



association cotonnière africaine
african cotton association

**CONSTITUTION OF THE
AFRICAN COTTON ASSOCIATION
(A.C.A)
(AMENDED VERSION)**

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PREAMBLE

The cotton sector provides income, jobs and currency for many African countries and constitutes a powerful industrialisation factor. It makes a significant contribution to the intensification and modernisation of agricultural production systems as well as to the professional structuring of the rural world. Therefore, cotton is an essential force for development in many countries across the continent.

- Whereas at the present time the sector is seriously threatened, and with it the economies of several African countries;
- Whereas African cotton-producing countries facing the challenge of globalisation must unite their efforts to safeguard, preserve and sustainably develop their production in an international economic environment rendered particularly difficult by the unfair subsidy policies implemented by certain cotton-growing countries.
- Aware that only through a formal framework for dialogue and action can they meet regularly to deal with cotton issues and practise greater solidarity in defending their interests,

The executive Steering of African cotton companies have agreed to found an international institution to strengthen relations between African cotton growers, processors and marketers and to support their sustainable development. Considering that, since the enactment of the Abuja Treaty in June 1991, regional economic communities had been set up, recognised by the African Union and responsible for defining the economic integration policies, it is deemed necessary to get organised accordingly in four regions (Northern, Western, Central, Southern and Eastern Zones). This framework for dialogue will also contribute to the development of mutually profitable relationships between cotton concerns in Africa and in the rest of the world.

Thus, following their meetings in Cotonou in June 2001 and in Abidjan in June 2002, cotton companies involved in the production and support for the production of unginned cotton, ginning and marketing of cotton fibre have expressed their will to found the African Cotton Association (A.C.A.) through their historic Abidjan Declaration.

In light of the foregoing, the following has been agreed to:

TITLE 1 – SPECIAL PROVISIONS

Article 1: Official name

The official name of the association is “**African Cotton Association -Association Cotonnière Africaine**” or **A.C.A** in shortened form, to be pronounced as separate letters.

It is governed by:

- The Law of 1st July 1901 on Contracts of Association in force in the Republic of Benin and its amendments or additions
- The present Constitution

Article 2: Purpose

The purpose of the A.C.A. is to:

- Bring together African professionals in the cotton sector and establish a framework for dialogue to enable them to deal with issues of common interest;
- gather, process and widely disseminate all information relating to the cotton trade among its members, African states and political and economic organisations;
- ensure compliance with and the inviolability of trade contracts freely established between the parties;
- defend African cotton industries against a global economic environment thrown out of balance by the unjust subsidies and barriers of certain cotton-growing countries;
- take part in the implementation of alliance strategies with other cotton-growing countries affected by unfair trade practices;
- organise dialogue, exchanges of experience and pooling of means, resources and expertise among cotton companies, especially in the areas of agricultural techniques, ginning, logistics and trade policies;
- ensure the implementation of and compliance with fair trade practices through the development of and compliance with a standard contract for Africa.

Article 3: Headquarters

The headquarters of the A.C.A. is established in Cotonou, Republic of Benin. It may be transferred to any other location upon a decision of the General Assembly.

Article 4: Lifetime

The lifetime of the Association is unlimited.

Article 5: Resources

The resources of the Association will be derived from:

- Application fees,
- membership dues,
- grants,
- income (from financial or real estate investments),
- gifts and requests,
- resources authorized by applicable legislation and regulations.

TITLE 2 - MEMBERSHIP

Article 6: Types of membership

The A.C.A. is made up of active members, affiliated members and corresponding members.

Active members are cotton companies exercising (or associations of cotton companies whose members regularly exercise) activities of production or support for the production of unginned cotton, ginning or marketing of cotton fibre within Africa.

Affiliated members are cotton growers' organisations, textile industry associations, and associations of cottonseed oil extractors.

Corresponding members are shipping and transit companies, banks, insurance firms, foreign cotton associations and international trading companies, and in general all persons or firms whose activities contribute to the development of the cotton industry.

