



## **ASEAN PLUS THREE EMERGENCY RICE RESERVE AGREEMENT**

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Republic of the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, being members of the Association of Southeast Asian Nations (hereinafter referred to collectively as "ASEAN Member States" or individually as "ASEAN Member State")

and

the Governments of the People's Republic of China, Japan and the Republic of Korea, being the Dialogue Partners of ASEAN (hereinafter referred to collectively as "Plus Three Countries" or individually as "Plus Three Country")

hereinafter referred to collectively as "ASEAN Plus Three Countries" or individually as "ASEAN Plus Three Country":

**RECALLING** the Declaration of ASEAN Concord I and II signed in Bali, Indonesia, on 24 February 1976 and 7 October 2003 respectively, which provide that ASEAN Member States shall take cooperative action in their national and regional development programmes;

**RECALLING** the Agreement on the ASEAN Food Security Reserve signed in New York on 4 October 1979, which established the ASEAN Emergency Rice Reserve for the purpose of meeting emergency requirements;

**RECALLING** that all participants at the 2<sup>nd</sup> Meeting of the ASEAN Ministers of Agriculture and Forestry and the

Ministers of Plus Three Countries (hereinafter referred to as "AMAF Plus Three") in Vientiane, Lao PDR, on 11 October 2002, decided to launch the pilot project of the East Asia Emergency Rice Reserve (hereinafter referred to as "EAERR"), aiming at its expeditious establishment with a view to strengthening food security and eliminating poverty in the region;

**RECALLING FURTHER** that the EAERR pilot project has been implemented from 2004 to 2009 based on the collective efforts, support and cooperation of the ASEAN Plus Three Countries;

**RECALLING FURTHER** the Cha-am Hua Hin Statement on ASEAN Plus Three Cooperation on Food Security and Bio-Energy Development declared by the leaders of the ASEAN Plus Three Countries at the 12<sup>th</sup> ASEAN Plus Three Summit in Cha-am Hua Hin, Thailand, on 24 October 2009, which stated that the leaders will explore the possibility of establishing the ASEAN Plus Three Emergency Rice Reserve (hereinafter referred to as "APTERR"), based upon the experience of the EAERR, in close coordination with relevant international organisations, and taking into account each ASEAN Plus Three Country's commitment and consistency with international rules;

**RECALLING FURTHER** the Joint Press Statement adopted at the 9<sup>th</sup> Meeting of the AMAF Plus Three in Bandar Seri Begawan, Brunei Darussalam on 11 November 2009, which stated the transformation of the EAERR pilot project into a permanent mechanism under the APTERR and its early realization immediately after the expiration of the EAERR pilot project;

**RECOGNISING** the high vulnerability of the countries in the region to calamity and to wide fluctuations in the production of basic foodstuffs particularly rice and hence to instability of the region's food supply;



**NOTING** that the assurance of food security in the ASEAN Plus Three Countries is the common goal of all ASEAN Plus Three Countries;

**EMPHASIZING** that the establishment of a rice reserve among the ASEAN Plus Three Countries based on the principle of collective self-reliance will contribute to the strengthening of the respective national economic resilience as well as the regional economic resilience and solidarity of the ASEAN Plus Three Countries;

**REITERATING** the need to coordinate national rice stock policies, which take into account the policies of other ASEAN Plus Three Countries, in conformity with their institutional and constitutional requirements;

**AFFIRMING** the need for the implementation of the APTERR to be consistent with relevant internationally recognized rules and regulations such as those under the World Trade Organization (WTO) and United Nations Food and Agriculture Organization (FAO); and

**REAFFIRMING** the need for effective and concerted action to be taken by the ASEAN Plus Three Countries aimed at strengthening food security in the region;

**HAVE AGREED** as follows:

### **Article I Definitions**

For the purposes of this Agreement, the following definitions shall apply unless the context otherwise requires:

- a. **"APTERR"** means the ASEAN Plus Three Emergency Rice Reserve established under Article III;

