Waiver granted to the Democratic Republic of Congo in respect of
the payment of arrears in contributions
to the Administrative Budget

WHEREAS:

Paragraph (2) of Article 25 of the International Coffee Agreement 2001 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, both its voting rights in the Council and its right to have its votes cast in the Executive Board shall be suspended until such contribution has been paid;

As at 12 January 2007 the Democratic Republic of Congo had outstanding contributions amounting to £77,200 for 2005/06 and previous years;

The Democratic Republic of Congo has submitted a proposal for the payment of its arrears as shown in document WP-Finance 40/07 (attached); and

In recognition of the commitment by the Democratic Republic of Congo to pay the arrears in accordance with the instalment scheme shown in document WP-Finance 40/07, it is deemed appropriate to restore its voting rights,
THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. To permit the Democratic Republic of Congo to pay its outstanding contributions to the Administrative Budget for 2005/06 and previous years in 8 quarterly instalments of £9,650 each, payable from March 2007.

2. To restore with immediate effect the voting rights of the Democratic Republic of Congo for as long as the above payment plan is maintained and future contributions are paid in accordance with the provisions of Article 25 of the 2001 Agreement.

3. That this Resolution shall not constitute a precedent in respect of the waiver of obligations relating to contributions under the provisions of Article 25 of the 2001 Agreement.

4. To request the Executive Director to inform the Executive Board of the Democratic Republic of Congo’s compliance with its obligation under paragraph 1 of this Resolution.
Background

1. As indicated in the document concerning the situation of outstanding contributions affecting voting rights (document EB-3895/05 Rev. 7), the Democratic Republic of Congo has outstanding contributions of £77,200 as at 12 January 2007 for 2005/06 and previous financial years. Its contribution for the current year, 2006/07, amounts to £8,855, making a total amount due of £86,055.

2. The Democratic Republic of Congo has informed the Executive Director that problems in paying the required contributions have arisen because of budgetary constraints in the last few years.

3. The Democratic Republic of Congo has submitted a letter dated 22 September 2006 requesting the ICO to consider ways of repaying its arrears (see attached Annex I). Following discussions with the representative of this country, a schedule for payment of the arrears by quarterly instalments over two years has been prepared (see attached Annex II). Its contribution for 2006/07 and subsequent years would be paid separately.

4. The Organization has also received a copy of a letter dated 16 December 2006 from the office of the President of the Democratic Republic of the Congo to the Minister of Finance acknowledging the debt and giving instructions for an initial payment of £18,505 to cover the first of the proposed rescheduled payments, as well as the amount representing the 2006/07 contribution. A copy of this letter is attached as Annex III.

Action

The Committee is requested to consider whether this proposal is acceptable as a means of settling the arrears of the Democratic Republic of Congo, and to make a recommendation to the Executive Board in connection with the votes of the Democratic Republic of Congo in view of efforts being made to repay its outstanding contributions.
République Démocratique du Congo
Ministère des Affaires Étrangères et de la Coopération Internationale

N° 330/131.10.4.2.257/13 /2006

Le Ministère des Affaires Étrangères et de la Coopération Internationale de la République Démocratique du Congo présente ses compliments à l'Organisation Internationale du Café à Londres à l'honneur de solliciter un échéancier réaliste en vue de permettre au Gouvernement congolais d'être à mesure d'apurer tous les arriérés dus à l'Organisation au courant du premier trimestre de l'exercice 2007.

Le Ministère se fait le devoir de lui rappeler que compte tenu du contexte post-conflit de la République Démocratique du Congo, la situation financière reste pour le moment précaire en attendant son amélioration.

Le Ministère des Affaires Étrangères et de la Coopération Internationale de la République Démocratique du Congo remercie l'Organisation Internationale du Café à Londres de sa patience et saisit cette occasion lui renouveler les assurances de sa haute considération.

CABINET DU MINISTRE

A L'ORGANISATION INTERNATIONALE
DU CAFÉ
A LONDRES

12 SEP 2006
International Coffee Organization
London

The Ministry of Foreign Affairs and International Cooperation of the Democratic Republic of Congo presents its compliments to the International Coffee Organization and has the honour to request the Organization to prepare a realistic schedule of payments with a view to enabling the Congolese Government to be in a position to settle all outstanding payments due to the Organization in the course of the first quarter of the 2007 financial year.

