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(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 8 December 1986

concerning the conclusion of the International Agreement on Olive Oil and Table Olives,
1986

(87/401/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the recommendation from the Commission,

Whereas the International Agreement on Olive Oil and Table Olives, 1986 is concerned in general with the promotion of international cooperation and contributes to the attainment of the Community commercial and common agricultural policy,

HAS DECIDED AS FOLLOWS:

Article 1

The International Agreement on Olive Oil and Table Olives, 1986 is hereby approved on behalf of the European

Economic Community. The text of the Agreement is annexed to this Decision.

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the International Agreement on Olive Oil and Table Olives, 1986 for the purpose of binding the Community.

Article 3

This Decision shall be published in the *Official Journal of the European Communities*.

Done at Brussels, 8 December 1986.

For the Council

The President

M. JOPLING

INTERNATIONAL AGREEMENT ON OLIVE OIL AND TABLE OLIVES, 1986

PREAMBLE

THE PARTIES TO THIS AGREEMENT,

BEARING IN MIND that the olive tree:

- is not only a plant indispensable for the maintenance and conservation of soils, but one which makes it possible to develop land that will not bear other crops and which, even under non-intensive farming conditions, which account for the bulk of present production, responds favourably to any improvement in cultivation,
- is a perennial fruit tree that, with appropriate techniques, permits a return on what is invested in its cultivation,

EMPHASIZING that its cultivation governs the existence and standard of living of millions of families which are wholly dependent on the measures taken to maintain and expand the consumption of its products, both in the producing countries themselves and in non-producing consumer countries,

MINDFUL that olive oil and table olives are essential basic commodities in the regions where olive-growing is established,

BEARING IN MIND that the essential feature of olive production lies in irregular harvests and in the irregularity with which supplies reach the market, and that this results in fluctuations in the value of production, instability of prices and export earnings, and considerable differences in producers incomes,

BEARING IN MIND that these circumstances give rise to special difficulties which may seriously harm the interests of producers and consumers and jeopardize general policies of economic expansion in countries in the regions where olive-growing is established,

EMPHASIZING in this connection the major importance of olive production to the economies of many countries, particularly developing olive-growing countries,

MINDFUL that the measures to be taken in the light of the very particular characteristics of olive-growing and of the market for its products transcend the national sphere, and that international action is essential,

CONSIDERING the International Olive Oil Agreement, 1956, as amended by the Protocol of 3 April 1958, as well as the International Olive Oil Agreement, 1963, as extended and amended on several occasions, and the International Olive Oil Agreement, 1979,

CONSIDERING that the 1979 Agreement will expire on 31 December 1986,

BEING OF THE VIEW that it is essential to continue and develop the work undertaken within the framework of the said Agreements and that it is desirable to conclude a new Agreement,

HAVE AGREED AS FOLLOWS:

CHAPTER I

GENERAL OBJECTIVES

Article 1

General objectives

The objectives of the International Agreement on Olive Oil and Table Olives, 1986 (Hereinafter termed 'this

Agreement'), which take account of the provisions of resolutions 93 (IV), 124 (V) and 155 (VI) of the United Nations Conference on Trade and Development, are as follows:

1. *With respect to international cooperation and concerted action:*
 - (a) To foster international cooperation for the integrated development of the world economy for olive products;

- (b) To maintain fair working conditions throughout the olive-growing and olive-products industry or activities deriving therefrom in order to raise the standard of living of the populations engaged therein;
 - (c) To foster the coordination of production, industrialization and marketing policies for olive oil, olive-pomace oils and table olives and the organization of the market for these products;
 - (d) To study and facilitate the application of the necessary measures for the other products of the olive tree;
 - (e) To continue and extend the work done under the previous International Olive Oil Agreements.
2. *With respect to the modernization of olive cultivation and olive-oil extraction:*
- (a) To encourage research and development to elaborate techniques that could:
 - (i) modernize olive husbandry and the olive-products industry through technical and scientific planning;
 - (ii) improve the quality of the products obtained therefrom;
 - (iii) reduce the cost of production of the products obtained, particularly that of olive oil, with a view to improving the position of that oil in the overall market for fluid edible vegetable oils;
 - (iv) improve the situation of the olive-products industry as regards the environment, in accordance with the recommendations of the United Nations Conference on the Human Environment, to abate any harmful effects;
 - (b) To encourage the transfer of technology and training in the olive sector.
3. *With respect to the expansion of international trade in olive products:*
- (a) To facilitate the study and application of measures designed to expand international trade in olive products in order to increase the resources that producer countries, and especially developing producer countries, derive from their exports and to enable their economic growth and social development to be hastened, while taking consumer interests into account;
 - (b) To adopt whatever measures are appropriate to develop the consumption of olive oil and table olives;
 - (c) To forestall and, where appropriate, combat any practices of unfair competition in international trade in olive oil, olive-pomace oils and table olives and to ensure the delivery of merchandise that complies fully with the international regulations and standards adopted in this field;
 - (d) To improve market access and reliability of supply, as well as market structures and marketing, distribution and transport systems;
 - (e) To undertake any activities and measures that could highlight the biological value of olive oil and table olives.
4. *With respect to the standardization of international trade in olive products:*
- (a) To facilitate the study and application of measures for balancing production and consumption;
 - (b) To facilitate the study and application of measures for harmonizing national laws relating, in particular, to the marketing of olive oil and table olives;
 - (c) To lessen the drawbacks associated with fluctuations in the availability of supplies on the market, in order in particular:
 - (i) to prevent excessive fluctuations in prices, which must be at levels that are remunerative and just to producers and equitable to consumers;
 - (ii) to create conditions that will enable production, consumption and international trade to expand harmoniously, having regard to the ways in which they are interrelated;
 - (d) To improve procedures for information and consultation in order, *inter alia*, to enhance the transparency of the market for olive oil, olive-pomace oils and table olives.

CHAPTER II

DEFINITIONS

Article 2

Definitions

For the purposes of this Agreement:

1. 'Council' means the International Olive Oil Council referred to in Article 3 (1);
2. 'member' means a Party to this Agreement;
3. 'mainly-producing member' means any member whose production of olive oil and of table olives in the olive-oil

crop years and table-olive crop years 1980/81 to 1983/84 inclusive was, when converted into its olive-oil equivalent by the application of a conversion coefficient of 20 per cent, greater than its imports for the calendar years 1981 to 1984 inclusive;

4. 'mainly-importing member' means any member whose production of olive oil and of table olives in the olive-oil crop years and table-olive crop years 1980/81 to 1983/84 inclusive was, when converted into its olive-oil equivalent by the application of a conversion coefficient of 20 per cent, less than its imports for the calendar years 1981 to 1984 inclusive, or any member for which no

production in either respect was recorded during these crop years;

5. 'olive-oil crop year' means the period from 1 November of each year to 31 October of the following year;
6. 'table-olive crop year' means the period from 1 September of each year to 31 August of the following year;
7. 'olive products' means, in particular, olive oils, table olives and olive-pomace oils.

