer to Member States of technologies relevant to the coffee value chain in Africa;
- 10- assists Member States in developing and implementing strategies to build the capacity of local communities and smallholder farmers to benefit from sustainable coffee production that can contribute to poverty reduction;
- 11- facilitates the provision of information on financial tools and services likely to help different stakeholders in the value chain of African coffee, including access to credit facilities and risk management;

12- provides a consultative framework within the coffee industry;

13- encourages Member States to promote coffee quality; and

14- takes any other measures that may be incidental or conducive to achieving the objective of the Organisation.

### ARTICLE 3: DEFINITIONS

1- In this Agreement, unless the context otherwise requires:

(a) “**Africa**” refers to the African continent and the African islands;

(b) “**Assembly**” refers to the General Assembly established under article 10 in annual session or in extraordinary session;

(c) “**Chairman**” and “**Vice-Chairman**” refer, respectively, to the Chairman and the Vice-Chairman of the Assembly;

(d) “**Delegate**” refers to the representative of a Member State in the Assembly;

(e) “**Member**” and “**Contracting Party**” respectively refer to a coffee producing or exporting importing/consuming Member State or the Government of a State, which accepts to be bound by this Agreement provisionally or definitively.

(f) “**Secretariat**” refers to the Secretariat established under Chapter IV;

(g) “**Secretary General**” means the person elected under Article 17.

2- “**Annual Meetings**” are the Annual General Assembly of the Organisation, including meetings of the Organisation's Technical Committees, the African Coffee Research Network and the African Coffee Symposium.

3- “**Coffee**” as defined in the International Coffee Agreement (ICA), means “**coffee beans and cherries, whether green or roasted, and include ground, decaffeinated, liquid and instant coffee**” (ICA 2007, Article 2 (1)). The General Assembly adopts the conversions as given by the International Coffee Organisation in accordance with the International Coffee Agreement in force. Subject to this provision, the terms listed below will have the following meanings:

(a) “**Green Coffee**” refers to any coffee in the form of naked beans before roasting;

(b) “**Dried Coffee Cherry**” refers to the dried fruit of the coffee tree. The equivalent of the dried coffee cherry in green coffee, is obtained by multiplying the net weight of the dried coffee cherry by 0.50;

(c) “**Parchment Coffee**” refers to the green coffee bean contained in the parchment skin. The equivalent of parchment coffee in green coffee is obtained by multiplying the net weight of the parchment coffee by 0.80;

(d) “**Roasted Coffee**” refers to green coffee roasted to any degree and includes ground coffee;

(e) “**Decaffeinated Coffee**” refers to green, roasted or instant coffee from which caffeine has been extracted;

(f) “**Liquid Coffee**” refers to water-soluble solids derived from roasted coffee and put into liquid form; and

(g) “**Instant Coffee**” refers to dried water-soluble solids from roasted coffee.

4- The “**Bag**” refers to 60 kilogrammes or 132.276 lbs of green coffee.

(a) One “**tonne**” refers to a mass of 1,000 kilogrammes or 2,204.6 lb.

(b) One “**lb.**” refers to 453.597 grammes.

5- By “**Coffee year**” we refer to the twelve-month period from October 1 to September 30 inclusive.

6- “**Organisation**” and “**General Assembly**” respectively refer to the Inter-African Coffee Organisation and the General Assembly of IACO.

7- “**Producer / Exporting Member**” or “**Exporting Country**” refers to a member or a net coffee exporting country respectively; i.e. a Member State whose exports exceed imports.

8- “**Consumer / Importing Member**” or “**Importing Country**” respectively refers to a Member or a country which is a net coffee importing country, including a Member State whose imports exceed exports.

9- By “**Voting by two-thirds majority**” we refer to a vote requiring two thirds of the votes of all the Members of the Organisation.

