



AGREEMENT

establishing the International Tropical Timber Bureau

INTERNATIONAL TRADE CENTRE UNCTAD/GATT

GENEVA, 1977

CHAPTER I - ESTABLISHMENT OF THE INTERNATIONAL
TROPICAL TIMBER BUREAU

Article 1

Establishment of the International Tropical Timber Bureau

The International Tropical Timber Bureau (hereinafter referred to as THE BUREAU) is hereby established.

CHAPTER II - OBJECTIVES OF THE BUREAU

Article 2

Objectives

The objectives of THE BUREAU are:

1. To foster co-operation among the Members and the intergovernmental bodies concerned in order:
 - (a) to develop world markets for tropical timber and products manufactured therefrom, and
 - (b) to promote the optimum utilization and to enhance the added value, of tropical timber,with a view to both expanding the export earnings of tropical timber producing countries and encouraging the export of processed and manufactured tropical timber products from producing countries;
2. To facilitate co-ordinated efforts by the Members for:
 - (a) increasing the number of tropical timber species traded internationally through the dissemination of market information and the promotion of lesser known species;
 - (b) encouraging the export of processed and manufactured timber products by bringing to the attention of tropical timber producing countries market opportunities and marketing techniques;
 - (c) encouraging product development through liaison or collaboration with appropriate institutions and consultant firms in producing and consuming countries;
 - (d) harmonizing commercial practices with respect to the grading and standardization of tropical timber, classification by end uses and improvement of the provisions of sales contracts;
 - (e) rationalizing marketing channels; and
 - (f) seeking ways of reducing transport costs;

3. To undertake the following:

- (a) the provision of market intelligence services and information services with respect to commercial, promotional and technical matters relevant to the trade in tropical timber and products manufactured therefrom, in co-operation with trade associations, research institutions and related interests in consuming countries, as well as with international agencies;
- (b) the organization of meetings of producing countries and, as appropriate, meetings of producing and consuming countries, to discuss trade problems of common interest;
- (c) the provision of technical assistance, upon request, to Members in collaboration with national and international technical agencies capable of providing support to the activities of THE BUREAU; and
- (d) the provision of other services pursuant to these objectives.

CHAPTER III - DEFINITIONS

Article 3

Definitions

"Tropical timber" means any kind of wood species growing between the tropic of Cancer and the tropic of Capricorn.

"Member" means a tropical timber producing country which has become a Party to this Agreement.

"Tropical timber producing country" means a country possessing a forest resource and producing tropical timber and timber products manufactured therefrom.

"Timber products manufactured therefrom" means all products manufactured wholly or partly from tropical timber.

"Two-thirds majority vote" means a two-thirds majority of the votes cast by Members present and voting.

CHAPTER IV - STRUCTURE, MEMBERSHIP, HEADQUARTERS AND
LEGAL STATUS OF THE BUREAU

Article 4

Structure

THE BUREAU shall function through

- (a) a Council,
- (b) a Secretariat, and
- (c) a Forum for consultations between Members and tropical timber importing countries.

Article 5

Membership

Members of THE BUREAU shall be the States producing tropical timber and products manufactured therefrom, which become Parties to this Agreement.

Article 6

Headquarters

1. The Council shall decide at its first session on the country (hereinafter referred to as the host country) in which the Headquarters of THE BUREAU shall be situated.
2. The Council may decide to change the site of the Headquarters if necessary.

Article 7

Legal Status, Privileges and Immunities

1. THE BUREAU shall have legal personality. It shall have the capacity to contract, to acquire and dispose of moveable and immovable property and to institute legal proceedings.

2. THE BUREAU shall, as soon as possible after the entry into force of this Agreement, conclude with the Government of the host country an agreement to be approved by the Council relating to the status, privileges and immunities of THE BUREAU, its Executive Director, its staff and experts and of representatives of Members whilst in the territory of the host country for the purpose of exercising their functions.

3. The agreement envisaged in paragraph 2 of this Article shall be independent of this Agreement. It shall, however, terminate:

- (a) by agreement between the Government of the host country and THE BUREAU, or
- (b) in the event of the Headquarters of THE BUREAU being moved from the territory of the host country, or
- (c) in the event of THE BUREAU ceasing to exist.