PART I

INSTITUTIONAL PROVISIONS

CHAPTER III

INTERNATIONAL OLIVE OIL COUNCIL

Article 3

Establishment, headquarters and structure of the International Olive Oil Council

1. The International Olive Oil Council established for the purpose of administering this Agreement and supervising its operation shall have the membership, powers and functions set out in this Agreement.
2. The headquarters of the Council shall be in Madrid unless the Council decides otherwise.
3. The Council shall function directly and/or through the committees and sub-committees referred to in Article 7, as well as through the executive secretariat comprising its executive director, senior officials and staff.

Article 4

Membership of the Council

1. Each Party to this Agreement shall be a member of the Council.
2. There shall be two categories of members, namely:
 - (a) Mainly-producing members; and
 - (b) Mainly-importing members.
3. Each member shall have one representative in the Council and, if it so desires, one or more alternates. Furthermore, a member may appoint one or more advisers to its representative or alternates.

Article 5

Membership of intergovernmental organizations

Any reference in this Agreement to a 'Government' or 'Governments' shall be construed as including the European Economic Community and any other intergovernmental organization having responsibilities in respect of the negotiation, conclusion and application of international agreements, in particular commodity agreements. Accordingly, any reference in this Agreement to signature, ratification, acceptance or approval, to notification of provisional application or to accession shall, in the case of such intergovernmental organizations, be construed as including a reference to signature, ratification, acceptance or approval, to notification of provisional application or to accession by such intergovernmental organizations.

Article 6

Privileges and immunities

1. The Council shall have legal personality. It shall in particular have the capacity to contract, to acquire and dispose of movable and immovable property and to institute legal proceedings.
2. In the territory of each member, and in so far as that member's legislation allows, the Council shall have the legal capacity necessary for the performance of the functions conferred upon it by this Agreement.
3. As from the entry into force of this Agreement, the government of the country in which the headquarters is located shall conclude with the Council an agreement granting it conditions of capacity, privileges and immunities similar to those granted by the host country to international organizations. In the meantime, the Headquarters

Agreement between the Government of Spain and the Council signed on 2 July 1962 shall remain in force.

4. The government of the State in which the headquarters of the Council is situated shall, in so far as that State's legislation allows, exempt the remuneration paid by the Council to its employees and the Council's assets, income and other property from taxation.

5. The Council may conclude with one or more members agreements connected with the privileges and immunities required to ensure the proper application of this Agreement.

6. If the headquarters of the Council is moved to a country which is a member of the Agreement, that member shall, as soon as possible, conclude with the Council an agreement relating to the status, privileges and immunities of the Council, of its executive director, senior officials, staff and experts and of representatives of members while in that country for the purpose of exercising their functions.

7. Unless any other taxation arrangements are implemented under the agreement envisaged in paragraph 6 of this Article and pending the conclusion of that agreement, the new host member shall:

- (a) Grant exemption from taxation on the remuneration paid by the Council to its employees;
- (b) Grant exemption from taxation on the assets, income and other property of the Council.

8. If the headquarters of the Council is to be moved to a country which is not a member of the Agreement, the Council shall, before that move, obtain a written assurance from the government of that country:

- (a) That it shall, as soon as possible, conclude with the Council an agreement as described in paragraph 6 of this Article; and
- (b) That, pending the conclusion of such an agreement, it shall grant the exemptions provided for in paragraph 7 of this Article.

9. The Council shall endeavour to conclude the agreement described in paragraph 6 of this Article with the government of the country to which the headquarters of the Council is to be moved before transferring the headquarters.

Article 7

Powers and functions of the Council

1. The Council shall exercise all such powers and perform or arrange for the performance of all such functions as are necessary to carry out the provisions of this Agreement.

2. The Council shall promote any activities conducive to the harmonious expansion of the world olive-products economy by every means and encouragement in its power in

the fields of production, consumption and international trade, having regard to the ways in which they are interrelated.

3. The Council is authorized to undertake or arrange for the undertaking of studies or other work, including the collection of detailed information on special assistance in different forms to the olive-growing and olive-products industries, so as to enable it to formulate any recommendations and suggestions it may consider appropriate for achieving the general objectives set forth in Article 1. Any such studies and work shall, in particular, cover as many countries or groups of countries as possible and take into account the general, social and economic conditions of the countries concerned.

4. The Council shall establish procedures under which the members shall inform it of the conclusions they reach after considering the recommendations and suggestions mentioned in this Article or arising from the application of this Agreement.

5. The Council shall draw up rules of procedure consistent with the provisions of this Agreement. It shall keep up to date such records as it requires to perform its functions under this Agreement and such other records as it considers desirable. In the event of inconsistency between the rules of procedure it adopts and the provisions of this Agreement, this Agreement shall prevail.

6. The Council shall draw up, prepare and publish such reports, studies and other documents as it considers useful and necessary.

7. The Council shall, at least once a year, publish a report on its activities and on the operation of this Agreement.

8. The Council may appoint such committees and sub-committees as it deems useful for assisting it in the exercise of its functions under this Agreement.

9. The financial provisions relating to the exercise of the Council's powers are set out in Part Two of this Agreement. The Council shall not have the power to borrow money.

Article 8

Chairman and vice-chairman of the Council

1. The Council shall elect, from among the delegations of the members, a chairman who shall hold office for one olive-oil crop year. In the event of the chairman being a representative, his right of participation in decisions of the Council shall be exercised by another member of his delegation. The chairman shall receive no remuneration.

2. The Council shall also elect a vice-chairman from among the delegations of the members. In the event of the

vice-chairman being a representative, he shall have the right to participate in decisions of the Council except when acting as chairman, in which case he shall delegate this right to another member of his delegation. The vice-chairman shall hold office for one olive-oil crop year and shall receive no remuneration.

3. In the event of the temporary absence of both the chairman and the vice-chairman or of the permanent absence of one or both, the Council may elect from among the member delegations new officers, temporary or permanent as appropriate.

Article 9

Sessions of the Council

1. The Council shall meet at its headquarters unless it decides otherwise. If, on the invitation of any member, the Council meets elsewhere, that member shall bear the extra expenditure which this entails for the budget of the Council.