10- “**Domestic Consumption**” means a consumption of all coffee products consumed by all Members of coffee producing and consuming states in Africa

11- “**African Coffee Development Fund**” is a fund to be established under the provisions of this Agreement with the mandate to provide or facilitate access to affordable and innovative financial solutions as well as the required technical assistance for the transformation of the coffee value chain in Africa.

12- “**Coffee Value Chain in Africa**” is the whole range of services in the African coffee industry, including the market dynamics and relationships between the different actors supporting coffee to move from the farm to the final customer or consumer.

13- “**Custodian**” is the Executive Secretary of the United Nations Economic Commission for Africa.

#### **ARTICLE 4: MEMBERSHIP**

- 1- This Agreement is open to the membership of the Government of any African producing or importing / consuming State empowered to sign it.
- 2- The membership is made by depositing an instrument of ratification with the Custodian.

#### **ARTICLE 5: MEMBERS**

Members are made up of African coffee producing and importing/consuming States which have ratified this Agreement.

#### **ARTICLE 6: COMMITMENTS OF MEMBERS**

- 1- Members agree to adopt the necessary measures to enable them to fulfil their obligations under this Agreement and to fully cooperate with one another to ensure the achievement of its objectives, as well as to provide all information useful for its application.
- 2- Members agree to provide statistics and any relevant information relating to a better analysis of the value chain in accordance with the rules established by the General Assembly.
- 3- Members agree to pay annual contributions determined by the General Assembly.

### **CHAPTER II: STRUCTURE OF THE ORGANISATION**

#### **ARTICLE 7: HEADQUARTERS OF THE ORGANISATION**

The Organisation has its headquarters in Abidjan, Côte d'Ivoire, unless the General Assembly decides otherwise.

#### **ARTICLE 8: PRIVILEGES AND IMMUNITIES**

- 1- The Organisation has legal personality. It has the capacity to contract, acquire and dispose of movable and immovable property and to take legal action.
- 2- The status, privileges and immunities of the Organisation, the Secretary General, the staff and experts, as well as representatives of Member States during the stays which the performance of their duties causes them to have in the territory of the host country, are governed by a Headquarters Agreement between the Host Government and the Organisation.
- 3- The Headquarters Agreement referred to in paragraph 2 of this article shall be independent of this Agreement. However, it ends:
  - (a) by mutual agreement between the host Government and the Organisation;
  - (b) in the event that the headquarters of the Organisation is moved from the territory of the host Government; and
  - (c) in the event of termination of activity by the Organisation.
- 4- To enable it to fulfil the objectives and functions with which it is entrusted, the Organisation shall possess full international personality. To those ends, it may enter into agreements with

Member States, non-Member States and other regional and international organisations. The signatories to the present Agreement shall, in their territories, accord to the Organisation, its officers, staff and property such status, immunities, exemptions and privileges as are accorded to similar international organisations, officers, staff and property.

5- The Governments of Member States other than the host Government shall grant the Organisation the same facilities with respect to monetary or exchange regulations, keeping of bank accounts and transfer of funds, as those which are granted to specialised agencies of the United Nations or the African Union.

#### **ARTICLE 9: BODIES OF THE ORGANISATION**

For the implementation of its objectives, the Organisation is made up of the following bodies:

- the General Assembly;
- the General Secretariat;
- the Finance and Administration Committee;
- the Economic and Development Committee;
- the Private Sector Consultative Group;
- the African Coffee Research Network; and
- the African Coffee Development Fund.

### **CHAPTER III: GENERAL ASSEMBLY**

#### **ARTICLE 10: COMPOSITION OF THE GENERAL ASSEMBLY**

- 1- IACO General Assembly is composed of all Members of the Organisation.
- 2- Each Member appoints a representative to the General Assembly and, if desired, one or more Substitutes. A Member may also appoint one or more Advisers to their representative or their Substitutes.
- 3- Expenses incurred by each delegation in connection with meetings of the Assembly shall be met by the respective Member State.