CHAPTER V - THE COUNCIL

Article 8

Composition of the Council

1. The Council shall consist of all the Members of THE BUREAU.
2. Each Member shall be represented in the Council by one representative and, if it so desires, by one or more alternates. Each Member may also appoint one or more advisers to its delegation.

Article 9

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 adopt its own rules of procedure.
3. The Council shall receive and consider the reports of the Executive Director and decide upon all matters referred to it by the Executive Director.
4. The Council shall approve the budgets and determine the financial arrangements of THE BUREAU.
5. The Council shall review the expenditures and approve the accounts of THE BUREAU.
6. The Council may establish such committees as it deems necessary.
7. The Council shall appoint the Executive Director of THE BUREAU on such terms and conditions as it may determine. The Executive Director shall be a national of one of the Members.
8. The Council shall receive and consider the recommendations of the Forum for consultations referred to in Article 20.

Article 10

Sessions of the Council

1. The Council shall meet in regular session at least once a year, the dates to be determined by the Council. The first regular session shall be convened by the Director of the International Trade Centre UNCTAD/GATT not later than ninety days after the entry into force of this Agreement. Subsequent regular sessions of the Council shall be convened by the Executive Director.
2. Subject to the prior approval of at least one-third of the Members, extraordinary sessions of the Council shall be convened by the Executive Director at the request of at least one Member of THE BUREAU or by the Executive Director on his own initiative; extraordinary sessions shall be convened not later than sixty days after the approval of the request.
3. The Council may decide to hold its sessions in any place other than at the Headquarters of THE BUREAU.
4. If any Member invites the Council to meet elsewhere than at the Headquarters, and the Council decides to do so, that Member shall meet the additional costs involved.

Article 11

Quorum for the Council

The quorum for any meeting of the Council shall be the presence of at least two-thirds of the Members.

Article 12

Chairman and Vice-Chairmen of the Council

1. At its first regular session each year, the Council shall elect a Chairman and a first and a second Vice-Chairman from among the representatives of the Members. These officers shall hold office until their successors are elected at the first regular session of the following year.
2. The Chairman shall be elected from among the representatives of the Members in one of the three producing regions of Africa, Asia and the Pacific and Latin America. The first Vice-Chairman shall be elected from a producing region other than that from which the Chairman was elected. The second Vice-Chairman shall be elected from the remaining producing region. These offices shall rotate among the three regions in the order provided for in this paragraph.

3. In the temporary absence of the Chairman and both Vice-Chairmen, or the permanent absence of one or more of them, the Council shall elect new officers from among the representatives of the Members, as appropriate, on a temporary or permanent basis as required, with due regard to the rotation arrangement referred to in paragraph 2 of this Article.

CHAPTER VI - THE SECRETARIAT

Article 13

The Secretariat

1. The Executive Director shall be the chief administrative officer of THE BUREAU. He shall appoint the staff of the Secretariat in accordance with regulations established by the Council. The staff of the Secretariat shall be responsible to the Executive Director.
2. The Executive Director shall prepare and submit to the Council the annual programme of work of THE BUREAU.
3. The Executive Director shall prepare and submit to the Council a statement of accounts for each year and the budget estimates for the following year.
4. The Executive Director shall keep the Council regularly informed of all the activities of THE BUREAU.
5. The Executive Director shall perform such other duties as may be assigned to him by the Council.
6. In the performance of their duties, the Executive Director and the staff of the Secretariat shall not seek or receive instructions from any Government or from any authority external to THE BUREAU. They shall refrain from any action which may reflect on their position as international officials. Each Member of THE BUREAU shall respect the exclusively international character of the responsibility of the Executive Director and the staff of the Secretariat and not seek to influence them in the discharge of their responsibilities.
7. Neither the Executive Director nor any member of the staff of the Secretariat shall have any financial or other material interest in the tropical timber trade and industry or commercial interest in any other activities related to tropical timber.

CHAPTER VII - FINANCE

Article 14

Administrative Budget

1. Before the end of the first half of each financial year, the Executive Director shall submit to the Council the administrative budget of THE BUREAU for the following financial year. The administrative budget will cover all administrative costs and regular operational expenses of THE BUREAU.
2. The Council shall approve the administrative budget of THE BUREAU.
3. Each Member shall make an equal annual contribution to the administrative budget of THE BUREAU.