2. The Council shall meet at least twice a year, in the spring and autumn.

3. The Council may be convened at any time at the discretion of its chairman. The chairman shall also convene the Council if so requested by one or more of its members.

4. Notice of the sessions provided for in paragraph 2 of this Article shall be given at least 45 days before the date of the first meeting of each such session. Notice of the sessions provided for in paragraph 3 in this Article shall be given at least 15 days before the date of the first meeting of each such session.

Article 10

Participation shares

1. The participation share of each member shall be determined on the basis of the result of the following formula:

$$q = P_1 + i_1 + P_2 + i_2 + 5$$

In this formula:

- q shall be the figure which the Council shall use as the basis to determine the participation share;
- P_1 shall be the average annual olive-oil production in thousands of tonnes in the crop years 1980/81 to 1983/84, any fraction of 1 000 tonnes above a whole number being disregarded;
- i_1 shall be the average annual net olive-oil imports in thousands of tonnes in the calendar years 1981 to 1984,

any fraction of 1 000 tonnes above a whole number being disregarded;

- P_2 shall be the average annual table-olive production in thousands of tonnes, converted into its olive-oil equivalent by the application of a conversion coefficient of 20 per cent, in the crop years 1980/81 to 1983/84, any fraction of 1 000 tonnes above a whole number being disregarded;
- i_2 shall be the average annual net table-olive imports in thousands of tonnes, converted into their olive-oil equivalent by the application of a conversion coefficient of 20 per cent, in the calendar years 1981 to 1984, any fraction of 1 000 tonnes above a whole number being disregarded;
- 5 shall be the basic number allotted to each member in each group of members.

2. The participation shares determined on the basis of paragraph 1 of this Article shall be given in Annex A to this Agreement. The Council may, if necessary, revise the above-mentioned shares in the light of the participation in the Agreement.

Article 11

Decisions of the Council

1. Unless otherwise provided in this Agreement, decisions of the Council shall be taken by consensus of the members present.

2. Any member which has not participated in a session at which a decision has been taken shall be invited to notify its position in relation to such decision within the 30 days following the end of the session. Should a reply not be received within the aforesaid time-limit, it shall be construed that the position of the member in question is in conformity with the decision adopted.

3. Any member may authorize the representative of another member to represent its interests and to exercise its right to participate in decisions of the Council at one or more sessions of the Council. Evidence of such authorization acceptable to the Council shall be submitted to the Council.

4. The representative of a member may not represent the interests or exercise the right to participate in decisions of the Council of more than one other member.

5. The Council may take decisions by an exchange of correspondence between the chairman and the member without holding a session, provided that no member objects. Any decision so taken shall be communicated to all the members by the Executive Secretariat as quickly as possible and shall be entered in the record of the following session of the Council.

*Article 12***Cooperation with other organizations**

1. The Council shall make whatever arrangements are appropriate for consultation or cooperation with the United Nations and its organs, in particular UNCTAD and UNDP, and with FAO and such other specialized agencies of the United Nations and intergovernmental, governmental and non-governmental organizations as may be appropriate.

2. The Council, bearing in mind the particular role of UNCTAD in international commodity trade, shall, as appropriate, keep UNCTAD informed of its activities and programmes of work.

*Article 13***Relationship with the Common Fund for Commodities**

When the Common Fund becomes operational the Council shall take full advantage, according to the principles set out in the Agreement establishing the Common Fund for Commodities, of the facilities of the second account of that Fund.

*Article 14***Admission of observers**

1. Any member or observer member of the United Nations or of one of its specialized agencies that is not a Party to this Agreement, or any of the organizations referred to in Article 12 (1), may, subject to the consent of the Council, attend, as an observer, any of the sessions of the Council.

2. The Council may, at the request of any member, decide to hold any of its meetings without observers.

*Article 15***Quorum for the Council**

1. The quorum required for every session of the Council shall be the presence of the representatives of the majority of the members holding at least 90 per cent of the total participation shares allotted to the members.

2. If this quorum does not exist, the session shall be postponed for 24 hours and the quorum required shall be the presence of the representatives of the members holding at least 85 per cent of the total participation shares allotted to the members.

CHAPTER IV**EXECUTIVE SECRETARIAT***Article 16***Executive secretariat**

1. The Council shall have an executive secretariat comprising an executive director, senior officials as defined in the rules of procedure established by the Council and such staff as are required to perform the tasks arising from this Agreement.

2. The Council shall appoint the executive director. The terms of appointment of the executive director shall be fixed by the Council in the light of those applying to corresponding officials of similar intergovernmental organizations.

3. The executive director shall be the chief administrative officer of the Council and shall be responsible for the performance of the duties devolving upon him in the administration of this Agreement.

4. The Council shall, after consulting the executive director, appoint the senior officials of the Council on such terms as it shall determine, having regard to those applying to corresponding officials of similar intergovernmental organizations.

5. The executive director shall appoint the staff in accordance with the rules of procedure established by the Council. In framing such regulations the Council shall have regard to those applying to officials of similar intergovernmental organizations.

6. The executive director, the senior officials and the other members of the staff shall not carry out any profit-making activities in any of the various sectors of the olive-growing and olive-products industry.

7. The executive director, senior officials and staff shall not seek or receive instructions regarding their duties under this Agreement from any member or from any authority external to the Council. They shall refrain from any action which might reflect on their position as international officials responsible only to the Council. Each member shall respect the exclusively international character of the responsibilities of the executive director, senior officials and staff and shall not seek to influence them in the discharge of their responsibilities.

PART II

FINANCIAL PROVISIONS

CHAPTER V

ADMINISTRATIVE BUDGET

Article 17

Constitution and administration

1. The expenses necessary for the administration of this Agreement and for the implementation of the programmes of technical cooperation in olive cultivation, olive-oil extraction and table-olive processing, provided for in this Agreement shall be charged against the administrative budget. The allocation for the implementation of the programmes of technical cooperation in olive cultivation, olive-oil extraction and table-olive processing techniques, which should be entered as a separate chapter in the administrative budget, shall be fixed annually at 300 000 United States dollars.

2. The Council may increase the abovementioned amount, provided that no member's contribution is increased without that member's consent.

3. The contribution of each member to the administrative budget for each calendar year shall be proportionate to the share which that member possesses when the budget for the year in question is approved.

4. The expenses of delegations to the Council shall be met by the members concerned.

5. At its first session, the Council shall approve an administrative budget for the first calendar year and assess the contribution to be paid by each member. Thereafter, the Council shall, at the autumn session of each year, approve its administrative budget for the following calendar year and assess the contribution to be paid by each member for the calendar year in question.

