AGREEMENT ON THE ASEAN FOOD SECURITY RESERVE

PREAMBLE

THE GOVERNMENTS OF THE REPUBLIC OF INDONESIA, MALAYSIA,
THE REPUBLIC OF THE PHILIPPINES, THE REPUBLIC OF SINGAPORE AND
THE KINGDOM OF THAILAND, being members of the Association of South
East Asian Nations, which Association shall hereinafter be referred to
as ASEAN:

RECALLING the Declaration of ASEAN Concord signed in Bali,
Indonesia, on 24 February 1976, which provides that ASEAN Member
Countries shall take cooperative action in their national and regional
development programmes;

NOTING the high vulnerability of the region to wide fluctuations in the production of basic foodstuffs and hence to instability of the region's food supply;

NOTING FURTHER that the assurance of food security in the ASEAN region is the common responsibility of the ASEAN Member Countries;

EMPHASIZING that the establishment of a food security reserve among ASEAN Member Countries based on the principle of collective self-reliance with contribute to the strengthening of the respective national economic resilience as well as to ASEAN economic resilience and ASEAN solidarity;

AFFIRMING the need for effective and concerted action by ASEAN Member Countries aimed at strengthening food security in the region;

HAVE AGREED on the following provisions:

ARTICLE I

GENERAL PROVISIONS

The ASEAN Member Countries hereby agree that food security needs to be dealt with from several aspects, especially, where appropriate, through:

- (i) the strengthening of the food production base of the ASEAN MemberCountries;
- (ii) the prevention of post harvest losses of food grains;
- (iii) the establishment of a food information and early warning system;
- (iv) the adoption of effective national stock holding policies and improved arrangements for meeting requirements of emergency food supplies;
- (v) the promotion of stability of food prices;
- (vi) the adoption of policies and programmes for improving consumption and nutrition, particularly of the vulnerable groups within each ASEAN Member Country;
- (vii) the promotion of labour opportunities especially in the rural areas and increasing the income particularly of the small farmers; and (viii) other measures, including possible long-term trade arrangements.

ARTICLE II

ESTABLISHMENT OF THE ASEAN FOOD SECURITY RESERVE

- 1. The Governments of the ASEAN Member Countries hereby agree to establish the ASEAN Food Security Reserve.
- 2. The term "ASEAN Food Security Reserve" shall mean the sum total of the basic food stocks, particularly rice, maintained by each ASEAN Member Country within its national borders as a matter of national
- policy which includes commitment to the ASEAN Emergency Rice Reserve.

ARTICLE III

COORDINATION OF NATIONAL FOOD STOCK POLICIES AND OF NATIONAL FOOD RESERVES

- 1. The Governments of the ASEAN Member Countries shall coordinate in conformity with their institutional and constitutional requirements, national food stock policies which take into account the policies of other ASEAN Member Countries and which together will result in maintaining a minimum safe level for the ASEAN Food Security Reserve.
- 2. It is hereby understood that the establishment of the ASEAN Food Security Reserve is not intended to fill continuing food deficits of individual ASEAN Member Countries, which normally are met through imports, commercial as well as concessional. The elimination of such deficits should, where appropriate, be attempted through increased production at an accelerated rate.
- 3. The ASEAN Member Countries shall further take measures aimed at assuring that their national food reserves are replenished as soon as feasible whenever they have fallen below such minimum levels as may be specified.

ARTICLE IV

THE ASEAN EMERGENCY RICE RESERVE

- 1. The Governments of the ASEAN Member Countries do hereby agree to the establishment of the ASEAN Emergency Rice Reserve for the purpose of meeting emergency requirements.
- 2. Each ASEAN Member Country shall earmark within or over and above its national reserve, a certain quantity of rice. Such earmarked quantities of rice shall constitute the ASEAN Emergency Rice Reserve, the total amount of which shall initially be 50,000 metric tons of rice.

3. For the first year of operation ASEAN Member Countries agree that the earmarked quantity of each ASEAN Member Country for the ASEAN Emergency Rice Reserve shall be as follows:

Indonesia: 12,000 metric tons

Malaysia : 6,000 metric tons

Philippines: 12,000 metric tons

Singapore: 5,000 metric tons

Thailand : 15,000 metric tons

- 4. Both the total amount of the ASEAN Emergency Rice Reserve, as well as the amount earmarked by each ASEAN Member Country in such Reserve, shall be periodically reviewed by the Governments of the ASEAN Member Countries taking into account the general food situation in the ASEAN region and in the world.
- be understood to mean the state or condition in which an ASEAN Member

 Country, having suffered extreme and unexpected natural or man-induced

 calamity, is unable to cope with such state or condition through its

 national reserve and is unable to procure the needed supply through

 normal trade.