Article 7: Membership requirements

To join the association, membership candidates must submit a written application to the Steering Committee, be sponsored by at least two active members, and pay an application fee and all membership dues for the remaining portion of the year.

Admission of candidates fulfilling these requirements into the A.C.A. shall be decided by the General Assembly upon nomination by the Steering Committee.

Article 8: Termination of membership

Membership may be terminated by:

- resignation,
- striking off,
- death, in the case of persons,
- loss of legal capacity, in the case of firms or associations.

TITLE 3 – GOVERNING BODIES

The governing bodies of the Association are the General Assembly and the Steering Committee.

III-1: General Assembly

Article 9: Definition – Meetings of the General Assembly

The General Assembly is made up of all the members of the Association. Its decisions are binding upon all members.

The General Assembly may meet in an ordinary or special session. The meetings are called and chaired by the Chairman of the Association.

An Ordinary Meeting of the General Assembly shall be called by the Chairman at least once a year. However, the meeting of the General Assembly that deals with the annual accounts must be held within three (03) months following the close of the financial year.

Special meetings of the General Assembly may be called under emergency conditions, by the Chairman with the approval of the Steering Committee, or upon a written request by at least one fifth of the active members submitted to the secretariat of the Association; in the latter case, the meeting must be held within thirty (30) days following the filing of the application with the secretariat.

For all meetings of the General Assembly, notice shall be given at least thirty (30) days in advance by registered letter with acknowledgement of receipt or any other method that provides proof of receipt. Meeting notices must include the date, the place and the agenda of the meeting.

All ordinary meetings of the General Assembly may be held with a quorum of at least 51% of the members of the Association. If the quorum is not present, the meeting is called again, at a date at least fifteen days later. At this second meeting, the proceedings shall be considered valid whatever the number of members present or represented.

Members of the Association may be represented at meetings of the General Assembly, by giving a written proxy to another member. No member may hold more than two (02) proxies.

The proceedings of the Assembly are recorded by the Rapporteur on a register that will be signed by the members of the Steering Committee in attendance at the meeting. These minutes shall include a record of the number of members present or represented.

Article 10: Powers of the General Assembly in Ordinary Meetings

The General Assembly in Ordinary Meetings shall:

- ❖ elect the members of the Steering Committee;
- ❖ have the power to approve the report on the proceedings of the Steering Committee and the fiscal accounts of the Association;
- ❖ adopt the annual activity programme of the Association;
- ❖ appoint one or more Auditors;
- ❖ have decision-making power concerning the hiring of the Permanent Secretary and all issues pertaining to the running of the Association;
- ❖ have the power to authorise the Steering Committee and the Chairman to carry out any actions in keeping with the purpose of the Association for which the powers vested in them by the constitution are not sufficient;
- ❖ approve the annual budget and set the rate of membership dues;
- ❖ deliberate on the sanctions put forward by the Steering Committee.

All the decisions of the General Assembly in Ordinary Meetings shall be taken by open vote, based on a simple majority of the members present or represented. A secret vote may be requested by the Steering Committee or by one quarter of the members present or represented.

Article 11: Powers of the General Assembly in Special Meetings

The General Assembly in Special Meetings shall:

- ❖ have the power to rule on all urgent matters submitted to it,
- ❖ make any amendments to the Constitution,
- ❖ pronounce the dissolution of the Association or its fusion with any other association pursuing a similar purpose or its affiliation with any union of associations.

The proceedings of the General Assembly meeting in special sessions shall be considered valid with a quorum of at least two thirds of its members present or represented. If the quorum is not present, a new meeting of the Assembly shall be called, at least fifteen days later. Upon this date, the proceedings shall be deemed valid whatever the number of members present or represented.

All the decisions of the General Assembly in Special Meetings shall be taken by open vote, based on a majority of two thirds of the members present or represented. A secret vote may be requested by the Steering Committee or by one quarter of the members present or represented.

III-2: The Steering Committee

Article 12: Membership and term

The Association shall be administered by a Steering Committee made up of persons elected by the General Assembly among the active members of the Association. The number of members of the Steering Committee shall be determined by the rules of procedure based on the number of members in the Association.