#### **ARTICLE 11: POWERS AND DUTIES OF THE GENERAL ASSEMBLY**

- 1- Any powers specifically conferred by this Agreement shall be vested in the General Assembly, which carries out the duties necessary for the application of the provisions of this Agreement.
- 2- The General Assembly may create a Special Group for the settlement of disputes to be submitted. It may create working groups and committees other than those provided for in Article 9 and decide to dissolve them.
- 3- The General Assembly may appoint Patrons, Goodwill Ambassadors, or other personalities to support its objectives in promoting African coffee. However, these are not paid officials of the Organisation.
- 4- The General Assembly establishes rules including its own rules which are necessary to apply the provisions of this Agreement and shall be compatible therewith.

5- The General Assembly adopts the five-year strategic action plan as well as the annual action plan submitted by the Secretary General.

6- The General Assembly should also keep the records necessary for the performance of its duties under this Agreement and any other document it considers desirable.

#### **ARTICLE 12: CHAIRMAN AND VICE-CHAIRMAN OF THE GENERAL ASSEMBLY**

1- At each Annual Meeting, the Assembly shall elect from among nationals of Member-States, a Chairman and a Vice Chairman who shall not be paid by the Organisation. They remain in office until the next Annual Meeting.

2- The Chairman and a Vice Chairman so elected may not delegate their powers. In the absence of the Chairman and the Vice Chairman, the Secretary General organises the election of a Session Chairman.

3- Neither the Chairman nor the Vice-Chairman acting as Chairman has the right to vote. In this case, the alternate exercises the voting rights of the Member.

#### **ARTICLE 13: GENERAL ASSEMBLY SESSIONS**

1- The General Assembly holds one ordinary session per year and extraordinary sessions if it so decides. The ordinary session of the General Assembly is held within six (06) months following the end of the coffee year. It can hold extraordinary sessions at the request of a simple majority of Members. The notice of the sessions shall be given at least thirty (30) days in advance, and in case of emergency, this period is reduced to ten (10) days.

2- In principle, the General Assemblies are held at the headquarters of the organisation and upon invitation, in any Member State or in any other place by the decision of the General Assembly. In the event of an invitation by a Member State, the costs of the Secretariat, as well as all other expenses linked to the organisation, are borne by the Member State.

3- The General Assembly may accept Observers.

4- A Member State may, by written notification, appoint the Delegate of any other Member State to represent it at any meeting of the General Assembly.

5- The quorum for any meeting of the Assembly is made up of a number of Delegates representing at least a simple majority of the total voting power of Members. In the absence of a quorum, the Chairman postpones the opening of work to an interval of an hour.

6- When a matter is presented for a decision before the General Assembly and there is no consensus, it shall be put to the vote and decided by a simple majority of the total voting power of Members. In case of failure to obtain the majority vote, the Chairman shall postpone the matter to the next session. After two consecutive postponements, the question shall be removed from the agenda.

## **ARTICLE 14: VOTES AND DECISION MAKING**

1- Member States shall together hold 1000 votes in the Assembly. Every Member State shall have 5 basic votes.

2 - Beyond the basic votes, the Organisation will distribute the rest of the votes among its members calculated basing on the ICO moving average of exports for the previous four years for producing Members and on the ICO moving average of imports for the previous four years for importing / consuming members.

3- The decisions and recommendations of the General Assembly and of the other bodies of the Organisation are taken by consensus. In the absence of consensus, decisions shall be taken by a simple majority of Members.

## **ARTICLE 15: VOTING PROCEDURE OF THE GENERAL ASSEMBLY**

Any Member may authorise, in writing, another Member of his category, to represent his interests and to exercise his voting right at any meeting of the General Assembly.

## **ARTICLE 16: COOPERATION WITH OTHER ORGANISATIONS**

In order to achieve its objectives, the General Assembly may authorise the Secretary General to collaborate with any other governmental, non-governmental or private sector institutions.

