



ICE Futures U.S.

February 16, 2023

NOTICE OF POTENTIAL AMENDMENTS TO THE COFFEE “C”[®] FUTURES CONTRACT IN RESPONSE TO NEW EUROPEAN UNION REGULATIONS OF CERTAIN COMMODITIES ASSOCIATED WITH DEFORESTATION AND DEGRADATION

Market Participants trading the Coffee “C” futures contract are advised that an agreement was reached at the end of December 2022 among European Union legislators regarding the [final proposed text](#) of EU Regulation 2021/0366(COD) (“Regulation”). The Regulation will set forth standards within the EU for the import, export and trade of certain commodities and products, including arabica coffee, which are associated with deforestation and forest degradation. Following formal adoption, the Regulation is expected to become effective near the end of Q2 2023; and includes an 18-month transition period, which means that the Regulation is likely to become applicable in Q4 2024.

The Ports of Hamburg/Bremen, Antwerp and Barcelona are eligible delivery points within the EU for the Coffee “C” futures contract. The Exchange anticipates that arabica coffee delivered against Coffee “C” futures contracts in those ports is likely to fall within the scope of the Regulation. Although the exact date for when the Regulation becomes applicable is yet to be determined, the Exchange anticipates that the first delivery month affected could be the December 2024 Coffee “C” futures contract.

The Exchange is in the process of reviewing the final proposed text and may introduce requirements for coffee delivered within the above referenced ports to include proof of compliance with the Regulation.¹ Consequently, participants planning to trade, or to make or take delivery against, any contract months affected by the entry into force of the Regulation, should consider the likely impact of the Regulation and any related rule changes that the Exchange might introduce. Any questions should be directed to Tim Barry, as provided below.

FOR MORE INFORMATION

Tim Barry
Tim.barry@ice.com
(212) 748-4096

¹ Amendments to the terms and conditions of the Coffee “C” futures contract are subject to review and approval by the Exchange’s Board of Directors and are subject to regulatory review by the U.S. Commodity Futures Trading Commission.

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