



International Coffee Council  
117<sup>th</sup> Session  
19 – 23 September  
London, United Kingdom

**Draft Resolution on the  
use of the Special Fund**

**Background**

1. Further to the meeting of the Finance and Administration Committee on 25 September 2014, the Council asked the Executive Director to raise the issue of the use of the Special Fund with the Council in March 2015 (see document [ICC-113-13](#), paragraph 36). The Executive Director also asked the ICO's solicitors, Collyer Bristow, to prepare an opinion on the use of the Special Fund. Annex I of document [WP-Council 267/16](#) contains the opinion of the solicitors on the use of the Special Fund. Exporting Members have conducted discussions in the intervening period on the use of the Special Fund.

2. The Annex to this document contains a draft Resolution proposing a mechanism for the use of the Special Fund.

3. Members should be aware that the spokesperson for the producers has informed the Secretariat that the exporting Members have agreed to a mechanism for the distribution of the remaining assets of the Special Fund. The main elements of this distribution mechanism are as follows:

- Equal partition of the remaining assets among the three coffee producing regions (Africa, Asia, Latin America).
- No requirement for matching funds from consuming countries.
- Each producing region will present to producing countries and the Secretariat a technical project dedicated to the promotion of domestic coffee consumption in producing countries.

- When producers and the Secretariat receive the technical project for a given region in accordance with the principles outlined, the funds allocated to that region should be released after the spokesperson for the producers informs the Executive Director accordingly.
- Each technical project should contain the name of the executing agency, the activities to be funded and duration.
- The execution of each project will be reported back to producers and the Secretariat at the regular meetings of the Organization.

**Action**

The Council is requested to consider this document and, if appropriate, to approve the draft Resolution.

**DRAFT RESOLUTION**

**PROPOSED USE OF THE SPECIAL FUND**

WHEREAS:

The Special Fund of the Organization was established by the 1976 Agreement and the 1983 Agreement by exporting Members; and

The balance of the Special Fund stood at US\$1,369,621 per the Fund's latest audited accounts at 30 September 2015; and

The Organization requested Collyer Bristow, a firm of solicitors, to opine on the legal status of the Special Fund and the mechanism for distribution of the Fund,

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. That all activities of the Special Fund cease.
2. That all remaining assets of the Special Fund be distributed to the exporting Members of the Fund in accordance with a mechanism for distribution of the Fund decided upon by the exporting Members.