## **CHAPTER IV: GENERAL SECRETARIAT**

### **ARTICLE 17: SECRETARY GENERAL AND STAFF**

1- The General Assembly appoints the Secretary General who is a national of a Member State of the Organisation. He or she has a five-year term renewable once. The conditions of his/her appointment as well as the renewal of his/her term are fixed by the General Assembly and are comparable to those which are applied to corresponding officials of other similar intergovernmental organisations and according to the resources of the Organisation.

2- The Secretary General is the Chief Executive Officer of the Organisation and the Head of the Secretariat.

3- The Secretary General appoints the staff of the Organisation in accordance with the Rules established by the General Assembly and the Staff Rules and Regulations of the Organisation.

4- The Secretary General and the staff shall not have any financial interest in the coffee value chain.

5- The Secretary General and the staff of the Organisation shall not receive instructions from any Member or from other authorities outside the Organisation. In addition, they must refrain from any action incompatible with their status as an international official.

6- Each Member agrees to respect the exclusively international character of the responsibilities of the Secretary General and the staff and shall not seek to influence them in the performance of their duties.

7- The Secretary General develops and submits to the General Assembly a five-year strategic action plan which presents the main orientations and priorities of the Organisation. He/She also submits an annual action plan for the implementation of the said strategic plan.

## **CHAPTER V: FINANCE AND FINANCIAL MANAGEMENT**

### **ARTICLE 18: FINANCE AND ADMINISTRATION COMMITTEE**

1- A Finance and Administration Committee is created.

2- The Finance and Administration Committee is made up of a maximum of ten (10) Members appointed by the General Assembly for a non-renewable two-year term. The General Assembly strives, as much as possible, to find a balance between Producing Members and Importing / Consuming Members within the Committee.

3- The Committee Members elect a Chairman and a Vice Chairman from among its Members. If he/she is a national of a producing state, the Vice-Chairman is a national of an Importing / consuming state and vice versa. These functions alternate between the two categories of Members for each new term of office.

4- The Finance and Administration Committee meets, at least once a year and submits its reports to the General Assembly for adoption. Depending on the matters at hand, in line with its responsibilities, the committee may hold more meetings as deemed necessary.

### **ARTICLE 19: FUNCTIONS OF THE FINANCE AND ADMINISTRATION COMMITTEE**

The Finance and Administration Committee is responsible for:

1- supervising the preparation of the administrative budget along with the activity program which is presented to the General Assembly for approval; and

2- perform any other tasks entrusted by the General Assembly, including the follow-up of income and expenditure, as well as issues related to the administration of the Organisation.

### **ARTICLE 20: FINANCES**

1- The expenses of Delegations to the General Assembly, to the different Committees and to any other meeting of the Organisation are the responsibility of the Members concerned.

2- The other expenses necessary for the administration of this Agreement are covered by the resources of the Organisation.

3- The financial year of the Organisation is the same as that of the coffee year.

4- The resources of the Organisation consist of:

(a) annual contributions from Member States;

- (b) income from contributions referred to in paragraph (a);
- (c) donations and legacies;
- (d) any other resource received by or returning to the Organisation.

#### **ARTICLE 21: ADMINISTRATIVE BUDGET AND MEMBERS' ANNUAL CONTRIBUTIONS**

1- During its ordinary session, the General Assembly approves the administrative budget of the Organisation for the new financial year and fixes the contribution of each Member to this budget. A draft administrative budget is prepared by the Secretary General under the supervision of the Finance and Administration Committee, in accordance with paragraph 2 of this article.

2- The contribution of each Member State to the administrative budget for each financial year is proportional to the ratio between the number of its votes at the time of the approval of the administrative budget for this financial year and the total of the votes of all Members. However, if there is a change in the distribution of votes among the Members in accordance with the provisions of article 14 at the beginning of the financial year for which the contributions are assessed, these contributions are adjusted accordingly for this exercise. To determine the contributions, the votes of each Member are calculated without taking into account the suspension of the voting rights of any Member or the resulting redistribution of votes.