- b. **"APTERR Party"** means a Government of an ASEAN Plus Three Country for which this Agreement is in force;
- c. **"Council"** means the APTERR Council established under Article VII;
- d. **"Earmarked emergency rice reserve"** means a certain quantity of rice, which is voluntarily designated in accordance with Paragraph 1 of Article IV, for the purpose of meeting emergency requirements of one or more APTERR Parties. Such earmarked quantities of rice constitute a component of the APTERR;
- e. **"Emergency"** means the state or condition in which an APTERR Party, due to extreme and unexpected calamity, is unable to cope with the state or condition through its national reserve and is unable to procure the needed supply of rice through normal trade;
- f. **"Secretariat"** means the APTERR Secretariat established under Article VIII; and
- g. **"Stockpiled emergency rice reserve"** means rice voluntarily donated to the APTERR in the form of cash fund and/or in-kind (rice), if necessary, through appropriate international organisations such as United Nations World Food Programme (WFP) and/or Non Governmental Organisations (NGOs). Such a stockpiled emergency rice reserve is used as an emergency stock to provide preparedness for an emergency situation, and constitutes another component of the APTERR. Stockpiled emergency rice reserve can be stored in storage of a donor country, prospective recipient countries, and/or host country which voluntarily stores the stockpiled emergency rice reserve.



## **Article II General Provisions**

1. The APTERR Parties agree that, where appropriate, food security needs to be dealt with from several aspects, especially through:

- a. the strengthening of the rice production base of the countries of the APTERR Parties;
- b. the prevention of post harvest losses of rice;
- c. the adoption of effective national rice stock policies and improved arrangements for meeting requirements of emergency rice supply;
- d. the promotion of stability of rice price;
- e. the adoption of policies and programmes for improving consumption and nutrition, particularly of the vulnerable groups within each of the countries of the APTERR Parties; and
- f. the promotion of labor opportunities especially in the rural areas and increasing the income particularly of the small rice farmers.

2. Nothing in this Agreement shall affect in any way the rights and obligations of the respective APTERR Parties based upon relevant existing and future treaties and other international agreements. In the event of conflict between provisions of this Agreement and provisions of the relevant treaties and other international agreements, the latter shall prevail to the extent of such a conflict.

3. This Agreement shall be implemented by the APTERR Parties in accordance with the respective national laws and regulations of their countries and within the limits of their respective annual budgetary appropriations.

### **Article III Establishment of APTERR**

1. The APTERR Parties agree:
  - a. to establish the APTERR for meeting emergency requirements and achieving humanitarian purposes; and
  - b. that all activities related to the APTERR shall not distort normal international trade of rice.
2. The APTERR shall consist of the regional rice reserve in the form of physical stocks comprising the earmarked emergency rice reserve and the stockpiled emergency rice reserve and also in other forms of reserve such as future contract or donations in cash or in kind.

### **Article IV Implementation**

1. Each APTERR Party shall earmark a certain quantity of rice based on each APTERR Party's voluntary decision, as set out in Attachment 1 to this Agreement. Once earmarked it shall be a commitment subject to periodic review by the Council, taking into account of the general food situation in the region and in the world.
2. The amount of the earmarked quantity for the APTERR Parties being the Governments of the ASEAN Member States is mobilized from rice pledged for the ASEAN Emergency Rice Reserve and shall cover the amount of the initial earmarked quantity provided for in Paragraph 3 of Article II of the Second Protocol to Amend the Agreement on the ASEAN Food Security Reserve.
3. The release of rice reserved in the APTERR and replenishment of the earmarked rice shall be implemented



in accordance with the rules and procedures to be set forth by the Council.

## **Article V Rice Information Exchange**

1. For the effective functioning of the undertakings contained in Article IV, the APTERR Parties agree to furnish to the Secretariat, referred to in Article VIII, on a regular basis, information on their policies and programmes for rice reserve as well as on food security and other aspects of the food supply and demand situation, in particular rice. The Secretariat shall circulate the said information to all APTERR Parties.

2. On the basis of such data collected, concise factual appraisals of the situation and outlook shall be prepared periodically and circulated to the APTERR Parties by the Secretariat.

3. The information or data made available pursuant to this Article shall be treated as confidential, if necessary or requested by an APTERR Party.

## **ARTICLE VI Establishment of APTERR Fund**

1. The APTERR Parties agree to establish a fund, which shall be managed by the Council referred to in Article VII in order to support the operation and activities of the APTERR under this Agreement, hereinafter referred to as the "APTERR Fund".

2. Each APTERR Party shall make contribution to the APTERR Fund comprised of the Endowment Fund and contribution to the operational cost to support the operation

and activities of the APTERR, as set out in Attachment 2 to this Agreement.