ARTICLE V

RELEASE OF RICE FROM THE ASEAN EMERGENCY RICE RESERVE FOR EMERGENCY REQUIREMENTS

With regard to the release of rice from the ASEAN Emergency Rice
Reserve to meet the emergency requirement of any ASEAN Member Country, the following procedure shall be adopted;

(i) The ASEAN Member Country in need shall directly notify the other ASEAN Member Country or Countries of the emergency it is facing and the amount of rice required.

- (ii) The other ASEAN Member Country or Countries on being requested shall take immediate steps to make the necessary arrangements to ensure immediate and speedy release of the required rice.
- (iii) The prices, terms and conditions of payments in kind or otherwise, in respect of rice so released, shall be the subject of direct negotiations between the ASEAN Member Countries concerned.
- (iv) The requesting ASEAN Member Country shall at the same time inform

 the ASEAN Food Security Reserve Board of its request to the other

 ASEAN Member Country or Countries.

ARTICLE VI

REPLENISHMENT OF THE ASEAN EMERGENCY RICE RESERVE

- 1. The ASEAN Member Countries which have released rice under Article V either to meet their own emergency requirements or the emergency requirements of other ASEAN Member Countries shall take steps to replenish the rice so released so that the earmarked quantity of the countries concerned shall be restored to the level indicated in Article IV.
- 2. Fulfillment of the responsibility under Paragraph 1 of this Article shall be subject to the constraints on the availability of supply as well as other limitations.

ARTICLE VII

FOOD INFORMATION AND EARLY WARNING SYSTEM

1. For the effective functioning of the undertakings contained in Articles III and IV, the Governments of ASEAN Member Countries agree to furnish to the ASEAN Food Security Reserve Board, referred to in Article VIII, on a regular basis information on government stockholding policies and programmes, as well as other aspects of the food supply and demand

situation, in particular rice. The ASEAN Food Security Reserve Board shall circulate the said information to the Member Countries.

- 2. On the basis of such data collected, concise factual appraisals of the situation and outlook shall be prepared periodically and circulated to ASEAN Member Countries.
- 3. The information or data made available pursuant to this Article shall be treated as confidential.

ARTICLE VIII

ASEAN FOOD SECURITY RESERVE BOARD

- 1. For the purpose of providing supervision and coordination in the implementation of the ASEAN Food Security Reserve, the Governments of ASEAN Member Countries hereby agree to establish an ASEAN Food Security Reserve Board, hereinafter referred to as "the Board."
- 2. The Board shall be composed of one representative from each ASEAN Member Country.
- 3. The Board's terms of reference shall be as in the Annex to this Agreement.

ARTICLE IX

FINAL PROVISIONS

- 1. This Agreement is subject to ratification by the ASEAN Member Countries.
- 2. The Instruments of Ratification shall be deposited with the Secretary
 General of the ASEAN Secretariat who shall promptly inform each ASEAN
 Member Country of such deposit.
- 3. This Agreement shall enter into force on the thirtieth day after the deposit of the fifth Instrument of Ratification.

- 4. This Agreement may not be signed with reservation nor shall reservations be admitted at the time of ratification.
- 5. Any amendment to the provisions of this Agreement shall be effected by consent of all ASEAN Member Countries.
- 6. This Agreement shall be deposited with the Secretary General of the ASEAN Secretariat who shall promptly furnish a certified copy thereof to each ASEAN Member Country.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

DONE at the City of New York this 4th day of October 1979 in six copies in the English language.

For the Government of the Republic of Indonesia

For the Government of Malaysia

For the Government of the Republic of the Philippines

For the Government of the Republic of Singapore

For the Government of the Kingdom of Thailand

TERMS OF REFERENCE OF THE ASEAN FOOD SECURITY RESERVE BOARD

- 1. To coordinate periodic exchanges of information on national food policies, and stocking policies as well as production, consumption and storage programmes pertaining to basic food commodities, particularly rice, among the ASEAN Member Countries.
- 2. To undertake a periodic evaluation of the food situation and prospects in the ASEAN region as well as worldwide, including production, consumption, trade, prices, quality and stocks of basic food commodities, particularly rice. These periodic evaluation reports shall be disseminated to the ASEAN Member Countries.
- 3. To examine immediate, short term and long term policy actions as may be considered necessary to assure adequate supplies of basic food commodities particularly rice, and to submit on the basis of such examination recommendations for appropriate action to the Government concerned.
- 4. To review periodically the size of the ASEAN Emergency Rice Reserve and to work out acceptable criteria for determining the contribution of each ASEAN Member Country to such Emergency Rice Reserve and recommend appropriate action to the ASEAN Member Countries concerned.
- 5. To work out immediately procedures for the payments of rice released under emergency situations taking into consideration Article V (iii) of the Agreement and prevailing market practices whenever deemed necessary.
- 6. To review the implementation of the provisions of the Agreement on the ASEAN Food Security Reserve.
- 7. To be responsible to the ASEAN Committee on Food, Agriculture and Forestry (COFAF) and to submit thereto reports on its activities.