6. The initial contribution of any member which becomes a Party to this Agreement after its entry into force shall be assessed by the Council on the basis of the share allotted to that member and of the unexpired portion of the year in question, but the assessments made upon the other members for that calendar year shall not be altered.

7. The contributions provided for in this article shall become payable upon the first day of the calendar year for which they are assessed. They shall be determined in United States dollars and be payable in that currency or in the equivalent amount of another freely convertible currency.

8. If a member does not pay its contribution to the administrative budget in full within the six months

commencing at the beginning of the calendar year, the director shall request it to make payment as quickly as possible. If the member in question does not settle its contribution within the three months following the end of that six-month period, its right to participate in Council decisions and to hold elective office in the Council and its committees and sub-committees shall be suspended until its contribution has been paid in full. It shall not, however, be deprived of any of its other rights or be released from any of its obligations under this Agreement unless the Council so decides. It may not be relieved by any decision of the Council of its financial obligations under this Agreement.

9. Any member which ceases to be a Party to this Agreement through its withdrawal or exclusion or for any other reason during the life of this Agreement shall make the payments which it owed to the Council, and shall perform all the undertakings which it entered into before the date on which it ceases to be a Party to this Agreement. No such member may claim any share in the proceeds of liquidation of the assets of the Council upon the expiry of this Agreement.

10. During the first session of each calendar year, the financial statements of the Council for the previous calendar year, certified by an independent auditor, shall be presented to the Council for approval and publication.

11. The Council shall, if dissolved, take the steps stipulated in Article 60.

CHAPTER VI

FINANCING OF THE PROGRAMMES OF TECHNICAL COOPERATION IN OLIVE CULTIVATION, OLIVE-OIL EXTRACTION AND TABLE-OLIVE PROCESSING

Article 18

Sources of finance and administration

1. The programmes of activities referred to in Part Four of this Agreement shall be implemented using the sources of finance laid down in paragraph 2 of this Article.

2. The sources of finance shall be:

(a) the allocation fixed in the administrative budget for the implementation of programmes of technical cooperation in olive cultivation, olive-oil extraction and table-oil processing;

(b) intergovernmental, governmental and non-governmental institutions;

(c) voluntary contributions and donations.

3. The Council may receive voluntary contributions and donations, in freely convertible currencies or domestic currencies, to support the activities to be conducted in the donating country.

4. The Council may also receive other forms of supplementary contributions, including services, scientific and technical equipment and/or staff that may meet the requirements of approved programmes.

5. The Council shall, in addition, as part of the development of international cooperation, endeavour to procure such essential financial and/or technical assistance as may be obtainable from the competent international, regional or national organizations, whether financial or of some other kind.

6. The amounts referred to in paragraph 1 of this Article that are not used during one calendar year may be carried forward to the following calendar years but may not, under any circumstances, be transferred to other chapters of the administrative budget.

7. The Council shall, at its autumn session, adopt the programme of technical cooperation in olive cultivation, olive-oil extraction and table-olive processing that is to be implemented and/or continued in the following calendar year.

8. Decisions relating to the management of the sums emanating from the sources of finance referred to in paragraph 2 of this Article shall be taken in accordance with the provisions of Article 11.

9. On the expiry of this Agreement, and unless it is prolonged, extended or renewed, any sums not used shall be repaid to members proportionately to the total of their contributions during the life of this Agreement.

CHAPTER VII

PUBLICITY FUND

Article 19

Constitution of the fund

1. The mainly-producing members undertake to place at the disposal of the Council for each calendar year, for the joint publicity defined in Chapter XIV of this Agreement, a sum of 600 000 United States dollars.

2. The above sum may be increased by the Council provided, on the one hand, that no member's contribution is

increased without that member's consent and, on the other, that any alteration occurring in this connection in the shares referred to in Article 20 shall require a unanimous decision of the mainly-producing members.

3. The abovementioned sum shall be payable in United States dollars or in the equivalent amount of another freely convertible currency.

Article 20

Contribution to the fund

1. Subject to the provisions of paragraph 2 of this Article, the mainly-producing members shall contribute to the publicity fund in accordance with the shares set for each of them in relation to their importance in the world olive-products economy and shown in Annex B to this Agreement.

2. The Council may, if necessary, revise the abovementioned shares in the light of the participation of the mainly-producing members in the publicity fund.

3. Contributions to the publicity fund shall be payable for the whole of a calendar year. The annual contribution of each mainly-producing member shall become payable for the first time when it becomes a member provisionally or definitively and subsequently on 1 January of each year.

4. The provisions of Article 17 (8), shall apply as regards the collection of contributions to the publicity fund and in the event of delay in their payment.

5. During the first session of each calendar year, the accounts of the publicity fund for the previous calendar year, certified by an independent auditor, shall be presented to the Council for approval and publication.

6. The amounts in the publicity fund that are not used in one calendar year may be carried forward to the following calendar years but may not, under any circumstances, be transferred to the administrative budget.

Article 21

Voluntary contributions and donations

1. Mainly-importing members may pay contributions to the publicity fund by special agreement with the Council. These contributions shall be added to the moneys constituting the fund as determined pursuant to Article 19.

2. The Council may receive donations from governments or from other sources for the joint publicity in question. Such occasional resources shall be added to the moneys constituting the publicity fund as determined pursuant to Article 19.

*Article 22***Decisions relating to publicity**

1. Decisions relating to publicity shall be taken by consensus of the members present that contribute to the publicity fund in accordance with Article 20 (1). Those members may, by unanimous decision, allocate part of the publicity fund to the achievement of the objectives referred to in Article 38.

2. Decisions taken under paragraph 1 of this Article shall immediately be communicated, for their information, to any members absent.

*Article 23***Liquidation of the fund**

On the expiry of this Agreement, and unless it is prolonged, extended or renewed, any funds not used for publicity shall be repaid to the members proportionately to their total

contributions for publicity during the life of this Agreement.

CHAPTER VIII**FINANCIAL CONTROL***Article 24***Financial committees**

The Council shall establish:

- (a) To provide financial control of, in particular, the implementation of Chapters V and VI of this Agreement, a financial committee for the administrative budget comprising one representative of each member;
- (b) To provide financial control of the implementation of Chapter VII of this Agreement, a financial committee for the publicity fund comprising one representative of each member participating in that fund.