#### **ARTICLE 22: PAYMENT OF CONTRIBUTIONS**

1- The contribution of each Member State includes a fixed part and a variable part decided by the General Assembly. In the same way as the votes are calculated, the variable part is calculated on the ICO moving average of exports for the previous four years for producing Members and on the ICO moving average of imports for the previous four years for importing / consuming members. The contributions to the administrative budget for each financial year shall be payable in freely convertible currency and become due on the first day of that financial year.

2- If a Member fails to pay in full its contribution to the administrative budget within six (06) months following the date on which the contribution is due, its voting rights and its right to participate in meetings of specialised committees shall be suspended until its contribution is paid in full. However, unless the General Assembly so decides, this Member shall not be deprived of any of its other rights and shall not be discharged from any of its obligations under this Agreement.

3- Any Member whose voting rights have been suspended under the provisions of paragraph 2 of this Article shall nevertheless remain responsible to pay its full contribution.

#### **ARTICLE 23: FINANCIAL STATEMENTS**

For each financial year, and before the adoption of the budget, the Secretary General is required to present his/her financial statements for the past financial year to the General Assembly. As such, he/she is required to send to Members, thirty (30) days before the General Assembly, the said financial statements.

## **ARTICLE 24: LIABILITIES**

The Secretary General is not empowered to contract loans on behalf of the Organisation without the approval of the General Assembly.

## **ARTICLE 25: AUDIT AND PUBLICATION OF ACCOUNTS**

1- As soon as possible and no later than six (06) months after the end of each financial year, a statement of the assets, liabilities, revenues and expenses of the Organisation during the financial year in question must be prepared and be independently audited.

2- The audit report of the Organisation is presented to the General Assembly for approval at its next session.

## **CHAPTER VI: OTHER COMMITTEES AND BODIES**

### **ARTICLE 26: ECONOMIC AND DEVELOPMENT COMMITTEE**

1- An Economic and Development Committee is created.

2- The Economic and Development Committee is made up of a maximum of sixteen (16) Members, appointed by the General Assembly, on the proposal of the Secretary General, for a non-renewable two-year term.

3. The Economic and Development Committee meets at least once a year and submits its reports to the General Assembly for adoption.

4- The Committee Members elect a Chairman and a Vice Chairman from among its Members.

5- The Economic and Development Committee is open to non-members of the Committee as observers.

### **ARTICLE 27: FUNCTIONS OF THE ECONOMIC AND DEVELOPMENT COMMITTEE**

The Economic and Development Committee is responsible for:

1- considering the annual activity programme as well as the Activity report for the past financial year submitted by the Secretary General;

2- considering the five-year strategic plan submitted by the Secretary General;

3- analysing statistics on the coffee value chain in Africa;

4- conducting studies on trade barriers and propose solutions for better access to the African market;

5- conducting studies on the African coffee market;

6- assisting Producing Members to harmonise coffee origin rules to facilitate free movement of coffee in the African Continental Free Trade Area;

- 7- building capacities of Member States in the promotion of domestic coffee consumption;
- 8- making proposals to the General Assembly for organising, once a year, the African Coffee Symposium;
- 9- considering projects intended to be financed under the African Coffee Development Fund;
- 10- supporting Member States in achieving the Sustainable Development Goals (SDGs) in line with coffee, particularly with regard to poverty eradication, fight against climate change, child labour and reduction of gender-related inequalities.

#### **ARTICLE 28: PRIVATE SECTOR CONSULTATIVE GROUP**

- 1- A Private Sector Consultative Group is created.
- 2- Members of the Private Sector Consultative Group are made up of stakeholders in the coffee value chain, including producers, importers, millers, buyers, exporters, financial institutions, certification bodies and roasters.
- 3- The Private Sector Consultative Group is made up of a maximum of twenty (20) Members, appointed by the General Assembly, on the proposal of the Secretary General, for a non-renewable two-year term. The General Assembly strives to find, as far as possible, a balance between producers and consumers within the Group.
- 4- The Chairman and the Vice-Chairman are nationals of Member States and are elected by the Members of the Private Sector Consultative Group.
- 5- The Private Sector Consultative Group meets at least once a year and submits its reports to the General Assembly for adoption. Its meetings are open to non-members of the Group as observers.