Article 15

Project Activities and Budgets

1. Before the end of the first half of each financial year the Executive Director shall submit to the Council proposals for activities to be carried out in the form of projects. Project activities will encompass particular promotion programmes, market research studies and such other activities pursuant to THE BUREAU's objectives which are not of a continuing nature. In making proposals for project activities the Executive Director shall consult with Members on their requirements. The Council shall decide on an order of priorities for these activities.
2. In respect of each project proposed, the Executive Director shall submit a budget which shall, inter alia, indicate the possibility of obtaining financial and technical assistance from multilateral and other suitable sources, and shall make recommendations to the Council in this regard.
3. The Council shall approve the projects to be carried out bearing in mind the need for a programme which benefits all Members to the greatest extent possible, as well as the balance between benefits to and contributions from Members.
4. The Council shall periodically review the procedures for selecting and financing projects.

Article 16

Payment of Contributions

1. The assessments in respect of any financial year shall become due on the first day of the month preceding the financial year.
2. Payment shall be made in a freely convertible currency.
3. The financial year shall be the calendar year.

Article 17

Audit and Publication of Accounts

Sixty days after the close of each financial year, an independently audited statement of THE BUREAU's accounts and balance sheet for that financial year shall be presented to the Council for approval. The Secretariat shall publish the approved statement.

CHAPTER VIII - VOTING

Article 18

Voting

Each Member of THE BUREAU shall have one vote.

Article 19

Decisions of the Council

1. In its decision making the Council should strive for consensus. In the event that consensus cannot be reached, the matter under consideration shall be decided by a two-thirds majority vote of the Members present and voting.
2. No Member which fails to pay its financial contribution to THE BUREAU within twelve months from the date on which such contribution is due shall be entitled to vote, unless the Council decides otherwise.

CHAPTER IX - CO-OPERATION WITH IMPORTING COUNTRIES

Article 20

Co-operation with Importing Countries

1. The Council shall, at least once a year, convene a Forum for consultations on questions of co-operation between Members and Governments of, and/or timber trade organizations and research establishments in, importing countries.
2. The Executive Director shall, for the purposes of paragraph 1 of this Article, invite Governments of, and/or timber trade organizations and research establishments in, importing countries to participate in the consultations.
3. The Forum shall make recommendations to the Council on the substantive activities of THE BUREAU.
4. The Executive Director shall act as chairman in the deliberations of the Forum.

CHAPTER X - RELATIONSHIP WITH THE UNITED NATIONS
AND OTHER ORGANIZATIONS

Article 21

Relationship with the United Nations and other Organizations

1. The Council may make whatever arrangements are appropriate for consultation or co-operation with the United Nations and its organs, in particular with the United Nations Development Programme, the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and the International Trade Centre UNCTAD/GATT, and with the Food and Agriculture Organization of the United Nations, and as appropriate, with other specialized agencies of the United Nations.
2. The Council may co-operate with other intergovernmental organizations whose interests and activities are related to the objectives of THE BUREAU.
3. The Council may co-operate with Governments of non-Member States whose interests and activities are related to the objectives of THE BUREAU.
4. The Council may make suitable arrangements for consultation with national and international non-governmental organizations on activities which are related to the objectives of THE BUREAU.

CHAPTER XI - FINAL PROVISIONS

Article 22

Signature

This Agreement shall be open for signature at United Nations Headquarters from 16 January 1978 by Governments of the tropical timber producing countries which were invited to the Intergovernmental Meeting of Tropical Timber Producing Countries held in Geneva from 31 October to 9 November 1977.

Article 23

Ratification

1. This Agreement shall be subject to ratification, acceptance or approval by the signatory Governments in accordance with their respective constitutional procedures.
2. Instruments of ratification, acceptance or approval shall be deposited with the Secretary-General of the United Nations (hereinafter referred to as the depositary).