PART III**ECONOMIC AND STANDARDIZATION PROVISIONS****CHAPTER IX****DESIGNATIONS AND DEFINITIONS OF OLIVE OILS
AND OLIVE-POMACE OILS****INDICATIONS OF SOURCE AND APPELLATIONS OF
ORIGIN***Article 25***Use of the designation 'olive oil'**

1. The designation 'olive oil' shall be restricted to oil obtained solely from the olive, to the exclusion of oil obtained by solvent or re-esterification processes and of any mixture with oils of other kinds.
2. In no case shall the designation 'olive oil' be used alone to refer to olive-pomace oils.
3. The members undertake to suppress in both internal and international trade any use of the designation 'olive oil', alone or in combination with other words, which is not in conformity with this article.

*Article 26***Designations and definitions of olive oils and
olive-pomace oils**

1. The designations of olive oils and olive-pomace oils of the different qualities are given below with the definition corresponding to each designation:

A. *Virgin olive oil*: oil which is obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions, and particularly thermal conditions, that do not lead to deterioration of the oil, and which has not undergone any treatment other than washing, decantation, centrifugation and filtration, to the exclusion of oil obtained by solvent or re-esterification processes and of any mixture with oils of other kinds. Virgin olive oil shall be classified and designated as follows:

- (a) *Virgin olive oil* fit for consumption as it is ⁽¹⁾:
 - (i) *Extra virgin olive oil*: virgin olive oil of absolutely perfect flavour having a maximum acidity, in terms of oleic acid, of 1 gram per 100 grams;
 - (ii) *Fine virgin olive oil*: virgin olive oil complying with the conditions for extra virgin olive oil, except as regards acidity, which in terms of oleic acid shall not exceed 1,5 grams per 100 grams;
 - (iii) *Semi-fine virgin olive oil* (or *ordinary virgin olive oil*): virgin olive oil of good flavour having a maximum acidity, in terms of oleic acid, of 3 grams per 100 grams with a margin of tolerance of 10 per cent of the acidity indicated.

⁽¹⁾ It shall be permissible to use the qualifier 'natural' for all virgin olive oils fit for consumption as they are.

- (b) *Virgin olive oil* not fit for consumption as it is;

Virgin olive oil lampante: off-flavour virgin olive oil or virgin olive oil having an acidity, in terms of oleic acid, of more than 3,3 grams per 100 grams.

- B. *Refined olive oil*: olive oil obtained by refining virgin olive oil.

- C. *olive oil*: Oil consisting of a blend of refined olive oil and virgin olive oil. Use of the term 'pure olive oil' shall also be permissible.

- D. *Crude olive-pomace oil*: oil obtained by treating olive pomace with solvent (excluding oil obtained by re-esterification processes and any mixture with oils of other kinds) and intended for subsequent refining for human consumption, or for technical use. Olive-pomace oil shall be classified and designated as follows:

- (a) *Refined olive-pomace oil*: oil intended for food use and obtained by refining crude olive-pomace oil.

- (b) *Refined olive-pomace oil*: blend of refined olive-pomace oil and virgin olive oil. In no case shall this blend be called 'olive oil'.

- (c) *Olive-pomace oil for technical use*: all other crude olive-pomace oils.

2. Each of the above designations for the various qualities of olive oil and olive-pomace oil shall comply with the quality criteria laid down in conformity with the recommendations made under Article 36 (3), in regard to standards for the physical, chemical and organoleptic characteristics of olive oil and olive-pomace oil.

3. The Council may, by unanimous decision, make all such amendments to the designations or definitions in this article as it deems necessary or appropriate.

Article 27

Application

1. The designations prescribed in Article 26 (1), shall be compulsory in international trade and shall be used for each quality of olive oil and olive-pomace oil; they shall appear in clearly legible characters on all packagings.

2. With respect to quality criteria, the Council shall, as indicated in Article 36 (3), determine uniform standards applicable to international trade.

Article 28

Indications of source and appellations of origin

1. Indications of source, when given, may only be applied to virgin olive oil produced and originating exclusively in the country, region or locality mentioned.

2. Appellations of origin, when given, may only be applied to extra virgin olive oil produced and originating exclusively in the country, region or locality mentioned.

3. Indications of source and appellations of origin may only be used in conformity with the conditions prescribed by the law of the country of origin.

Article 29

Undertakings

1. The members undertake to adopt at the earliest possible date all the necessary measures, in the form prescribed by their respective legislations, to ensure the application of the principles and provisions set forth in Articles 25, 26 and 28.

2. They shall, in addition, endeavour to apply the provisions of Articles 26 and 28 to their internal trade.

3. They undertake, in particular, to prohibit and repress the use in their territories, for purposes of international trade, of such indications of source, appellations of origin and designations of olive oil and olive-residue oil as conflict with those principles. This undertaking shall apply to all inscriptions placed on packagings, invoices, consignment notes and commercial documents or used in advertising, and to trade marks, registered names and illustrations connected with the international marketing of olive oil and olive-pomace oil, in so far as such inscriptions might constitute false statements or give rise to confusion as to the origin, source or quality of the olive oil or olive-pomace oil concerned.

Article 30

Disputes and reconciliation

1. Any dispute concerning indications of source and appellations of origin which arises from the interpretation of the provisions of this chapter or from difficulties of application shall, if the dispute has not been settled by direct negotiation, be examined by the Council.

2. The Council shall endeavour to reconcile the dispute, after seeking the opinion of an advisory panel as provided for in Article 50 (1), and after consultation with the World Intellectual Property Organization, the International Olive Oil Federation and a competent professional organization of a mainly importing member, and, if necessary, with the International Chamber of Commerce and the specialized international institutions for analytical chemistry; if this is unsuccessful, and after the Council has determined that every means has been employed to reach agreement, the members concerned shall have the right of recourse in the final instance to the International Court of Justice.

CHAPTER X

DESIGNATIONS AND DEFINITIONS OF TABLE OLIVES

Article 31

Designations and definitions of table olives

1. 'Table olives' means sound fruit of specific varieties of the cultivated olive-tree, harvested at the proper stage of ripeness and of such quality that, in their different categories and when processed in accordance with the trade preparations and styles laid down in the recommended qualitative standards, they produce an edible product that keeps well.

2. Table olives shall be classified in one of the following types:

- (i) *Green olives*: obtained from fruits harvested during the ripening period, prior to colouring and when they have reached normal size. The colour of the fruit may vary from green to straw yellow.
- (ii) *Olives turning colour*: obtained from rose, wine-rose or brown-coloured fruits harvested before the stage of complete ripeness is attained.
- (iii) *Black olives*: obtained from fruits harvested when fully ripe or slightly before full ripeness is reached; they may, according to production region and time of harvesting, be reddish black, violet black, deep violet, greenish black or deep chestnut.