3. The Council shall adopt and approve the financial modality and management of the APTERR Fund.

## **Article VII APTERR Council**

1. The APTERR Parties agree to establish an APTERR Council.

2. The Council shall be composed of one representative from each APTERR Party, whereas the APTERR Secretariat, supported by the ASEAN Secretariat and the ASEAN Food Security Reserve Board Secretariat, shall serve and facilitate meetings of the Council.

3. Decision of the Council shall be made on the basis of consensus among members of the Council.

4. The Council shall be responsible for the operation of the APTERR in accordance with the Terms of Reference of the Council, as set out in Attachment 3 to this Agreement.

5. The APTERR Council shall be co-chaired by an APTERR Party from the ASEAN Member States and an APTERR Party from the Plus Three Countries by annual rotation in an alphabetical order.

6. The Council shall meet regularly at least once a year on any date to be determined by the Chairmen in consultation with members of the Council. The Chairmen may convene special meetings to discuss any urgent matters needing immediate resolutions.



7. Each APTERR Party shall identify an agency and a country coordinator to implement relevant policies and decisions taken by the Council.

### **Article VIII APTERR Secretariat**

1. The APTERR Parties agree to establish an APTERR Secretariat to carry out its functions and responsibilities, in accordance with the function and responsibilities of the APTERR Secretariat, to be adopted by the Council. The Secretariat shall be conferred with a legal personality as may be required for the exercise of its functions under the national laws of the host country of the Secretariat office. The Secretariat shall be headed by a General Manager to be appointed by the Council.

2. The location of the Secretariat office shall be decided by consensus by the APTERR Parties.

### **Article IX Dispute Settlement**

1. Any dispute between two or more APTERR Parties relating to the interpretation, application or implementation of this Agreement shall be settled through consultation between them, with a view to the settlement of the dispute by negotiation or by any other peaceful means as may be agreed upon by them.

2. If the disputing APTERR Parties are unable to achieve a peaceful settlement of the dispute pursuant to the procedure set forth in Paragraph 1 of this Article, any of APTERR Parties concerned may refer the dispute to the Council.

## **Article X Final Provisions**

1. This Agreement shall be open for signature and subject to ratification, acceptance or approval by the ASEAN Plus Three Countries.
2. The Instruments of ratification, acceptance or approval shall be deposited with the Depositary, referred to in Paragraph 7 of this Article, who shall promptly inform all signatory Governments of such deposit.
3. This Agreement shall enter into force on the thirtieth day after the date on which at least six ASEAN Member States and one Plus Three Country have deposited their instruments of ratification, acceptance or approval.
4. For each ASEAN Plus Three Country that ratifies, accepts or approves this Agreement after the conditions set out in Paragraph 3 of this Article for the entry into force have been fulfilled, this Agreement shall enter into force on the thirtieth day following the date of deposit of its instrument of ratification, acceptance or approval.
5. Any APTERR Party may propose amendments to this Agreement at any time by communicating in writing to the Secretariat who shall promptly notify the other APTERR Parties of the proposed amendments. Amendments to this Agreement shall be adopted by consensus of the APTERR Parties. Amendments involving new obligations for the APTERR Parties shall enter into force on the thirtieth day after the date of deposit with the Depositary, referred to in Paragraph 7 of this Article, of instruments of ratification, acceptance or approval of all APTERR Parties. Amendments not involving new obligations for the APTERR Parties shall enter into force for all APTERR Parties from the date of their adoption.



6. Attachments to this Agreement shall form an integral part of this Agreement. Modifications of attachments to this Agreement shall be proposed and adopted and enter into force in accordance with the procedure set forth in Paragraph 5 of this Article.

7. The Secretary-General of ASEAN shall be the Depository of this Agreement.

8. Each APTERR Party reserves the right to suspend temporarily, either in whole or in part, the implementation of this Agreement, for reasons of its essential national interests including national security, public order or public health. Any of such suspension or lifting of suspension shall be effective thirty days after written notifications have been received by the Secretariat.

9. Any APTERR Party may withdraw from this Agreement by giving written notification to the Depository referred to in Paragraph 7 of this Article. Such withdrawal shall take effect upon expiry of six months from the date on which the notification of withdrawal is received by the Depository. Such withdrawal shall be promptly notified to all APTERR Parties by the Depository.

10. No reservations may be made to this Agreement.

11. The original of this Agreement shall be deposited in the archives of the Depository referred to in Paragraph 7 of this Article. Duly certified copies of this Agreement shall be transmitted by the Depository to each of the Governments signatory to this Agreement.