#### **ARTICLE 29: FUNCTIONS OF THE PRIVATE SECTOR CONSULTATIVE GROUP**

The Private Sector Consultative Group is responsible, among others, for giving opinions to the General Assembly on issues related to the development of the coffee value chain in Africa, including the situation of supply and demand, wealth creation and added value in the coffee sector and the development of a sustainable coffee economy.

#### **ARTICLE 30: AFRICAN COFFEE RESEARCH NETWORK**

- 1- The African Coffee Research Network, created by IACO Member States in 1993, is hereby recognised as one of the bodies in this Organisation.
- 2- The African Coffee Research Network is made up of scientific researchers from producing and importing / consuming countries of African coffee.
- 3- The Chairman and the Vice-Chairman are nationals of Member States.
- 4- The African Coffee Research Network meets at specified intervals and submits its reports to the General Assembly for adoption.

## **ARTICLE 31: FUNCTIONS OF THE AFRICAN COFFEE RESEARCH NETWORK**

The African Coffee Research Network is responsible for:

- 1- coordinating scientific activities of national coffee research networks;
- 2- facilitating consultations on research topics related to the coffee value chain in Africa;
- 3- organising scientific conferences on African coffee at agreed intervals;
- 4- disseminating the results of its research on coffee to Member States.

## **ARTICLE 32: AFRICAN COFFEE DEVELOPMENT FUND**

1- The Organisation shall establish an African Coffee Development Fund to support coffee projects in Member States and shall take full advantage of all sources of funding. The General Assembly will establish the guidelines regarding the operations of the African Coffee Development Fund. Such provisions may include financial arrangements which the General Assembly considers appropriate for achieving the objectives of this Agreement..

2- Where possible, the Organisation may also collect information from Members, non-Members, from donors and other agencies, on development projects and programmes focussing on the coffee sector. Where appropriate, and with the agreement of the parties concerned, the Organisation may make this information available to its Members as well as other Organisations or Institutions.

## **CHAPTER VII: DIFFERENT, TRANSITIONAL AND FINAL PROVISIONS**

### **ARTICLE 33: SIGNATURE**

This Agreement shall be open for signature at the headquarters of the Custodian, namely at the United Nations Economic Commission for Africa, by the Contracting Parties to the 1998 Agreement, as well as any other producing or importing/consuming African State desiring "to join" the Organisation.

### **ARTICLE 34: RATIFICATION, ACCEPTANCE OR APPROVAL**

- 1- This Agreement is subject to ratification, acceptance or approval by the signatory African States, in accordance with their respective legal procedures.
- 2- The instruments of ratification, acceptance or approval shall be deposited with the Custodian.

### **ARTICLE 35: COMING INTO FORCE**

This Agreement shall enter into force after the deposit of the instruments of ratification by two-thirds of the total voting power of the signatory Members and the Secretary General has been so informed.

## **ARTICLE 36: CONSULTATION, DISPUTES AND ARBITRATION**

1- Each Member shall pay particular attention to requests for consultation sent by another Member regarding the application of this Agreement.

2- Any dispute relating to the interpretation or application of this Agreement which is not settled by consultation is, at the request of any Member party to the dispute, referred to the General Assembly.

3- To this end, the General Assembly creates, under the diligence of the Secretary General, a Special Group composed of three or four Members, in order to settle the dispute. The Report of the Special Group is subject to the approval of the General Assembly.

4- If the disagreement persists, the dispute is submitted to arbitration by a tribunal composed of three arbitrators. One of the arbitrators appointed by the Organisation, another by the Member State(s) and the third arbitrator shall be, unless otherwise agreed by the parties, appointed by the Custodian. The third arbitrator shall have full power to settle any procedural issues on which the parties disagree.