3. Each of the above types of table olives shall comply with the quality criteria laid down in conformity with the recommendations made under Article 38 (1), with regard to the essential composition and quality criteria of table olives.

4. The designations and definitions for the trade preparations of the different types of table olives shall be set in compliance with the recommendations made under Article 38 (1).

Article 32

Application

1. The designations prescribed under Article 31 (4) shall be compulsory in international trade; they shall be used for each trade preparation of the different types of table olives and shall appear in clearly legible characters on all packagings.

2. With respect to essential composition and quality factors, the Council shall, as indicated in Article 38 (1), determine uniform standards applicable to international trade.

Article 33

Undertakings

1. The members undertake to adopt at the earliest possible date all the necessary measures, in the manner required by their respective legislations, to ensure the application of the principles and provisions set forth in Article 31 and shall endeavour to apply them in their internal trade.

2. They undertake, in particular, to prohibit and repress the use in their territories, for purposes of international trade, of such table-olive designations as conflict with those principles. This undertaking shall apply to any inscriptions placed on packagings, invoices, consignment notes and commercial documents or used in advertising, and to trade-marks, registered names and illustrations connected with the international marketing of table olives, in so far as such inscriptions might constitute false statements or give rise to confusion as to the quality of the table olives concerned.

Article 34

Disputes and reconciliation

1. Any dispute arising from the interpretation of the provisions of this chapter or from difficulties in their application shall, if the dispute has not been settled by direct negotiation, be examined by the Council.

2. The Council shall endeavour to reconcile the dispute, after seeking the opinion of an advisory panel as provided for in Article 50 (1), and after consultation with the World Intellectual Property Organization, the International Olive Oil Federation and a competent professional organization of a mainly importing member and, if necessary, with the International Chamber of Commerce and specialized international institutions; if this is unsuccessful, and after the Council has determined that every means has been employed to reach agreement, the members concerned shall have the right of recourse in the final instance to the International Court of Justice.

CHAPTER XI

STANDARDIZATION OF THE MARKETS FOR
OLIVE PRODUCTS*Article 35***Examination of the situation of and developments in
the market for olive oil and olive-pomace oil**

1. Within the framework of the general objectives set forth in Article 1, and with a view to contributing towards the standardization of the market for olive oil and olive-pomace oil and correcting any imbalance between international supply and demand due to irregularity of harvests or to other factors, the Council shall, at the autumn session, make a detailed examination of olive-oil balances and an overall estimate of the supplies of and demand for olive oil and olive-pomace oil, on the basis of the information furnished by each member under Article 48 and any information communicated to the Council by governments of States not Parties to this Agreement but interested in the international olive oil and olive-pomace oil trade, and of any other relevant statistical material available to the Council.

2. Each year, at the spring session, the Council shall, taking into account all the information available to it on that date, make a further examination of the market situation and a further overall estimate of supplies of and demand for these oils, and may propose to the members such measures as it considers desirable.

3. An Economic Committee shall be set up and shall meet at regular intervals to exchange views on the world situation in the market for olive oil and olive-pomace oil, with the aim of finding solutions to problems liable to disrupt international trade in these oils.

*Article 36***Standardization of the market for olive oil and
olive-pomace oil**

1. The Council shall undertake studies with a view to making recommendations to the members for achieving a balance between production and consumption, and, more generally, standardizing of the olive-oil market over the long term through the application of appropriate measures, including measures to encourage the sale of olive oil at prices which are competitive at the consumer level, so as to narrow the price differential between olive oil and other edible vegetable oils, particularly through the granting of assistance.

2. With a view to such standardization, the Council shall also undertake studies to recommend to members suitable solutions to the problems which may arise as regards the evolution of the international market for olive oil and

olive-pomace oil, through appropriate arrangements, account being taken of market imbalances resulting from fluctuations in production or from other causes.

3. The Council shall examine ways and means of ensuring the expansion of international trade and an increase in olive-oil consumption. In particular, it shall make appropriate recommendations to the members concerning:

- (a) the adoption and use of a standard international contract for transactions in olive oil and olive-pomace oil;
- (b) the constitution and functioning of an international conciliation and arbitration office to deal with any disputes relating to transactions in olive oil and olive-pomace oil;
- (c) the establishment of uniform standards for the physical, chemical and organoleptic characteristics of olive oil and olive-pomace oil;
- (d) the establishment of uniform methods of analysis.

4. The Council shall take any measures it considers useful for the suppression of unfair competition at the international level, including such competition by States which are not Parties to this Agreement or by persons who are nationals of such States.

*Article 37***Examination of the situation of and developments in
the table-olive market**

1. Within the framework of the general objectives set forth in Article 1, members shall make available and furnish all the necessary data, statistics and documentation on table olives in order to contribute to the standardization of the table-olive market.

2. The Council shall, at the autumn session, make a detailed examination of quantitative and qualitative table-olive balances on the basis of the above information, of any information communicated to it by governments of States not Parties to this Agreement but interested in the international trade in table olives, and of any other statistical material available to the Council on the subject.

3. Each year, at the spring session, the Council shall, taking account of all the information available to it on that date, make a further examination of the market situation and an overall estimate of the supplies of and demand for table olives and may propose to the members such measures as it considers desirable.

*Article 38***Standardization of the table-olive market**

1. The Council shall examine ways and means of ensuring the expansion of international trade in and consumption of table olives. In particular, it shall make appropriate recommendations to the members concerning:

- (a) the implementation of unified qualitative standards applicable to table olives in international trade;
 - (b) the adoption and use of a standard international contract for table-olive transactions;
 - (c) the constitution and functioning of an international conciliation and arbitration office to deal with any disputes relating to transactions in table olives.
- 2. The Council shall promote such surveys as are thought conducive to the stimulation of the growth of table-olive consumption. It shall submit them to the members for the purposes which they consider appropriate.
 - 3. In this connection, the Council shall endeavour to obtain for all members, or for those of its members as may require it, such assistance of various kinds, including financial assistance, as international or other competent bodies may grant.

PART IV

TECHNICAL PROVISIONS

CHAPTER XII

TECHNICAL COOPERATION IN OLIVE CULTIVATION, OLIVE-OIL EXTRACTION AND TABLE-OLIVE PROCESSING

Article 39

Programmes and action

- 1. In order to achieve the general objectives set forth in Article 1 concerning technical cooperation with regard to olives and olive products, the Council shall conceive, promote and elaborate programmes of activities relating thereto.
- 2. Technical cooperation with regard to olives and olive products shall encompass olive cultivation, olive-oil extraction and table-olive processing.
- 3. The Council may take direct action to promote such technical cooperation.
- 4. The Council may decide to call upon the collaboration of State or private bodies and/or concerns, whether national or international, to implement part or all of the provisions of this chapter. It may also give a financial contribution to the aforementioned bodies and/or concerns within the limits laid down in Article 17 (1).