Article 24

Entry into force

This Agreement shall enter into force six months after the date on which no fewer than one half of the tropical timber producing countries which were invited to the Intergovernmental Meeting of Tropical Timber Producing Countries held in Geneva from 31 October to 9 November 1977, have deposited their instruments of ratification, acceptance or approval with the depositary.

Article 25

Accession

This Agreement shall be open to accession by the Government of any State eligible for membership under Article 5 upon conditions to be established by the Council. 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 those conditions.

Article 26

Reservations

Reservations may not be made with respect to any of the provisions of this Agreement.

Article 27

Interpretation

Any question or dispute concerning the interpretation or application of this Agreement which is not settled among the Members involved shall, at the request of any Member party to the question or dispute, be referred to the Council for decision.

Article 28

Exclusion

If the Council finds that a Member has failed to pay its financial contribution to THE BUREAU twenty-four months from the date on which such contribution is due, or to meet its other obligations under this Agreement, it may decide to exclude such Member from THE BUREAU. The Council shall immediately notify the depositary of any such decision. Three months after the date of the Council's decision, that Member shall cease to be a Member of THE BUREAU.

Article 29

Withdrawal

1. Any Member may withdraw from this Agreement by written notification to the depositary, who shall immediately inform the other Members and the Executive Director of such notification.
2. Notification of withdrawal may be given at any time after the expiration of twelve months from the date on which this Agreement enters into force.
3. Withdrawal shall take effect upon the expiration of twelve months from the date on which such written notification is received by the depositary.

Article 30

Settlement of accounts with withdrawing or excluded Members

1. The Council shall determine any settlement of accounts with a withdrawing or excluded Member. THE BUREAU shall retain any amounts already paid by a withdrawing or excluded Member. Such Member shall be bound to pay any amounts due from it to THE BUREAU at the time the withdrawal or exclusion becomes effective. However, in the case of a Member which is unable to accept an amendment and consequently ceases to participate in THE BUREAU under the provisions of paragraph 4 of Article 32, the Council may determine any settlement of accounts which it finds equitable.
2. A Member which has withdrawn or been excluded from, or has otherwise ceased to participate in, THE BUREAU shall not be entitled to any share of the proceeds of liquidation or the other assets of THE BUREAU, nor shall it be burdened with any part of the deficit, if any, of THE BUREAU upon termination of this Agreement.

Article 31

Termination and Settlement of Obligations

1. The Council may decide to terminate the operations of THE BUREAU.
2. Upon such decision being taken, THE BUREAU shall cease all activities except those incidental to the orderly distribution and preservation of its assets and the settlement of its obligations. Until final settlement of such obligations and distribution of such assets, THE BUREAU shall remain in existence, and all mutual rights and obligations of THE BUREAU and its Members shall continue unimpaired except that no Member shall be excluded or shall withdraw, and no distribution shall be made to Members except as provided in this Article. The basis for the distribution of the assets shall be decided by the Council. Any Member which at this stage is in arrears in its contribution shall have deducted from its distribution share the amount by which it is in arrears.

Article 32

Amendment

1. The Council may decide to recommend an amendment to this Agreement to the Members. The Council shall fix a time within which each Member shall notify the depositary whether or not it accepts the amendment. The amendment shall become effective sixty days after the depositary receives notification of acceptance from at least three-quarters of the Parties.

2. Any proposed amendment to this Agreement shall be communicated by the Executive Director to the Parties to this Agreement at least six months in advance of its consideration by the Council.

3. The depositary shall inform the Parties of the receipt of any notifications referred to in this Article and of the date on which the amendment enters into force.

4. Any Member on behalf of which notification of acceptance of an amendment has not been made by the date on which such amendment becomes effective shall as of that date cease to participate in THE BUREAU, unless such Member has satisfied the Council that acceptance could not be secured in time owing to difficulties in completing its constitutional procedures, and the Council decides to extend for such Member the period fixed for acceptance. Such Member shall not be bound by the amendment before it has notified its acceptance thereof.

Article 33

Authentic Texts of the Agreement

The texts of this Agreement in the English, French and Spanish languages shall be equally authentic. The originals shall be deposited in the archives of the United Nations

IN WITNESS WHEREOF the undersigned, duly authorized to this effect by their respective Governments, have signed this Agreement on the date appearing opposite their signatures.