## **ARTICLE 37: RESERVATION**

None of the provisions of this Agreement may be subject to reservations.

## **ARTICLE 38: VOLUNTARY WITHDRAWAL**

Any Member State may, at any time, withdraw from the Organisation by sending a written notification to the Custodian at least one (01) year in advance.

## **ARTICLE 39: SUSPENSION-EXCLUSION**

If the General Assembly considers that a Member has failed to fulfil its fundamental obligations under this Agreement, it may, by a majority of two thirds of the total voting power, suspend or exclude the Member concerned, depending on the severity of the offence committed, or else apply any other sanction it deems appropriate. The General Assembly will adopt specific Rules that will apply in the case of suspension or exclusion of a Member under the provision of this Article.

## **ARTICLE 40: LIQUIDATION OF ACCOUNTS IN CASE OF EXCLUSION OR WITHDRAWAL**

1- In the event of withdrawal or exclusion of a Member, the General Assembly shall proceed to the liquidation of its accounts. As such, the Organisation shall keep any amount paid by this Member, who is required to pay the debts due at the time of his withdrawal or exclusion to the Organisation. However, if it is a Contracting Party which cannot accept an amendment and therefore ceases to be a Party to the Agreement by virtue of paragraph 2 of this Article, the General Assembly shall liquidate the accounts in the manner it considers fair.

2- A Member who has ceased to participate in this Agreement is not entitled to any share of the proceeds of the liquidation or other assets of the Organisation; neither can it be imputed any part of the possible deficit of the Organisation when the Agreement ends.

#### **ARTICLE 41: REVISION AND ABROGATION**

1- This Agreement shall remain in force, unless the General Assembly decides to terminate it, at the decision of two-thirds of the total voting power. However, the General Assembly shall review the provisions of the Agreement every ten (10) years.

2- In the event of termination of this Agreement, the General Assembly shall remain on duty to ensure the liquidation of the Organisation.

#### **ARTICLE 42: AMENDMENT**

1- The General Assembly may, by a majority of two thirds of the total voting power of its Members, propose an amendment to this Agreement. As such, it shall communicate the said proposal to all Contracting Parties.

2- The amendment referred to in paragraph 1 above, shall come into force upon receipt by the Custodian, notifications of acceptance by two-thirds of the Contracting Parties at the end of a period of 90 days. If at the expiry of this period, the two-thirds quorum required Members to the coming into force of the amendment is not reached, the amendment shall be considered as withdrawn.

3- The General Assembly shall notify to the Custodian any amendments distributed to the Contracting Parties under this Article.

#### **ARTICLE 43: TRANSITIONAL PROVISIONS**

Any actions taken by or on behalf of the Organisation or any of its bodies under the 1998 Agreement of the Inter-African Coffee Organisation shall remain in force until the coming into force of this Agreement.

#### **ARTICLE 44: ADOPTION AND DEPOSIT**

This Agreement, after its adoption by the General Assembly, by a vote of delegates representing not less than two-thirds of the total voting power of the Assembly, shall be deposited with the Custodian who shall send a copy to each contracting party for ratification.

#### **ARTICLE 45: AUTHENTIC TEXTS OF THE AGREEMENT**

The texts of this Agreement in the French and English languages are equally authentic. The originals are deposited with the Custodian.

IN WITNESS WHEREOF the undersigned, duly authorised for this purpose by their respective governments, have signed this Agreement on the dates appearing opposite their signatures.

## MEMBER STATES SIGNING THIS AGREEMENT

Member States	Signature	Date
Angola		
Bénin		
Burundi		
Cameroon		
Central African Republic		
Democratic Republic of Congo		
Republic of Congo		
Côte d'Ivoire		
Ethiopia		
Equatorial Guinea		
Gabon		
Ghana		
Guinea		
Kenya		
Liberia		
Madagascar		
Malawi		
Nigeria		
Rwanda		
Sierra Leone		
Tanzania		
Togo		
Uganda		
Zambia		
Zimbabwe		