Article 40

Research and development

- 1. The Council shall examine any proposals for research-and-development projects of general interest to

members and shall take such measures as are appropriate in this field.

- 2. The Council may call upon the collaboration of specialized research institutes, laboratories and centres for the implementation, monitoring, use and dissemination, for the benefit of Members, of the findings of the research-and-development programmes.
- 3. The Council shall undertake the necessary studies on the economic returns which can be expected from the application of the results of the research-and-development programmes.

Article 41

Training and specific operation

- 1. The Council shall take the necessary steps for the organization of refresher and training courses at various levels for technical experts in the olive sector, particularly those from developing members.
- 2. The Council shall encourage the transfer of technologies to developing members from members highly advanced in olive cultivation, olive-oil extraction and table-olive processing techniques.
- 3. The Council shall facilitate any technical cooperation enabling consultants and experts to be placed at the disposal of the members requiring such services.
- 4. In particular, the Council shall:
 - (a) carry out specific studies and operations;

- (b) convene or foster international seminars and gatherings;
- (c) collect technical information and circulate it to all members;
- (d) promote the coordination of activities relating to technical cooperation among members in olive cultivation, olive-oil extraction and table-olive processing, including action within the framework of interregional or regional planning;
- (e) promote such bilateral or multilateral cooperation as may assist the Council in achieving the objectives of this Agreement.

Article 42

Financial resources

The Council shall, in support of the programmes of technical cooperation in olive cultivation, olive-oil extraction and table-olive processing, create a separate chapter within the administrative budget.

CHAPTER XIII

OTHER MEASURES

Article 43

Other measures

The Council shall:

- (a) foster and coordinate appropriate studies and research on the biological value of olive oil and table olives, with particular reference to their nutritional qualities and other intrinsic properties;
- (b) draw up, in association with specialist bodies, olive-related terminology, standards covering olive products and related methods of analysis, as well as any other standards connected with the olive sector;
- (c) take whatever measures are appropriate to draw up a compendium of established, fair trade practices for international trade in olive oil, olive-pomace oil and table olives.

PART V

PUBLICITY PROVISIONS

CHAPTER XIV

WORLD PUBLICITY TO PROMOTE THE CONSUMPTION OF OLIVE OILS AND TABLE OLIVES

Article 44

Publicity programmes to promote the consumption of olive oils and table olives

1. The members contributing to the publicity fund referred to in Article 19 undertake jointly to conduct generic publicity activities to expand world consumption of olive oils and table olives, on the basis of the use of the designation of edible olive oils as defined in Article 26 and of table olives as defined in Article 31.

2. Those activities shall take the form of educational and advertising campaigns and deal with the organoleptic and chemical characteristics of olive oils and table olives, as well as with their nutritive, therapeutic and other properties.

3. Within the framework of the publicity campaigns, consumers shall be informed about the designations, origins and sources of olive oils and table olives, care being taken to ensure that no quality, origin or source is either promoted or given prominence in preference to another.

4. The publicity campaigns to be undertaken under this Article shall be decided on by the Council in the light of the resources made available to it. Priority shall be given to action in the mainly-consuming countries in which the consumption of olive oils and table olives is likely to increase.

5. The resources of the publicity fund shall be used in the light of the following criteria:

- (a) the volume of consumption and the possibilities of developing existing outlets;
- (b) the creation of new outlets for olive oils and table olives;
- (c) the return obtainable on the publicity expenditure.

6. The Council shall administer the funds allocated for joint publicity purposes. It shall prepare an annual estimate of receipts and expenditure relating to this publicity as an annex to its budget.

7. The technical execution of publicity campaigns may be entrusted by the Council to specialized bodies of its own choice.

Article 45

International guarantee label of the Council

The members undertake to encourage the use of the international guarantee label of the Council in their domestic and international transactions in olive oils and table olives and to adopt appropriate measures for this purpose.

PART VI

OTHER PROVISIONS

CHAPTER XV

GENERAL OBLIGATIONS

Article 46

General obligations

The members undertake not to adopt any measure that conflicts with their obligations under this Agreement or with the general objectives set forth in Article 1.

Article 47

Encouragement of international trade and consumption

The members undertake to adopt all the appropriate measures to facilitate trade, encourage consumption of olive oils and table olives and ensure the proper development of the international trade in these products. To that end, they undertake to conform to the principles, rules and guidelines they have approved in the competent international forums. They also undertake to adopt measures to encourage the sale of olive oil at prices which are competitive at the consumer level, including measures for determining assistance and narrowing the price differential between olive oil and other edible vegetable oils, in order to encourage olive-oil consumption.

Article 48

Information

The members undertake to make available and furnish to the Council all the statistics, data and documentation which it needs to discharge its functions under this Agreement, and in particular any information it requires in order to establish the balances for olive oil, olive-pomace oils and table olives and acquire a knowledge of members' national policies for olive products.

Article 49

Financial liability of members

In accordance with the general principles of law, each member's financial liability to the Council and to other members is limited to the extent of its obligations under Articles 17 and 19 concerning contributions to the administrative budget and to the publicity fund.

CHAPTER XVI

DISPUTES AND COMPLAINTS

Article 50

Disputes and complaints

1. Any dispute which concerns the interpretation or application of this Agreement, other than a dispute under Article 30 or Article 34, and which is not settled by negotiation shall, at the request of any member which is a party to the dispute, be referred to the Council for the latter to decide after seeking an opinion, where appropriate, from an advisory panel, the composition of which shall be laid down in the Council's rules of procedure.

2. A substantiated opinion by the advisory panel shall be submitted to the Council, which shall in all circumstances settle the dispute after considering all the relevant facts.

3. Any complaint that a member has failed to fulfil its obligations under this Agreement shall, at the request of the member making the complaint, be referred to the Council, which shall take a decision on the matter after consulting the members concerned and, where appropriate, seeking an opinion from the advisory panel referred to in paragraph 1 of this Article.

4. A member may, if the Council so decides, be found in breach of this Agreement.

5. If the Council finds that a member has committed a breach of this Agreement, it may either impose on that member sanctions, ranging from a simple warning to the suspension of the member's right to participate in decisions of the Council until it has met its obligations, or, in accordance with the procedure laid down in Article 58, exclude the member from participation in the Agreement.

CHAPTER XVII

FINAL PROVISIONS

Article 51

Depositary

The Secretary-General of the United Nations is hereby designated as the depositary of this Agreement.