Former Chairmen of the Association are honorary Members of the Steering Committee.

If the number of members of the Steering Committee falls below the required minimum of ten (10), the remaining members must immediately call an Ordinary Meeting of the General Assembly in order to bring the membership of the Steering Committee up to full strength.

Members of the Steering Committee shall be elected for two years; they are re-eligible. The Chairman shall be elected for a non-renewable two-year term. The Steering Committee shall be renewable by half at a time.

The Steering Committee shall be assisted by a Permanent Secretariat whose responsibilities are set out in the Rules and Regulations. Members of the Steering Committee shall be bound to respect the discipline rules provided for in the Rules and Regulations. Failure to do so shall expose them, as Members of the Steering Committee, to the sanctions provided for therein.

Article 13: Powers of the Steering Committee

The Steering Committee shall be vested with the broadest powers to authorise any actions that are not within the province of the General Assembly.

It shall decide on all admissions and on the striking off of members of the Association, although such decisions must be submitted to the next meeting of the General Assembly for ratification.

Article 14: Meetings of the Steering Committee

The Steering Committee shall meet at least once every six months. Its meetings shall be called by its Chairman or upon request by at least one quarter of its members.

Its proceedings shall be considered valid with a quorum of 51%.

Its decisions shall be taken by simple majority. In the event of a split vote, the Chairman shall cast the deciding vote.

Article 15: The Executive

The Steering Committee shall elect an executive from among its members, made up of a Chairman, four Deputy Chairmen, representing the four cotton-producing regions of the continent (Northern African Region, Western African Region, Central African Region, and Eastern/Southern African Region), a Rapporteur and a Treasurer.

The Chairman's mandate is for a non-renewable term of two years.

When the mandate of the Chairman expires, the 1st Deputy Chairman succeeds him automatically, while the other Deputy Chairmen succeed each other by order of precedence, leading to the nomination of a new 4th Deputy Chairman.

Similarly, when a Deputy Chairman vacate his office, for one reason or another, the next Deputy Chairman, by order of precedence, succeeds him automatically. Consequently, the

position of the fourth Deputy Chairman to become vacant shall have to be filled by the Steering Committee,

The Chairman of the Steering Committee shall be the Chairman of the Association.

The Chairman calls and presides over the meetings of the Steering Committee and the General Assembly. He represents the Association in of its actions and is vested with full powers to this purpose.

In the event of his unavailability, he shall be replaced by one of the Deputy Chairmen.

The powers, duties and functions of the other members are defined in the rules of procedure.

TITLE 4 – GENERAL PROVISIONS

Article 16: Accounting Year

The financial year shall start on 1st January and close on 31st December of each year.

Article 17: Accounts

Regular accounting books shall be kept and shall record, on an annual basis, all financial operations executed under the authority of the Steering Committee and in keeping with the rules applicable in the head office's host country.

Accounts shall be audited at least once in a fiscal year.

The General Assembly shall appoint one or more accredited Auditors in an Ordinary Meeting.

Article 18: Dissolution

The dissolution of the Association shall be declared by the Extraordinary General Assembly.

Article 19: Liquidation

In the event of dissolution, the Extraordinary General Assembly shall deliberate on the devolution of the Association's assets.

The Extraordinary General Assembly shall nominate non profit-making bodies or associations that could benefit from the assets after the settlement of the Association's liabilities and payment of liquidation charges if any.

It shall appoint one or several liquidators.

Article 20: Disputes

All disputes within the Association should be settled out of court, failing which the competent jurisdiction is that of the headquarters of the Association.

TITLE 5 – FINAL PROVISIONS

Article 21: Declaration

All powers are vested in the bearer of the present Constitution to complete all the necessary formalities for the registration of the association.

Article 22: Rules of Procedure

The Rules of Procedure supplement and clarify the provisions of the present Constitution. They shall be binding upon the members with the same force as the Constitution.

Article 23: Effective date

The present constitution enters into force upon its adoption by the General Assembly in its statutory meeting.

Adopted in Yaoundé, March 12th, 2002

The General Assembly