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

**DONE** at Jakarta, Indonesia this Seventh Day of October in the year Two Thousand and Eleven in a single original in the English language.



## Attachment 1

### Earmarked Rice Quantity of Each ASEAN Plus Three Country

At the initial stage of operation, subject to the provisions of Paragraph 3 of Article II of this Agreement, the earmarked quantity of each ASEAN Plus Three Country for the APTERR is as follows:

Brunei Darussalam	:	3,000 MT
Cambodia	:	3,000 MT
Indonesia	:	12,000 MT
Lao PDR	:	3,000 MT
Malaysia	:	6,000 MT
Myanmar	:	14,000 MT
Philippines	:	12,000 MT
Singapore	:	5,000 MT
Thailand	:	15,000 MT
Viet Nam	:	14,000 MT
P.R. China	:	300,000 MT
Japan	:	250,000 MT
Republic of Korea	:	150,000 MT
Total		<b>787,000 MT</b>

**Attachment 2**

**Contribution to the APTERR Fund**

Subject to the provisions of Paragraph 3 of Article II of this Agreement, the capital contribution of the ASEAN Plus Three Countries for the Endowment Fund and the annual contribution of the ASEAN Plus Three Countries to the operational cost over the first five years are as follows:

**Table 1** Capital Contribution of ASEAN Plus Three Countries for Endowment Fund

<b>Plus Three Countries</b>		<b>(USD)</b>
1	<i>P.R. China</i>	1,000,000
2	<i>Japan</i>	1,000,000
3	<i>Republic of Korea</i>	1,000,000

<b>ASEAN Member States</b>		<b>(USD)</b>
1	<i>Brunei Darussalam</i>	107,500
2	<i>Indonesia</i>	107,500
3	<i>Malaysia</i>	107,500
4	<i>Philippines</i>	107,500
5	<i>Singapore</i>	107,500
6	<i>Thailand</i>	107,500
7	<i>Viet Nam</i>	107,500
8	<i>Cambodia</i>	83,000
9	<i>Lao PDR</i>	83,000
10	<i>Myanmar</i>	83,000

**Table 2** Annual Contribution of ASEAN Plus Three Countries to the Operational Cost over the First Five Years.

<b>Plus Three Countries</b>		<b>(USD)</b>
1	P.R. China	75,000
2	Japan	75,000
3	Republic of Korea	75,000



**ASEAN Member States**

**(USD)**

1	Brunei Darussalam	8,000
2	Indonesia	8,000
3	Malaysia	8,000
4	Philippines	8,000
5	Singapore	8,000
6	Thailand	8,000
7	Vietnam	8,000
8	Cambodia	6,000
9	Lao PDR	6,000
10	Myanmar	6,000

### **Attachment 3**

#### **Terms of Reference (TOR) of APTERR Council**

The Council established under Article VII of this Agreement shall have the following functions:

1. To adopt the rules and procedures of the Council and the functions and responsibilities of the Secretariat, including its management, and to decide on their modification, as the Council may deem necessary;
2. To adopt and approve the financial modality and management of the APTERR Fund;
3. To adopt a standard operating procedure (SOP) for the release of emergency rice reserve stocks and replenishment of the earmarked rice in accordance with Article III and Paragraph 3 of Article IV of this Agreement;
4. To approve an annual work plan and a budget plan of the APTERR;
5. To approve an annual report concerning the activities of the APTERR as well as other reports prepared by the Secretariat;
6. To report the APTERR activities, utilisation of the APTERR Fund and the emergency rice reserve stocks to the AMAF Plus Three through their Senior Officials' Meeting (SOM-AMAF Plus Three);
7. To supervise and coordinate the activities of the APTERR carried out by the Secretariat;
8. To settle the dispute referred by any of the APTERR Parties under Paragraph 2 of Article IX of this Agreement;
9. To select and appoint a General Manager from among the nationals of the ASEAN Plus Three Countries, and to prescribe the powers, duties, condition of service and term of the office of the General Manager;



10. To review the total amount of earmarked rice reserve under Paragraph 1 of Article IV of this Agreement;
11. To issue public statements on matters related to the APTERR operations; and
12. To perform such other functions as the Council may deem necessary to effectively implement and carry out the provisions of the APTERR Agreement.