Article 52

Signature, ratification, acceptance and approval

1. This Agreement shall be open for signature at United Nations Headquarters from 1 September to 31 December 1986 inclusive by governments invited to the United Nations Conference on Olive Oil, 1986.

2. Any government referred to in paragraph 1 of this Article may:

(a) At the time of signing this Agreement, declare that by such signature it expresses its consent to be bound by this Agreement (definitive signature);

or

(b) After signing this Agreement, ratify, accept or approve it by the deposit of an instrument to that effect with the depositary.

3. Instruments of ratification, acceptance or approval shall be deposited with the depositary not later than 31 December 1986. The Council may, however, grant extensions of time to signatory governments which are unable to deposit their instruments by that date.

Article 53

Accession

1. The government of any State may accede to this Agreement upon conditions established by the Council,

which shall include a time-limit for the deposit of instruments of accession. The Council may, however, grant extensions of time to governments which are unable to accede by the time-limit set in the conditions of accession.

2. Accession shall be effected by the deposit of an instrument of accession with the depositary. Instruments of accession shall state that the government accepts all the conditions established by the Council.

Article 54

Notification of provisional application

1. A signatory government which intends to ratify, accept or approve this Agreement, or a government for which the Council has established conditions for accession but which has not yet been able to deposit its instrument, may, at any time, notify the depositary that it will apply this Agreement provisionally when it enters into force in accordance with Article 55, or, if it is already in force, at a specified date.

2. A government which has notified under paragraph 1 of this Article that it will apply this Agreement when it enters into force, or, if it is already in force, at a specified date shall, from that time, be a provisional member until it deposits its instrument of ratification, acceptance, approval or accession and thus becomes a member.

Article 55

Entry into force

1. This Agreement shall enter into force definitively on 1 January 1987, or on any date thereafter, if five governments among those mentioned in Annex A to this Agreement and accounting for at least 95 per cent of the participation shares have signed this Agreement definitively or have ratified, accepted or approved it, or acceded thereto.

2. If, on 1 January 1987, this Agreement has not entered into force in accordance with paragraph 1 of this Article, it shall enter into force provisionally if by that date five governments satisfying the percentage requirements of paragraph 1 of this Article have signed this Agreement definitively or have ratified, accepted or approved it, or have notified the depositary that they will apply this Agreement provisionally.

3. If, on 1 January 1987, the requirements for entry into force under paragraph 1 or paragraph 2 of this Article have not been met, the Secretary-General of the United Nations shall invite those governments which have signed this Agreement definitively or have ratified, accepted or approved it, or have notified that they will apply this Agreement provisionally, to decide whether to put this Agreement into force definitively or provisionally among themselves, in whole or in part, on such date as they may determine.

4. For any government which has not notified the depositary under Article 54 that it will apply this Agreement provisionally and which deposits an instrument of ratification, acceptance, approval or accession after the entry into force of this Agreement, this Agreement shall enter into force on the date of such deposit.

Article 56

Amendment

1. The Council may recommend amendments of this Agreement to the members.

2. The Council shall fix a date by which members shall notify the depositary of their acceptance of any amendment.

3. An amendment shall enter into force 90 days after the depositary has received notifications of its acceptance from all the members. If this requirement has not been met by the date fixed by the Council in accordance with paragraph 2 of this Article, the amendment shall be considered withdrawn.

Article 57

Withdrawal

1. Any member may withdraw from this Agreement at any time after the entry into force of this Agreement by giving written notice of withdrawal to the depositary. That member shall simultaneously inform the Council of the action it has taken.

2. Withdrawal under this Article shall become effective 90 days after the notice is received by the depositary.

Article 58

Exclusion

If the Council decides that any member is in breach of its obligations under this Agreement and decides further that such breach significantly impairs the operation of this Agreement, it may, by unanimous decision of the other members, exclude that member from this Agreement. The Council shall immediately notify the depositary of its decision. The member in question shall cease to be a Party to this Agreement 30 days after the date of that decision.

Article 59

Settlement of accounts

1. The Council shall determine any settlement of accounts which it finds equitable with a member which has withdrawn from this Agreement or which has been excluded

from the Council or has otherwise ceased to be a Party to this Agreement. The Council shall retain any amounts paid by such member. Such member shall be bound to pay any amounts due from it to the Council.

2. Upon termination of this Agreement, no member referred to in paragraph 1 of this Article shall be entitled to any share of the proceeds of the liquidation or the other assets of the Council; nor shall it be burdened with any part of the deficit, if any, of the Council.

Article 60

Duration, prolongation, extension and termination

1. This Agreement shall remain in force until 31 December 1991 unless the Council decides to prolong it, extend it, renew it or terminate it in advance in accordance with the provisions of this Article.

2. The Council may decide to prolong this Agreement for not more than two periods of one year each. Any member which does not accept any such prolongation of this Agreement shall so inform the Council and shall cease to be a Party to this Agreement from the beginning of the period of prolongation.

3. If, before 31 December 1991 or before the expiry of a period of prolongation referred to in paragraph 2 of this Article, as the case may be, a new agreement or a protocol for the extension of this Agreement has been negotiated but has not yet entered into force either definitively or provisionally, this Agreement shall remain in force beyond its expiry date until the new agreement or protocol enters into force, provided that the period of such prolongation does not exceed 12 months.

4. The Council may at any time decide to terminate this Agreement with effect from such date as it may determine.

5. Notwithstanding the expiry or termination of this Agreement, the Council shall continue in being for as long as may be necessary for the purpose of carrying out the liquidation of the Council, including the settlement of accounts, and shall have during that period such powers and functions as may be necessary for these purposes.

6. The Council shall notify the depositary of any decision taken under this article.

Article 61

Reservations

No reservations may be made with respect to any of the provisions of this Agreement.

In witness whereof the undersigned, being duly authorized thereto, have affixed their signatures under this Agreement on the dates indicated.

Done at Geneva on this first day of July, one thousand nine hundred and eighty-six, the texts of this Agreement in the Arabic, English, French, Italian and Spanish languages being equally authentic.

ANNEX A

Participation shares pertaining to the administrative budget

Algeria	13
European Economic Community	740
Egypt	4
Libyan Arab Jamahiriya	33
Morocco	24
Tunisia	92
Turkey	88
Yugoslavia	6
Total 1 000	

ANNEX B

Shares allocated for the purposes of contribution to the publicity fund

Algeria	5,8
European Economic Community	775,0
Morocco	25,0
Tunisia	125,0
Turkey	66,7
Yugoslavia	2,5
Total 1 000	