The Ministry wishes to remind the Organization that, bearing in mind the post-conflict situation of the Democratic Republic of Congo, the country’s financial situation continues to be precarious at present while improvement are awaited.

The Ministry of Foreign Affairs and International Cooperation of the Democratic Republic of Congo thanks the International Coffee Organization for its patience and takes this opportunity to renew the assurances of its highest consideration.

(Duly stamped and initialled by the Ministry)
## DEMOCRATIC REPUBLIC OF CONGO

Schedule for repayment of arrears for 2005/06 and previous financial years to the International Coffee Organization

<table>
<thead>
<tr>
<th>Date</th>
<th>£ Amount</th>
<th>£ Balance</th>
</tr>
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<tbody>
<tr>
<td>March 2007</td>
<td>9,650</td>
<td>77,200</td>
</tr>
<tr>
<td>June 2007</td>
<td>9,650</td>
<td></td>
</tr>
<tr>
<td>September 2007</td>
<td>9,650</td>
<td></td>
</tr>
<tr>
<td>December 2007</td>
<td>9,650</td>
<td></td>
</tr>
<tr>
<td>March 2008</td>
<td>9,650</td>
<td></td>
</tr>
<tr>
<td>June 2008</td>
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<td>September 2008</td>
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<td></td>
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<tr>
<td>December 2008</td>
<td>9,650</td>
<td></td>
</tr>
<tr>
<td>(77,200)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Nil</strong></td>
<td></td>
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</tr>
</tbody>
</table>
Transmis copie pour information à :
- Son Excellence Monsieur le Président de la République
  (Avec l'expression de mes hommages les plus dévoués)
- Son Excellence Madame la Ministre des Affaires Etrangères et de la Coopération Internationale
- Son Excellence Monsieur le Ministre du Budget
- Monsieur le Directeur de Cabinet Adjoint du Chef de l'Etat chargé des Questions Gouvernementales et Judiciaires
- Monsieur le Conseiller principal du Chef de l'Etat au Collège Administratif et Juridique (TOUS) à KINSHASA/GOMBE

A Son Excellence Monsieur le Ministre des Finances
à KINSHASA/GOMBE

Objet : Cotisations de la RDC au budget de l'OIC

Excellence Monsieur le Ministre,

Le Cabinet du Président de la République a été saisi par le Représentant Permanent de la République Démocratique du Congo auprès de l'Organisation Internationale du Café (OIC), de la situation des arriérés des cotisations de notre pays au budget de cette organisation internationale. Ces arriérés se chiffrent à 77,199,60 €, auxquels il convient d'ajouter 8.855 € de l'exercice en cours.

Sur instruction du Président de la République, il vous est demandé de payer, à titre dérogatoire par rapport aux récentes mesures conservatoires, avant la fin de ce mois de décembre 2006, un acompte de 18.505 € et d'étudier un échéancier réaliste en vue de liquider le solde avant fin août 2006.

Veuillez agréer, Excellence Monsieur le Ministre, l'assurance de ma parfaite considération,

[Signature]

Léonard SHEKUNTUNDU

Palais de la Nation, Kinshasa, RDC
Tél. : 0812766717 • Courriel : cabinet...
DEMOCRATIC REPUBLIC OF CONGO  
CABINET OF THE PRESIDENT OF THE REPUBLIC

Kinshasa, 16 December 2006

H.E. The Minister of Finance  
Kinshasa/Gombe

Your Excellency,

Subject: Contributions of the DRC to the ICO Budget

The Cabinet of the President of the Republic has been apprised by the Permanent Representative of the Democratic Republic of Congo to the International Coffee Organization (ICO) of the situation regarding the country’s outstanding contributions to the Budget of that international organization. The outstanding payments total £77,199.60, to which should be added £8,855 with respect to the current financial year.

On the instructions of the President of the Republic, you are requested to pay, by special dispensation in relation to recent conservative measures, before the end of the month of December 2006, an instalment of £18,505 and to study a realistic schedule of payments with a view to settling payment of the outstanding balance before the end of August 2006.

Please accept, your Excellency, the assurances of my highest consideration.

(signed)  Léonard She Okitundu