

INFORMATION

COOPERATION AND DEVELOPMENT

EEC/TUNISIA COOPERATION AGREEMENT

162/77 E

- I. SUMMARY
- II. INTERIM AGREEMENT
- III. TRADE MEASURES
- IV. ECONOMIC COOPERATION
- V. TECHNICAL AND FINANCIAL COOPERATION
- VI. LABOUR BENEFITS
- VII. INSTITUTIONS

ANNEX
CONTENTS

526/X/77 E -

Free reproduction authorised, with or without indication of source.
Voucher copies would be appreciated. - 9.77

I. EEC/TUNISIA COOPERATION AGREEMENT

SUMMARY

The main object of the agreement between Tunisia and the EEC signed in Tunis on 25 April 1976 is to establish a wide area of cooperation between the two sides and contribute to Tunisia's economic and social development. The agreement covers the whole area of cooperation. This includes not only trade, economic, and technical cooperation, but also social policy and financial aid totalling 95 million European units of account (1 EUA = 2.1 Dinars). (1).

Because the agreement is for an unlimited period, there is a stable contractual framework for making long term planning decisions. Projects giving far reaching benefits, e.g., investment in basic infrastructure such as roads and power supplies, as well as measures to open up the Community market to Tunisian exports, can be implemented.

The agreement is also dynamic in the sense that it is capable of continuous improvement based on the principle of interdependence, equality, and joint management. It is managed by a Cooperation Council, a Cooperation Committee, and specialist committees as required. A timetable is laid down for examining the results of the agreement and introducing improvements. The first review will take place in 1978 and the second in 1983.

II. INTERIM AGREEMENT

On July 1, 1976, an interim agreement between Tunisia and the EEC came into force. It will bridge the gap between the signing of the cooperation agreement and its ratification by the parliaments of Tunisia and the Nine Member States. This process will probably not be completed before 1978 (Tunisia has already ratified the agreement). Ratification is necessary because the agreement contains financial provisions.

The interim agreement enables the trade section of the cooperation agreement to be implemented from 1 July 1976. This means that most Tunisian agricultural exports to the Community now benefit from substantial tariff concessions. With the temporary exception of a few sensitive items, all Tunisian industrial and raw material exports (including those covered by the European Coal and Steel Community) enjoy free access to the Community market.

At the same time, preparations are under way so that implementation of economic, financial and technical aid can start as soon as the agreement is ratified.

(1) For copies of the EEC/Tunisia Cooperation Agreement (s/732/76 TU15), apply to DG X (Directorate General for Information) at the European Commission in Brussels

III. TRADE MEASURES

Object

The object of the trade measures, according to article 8 of the agreement, is to "promote trade between the contracting parties... ensure a better balance in their trade, with a view to increasing the rate of growth of Tunisia's trade, and improving the conditions of access for its products to the Community market".

The trade measures, covering both agricultural and industrial goods, took effect from 1 July 1976 under the terms of an interim agreement.

Coverage

The measures apply to all products originating in Tunisia with the exceptions of certain products covered by the Common Agricultural Policy (CAP).

The origin of products has to be proved by certificates of origin. There are special rules concerning the definition of the origin of products not wholly obtained in Tunisia (see separate section).

With three exceptions, products originating in Tunisia and not included in the Common Agricultural Policy (CAP) shall, according to article 9, "be imported into the Community free of quantitative restrictions and measures having equivalent effect, and of customs duties and charges having equivalent effect". In other words, they will enjoy free access meaning zero tariffs and no quantitative restrictions.

Where the customs duties consist of a protective and a fiscal element, the reductions shall apply only to the protective element. This means that EEC member states can continue to use customs duties as a source of revenue but not as a means of protecting their industries from Tunisian competition. The United Kingdom, however, will replace the fiscal element of the customs duties by an internal tax, e.g., excise duty or V.A.T.

A. INDUSTRIAL PRODUCTS

Under the terms of the agreement, Tunisian Industrial Products can enter the Community both duty free and quota free. There are only three exceptions to this general rule - cork products, petroleum products, and motor vehicles; but the last named is not of current practical significance.

Cork and Petroleum Products

Annual ceilings on the level of imports of cork and petroleum products will be applied until 31 December 1979.

The ceilings for the first year ending 30 June 1977 are :

- <u>CORF</u> : 900 tonnes divides as follows :	<u>Import Duties</u>
- 50 tonnes of natural cork in blocks, plates, sheets, or strips (CCT no 45.02)	8%
- 50 tonnes of natural cork articles (CCT no. 45.03)	16%
- 800 tonnes of agglomerated cork (CCT no. 45.04)	16%
- <u>PETROLEUM PRODUCTS</u> : 175,000 tonnes, products covered are:	
- petroleum oils (CCT no. 27.10)	<u>Import Duties</u>
- petroleum gases (CCT no. 27.11)	
- petroleum jelly (CCT no. 27.12)	2 - 17.5% depending upon category of products
- paraffin wax (CCT no. 27.13)	
- petroleum bitumen (CCT no. 27.14)	

The ceilings on cork imports will be increased by 3% annually and on petroleum products and paraffin wax by 5%.

After 1 July 1977, the Cooperation Council (see page 38) shall examine whether the ceilings on cork imports can be raised by a greater annual percentage.

When the Community has imported 75% of the annual quota for a given product, it shall inform the Cooperation Council.

The EEC may change the arrangements for petroleum products in the aforementioned list, but consultations must first be held in the Cooperation Council. In no circumstances can the advantages given these products be reduced. Changes may take place when :

- A common definition of origin for petroleum products is adopted
- A common commercial policy is modified
- A common energy policy is created.

Motor vehicles

The Irish motor vehicle and assembly industry enjoys special protection until 1 January 1985 through Protocol no. 7 in the 1973 Accession Treaty. The measures apply to any possible Tunisian exports of motor vehicles or components to Ireland.

Processed Agricultural Products

The fixed element of charges levied on the following processed agricultural products is removed by the variable element is still applied (article 14). For a list of the products concerned, see Annex A.

B. AGRICULTURAL PRODUCTS

GENERAL

Under the 1976 Cooperation Agreement, more than 80% of Tunisian agricultural exports to the Community enjoy tariff concession ranging from 20-100% of the standard EEC Common Customs Tariff (CCT). Most of these represent an improvement on the 1969 agreement.

Tunisia thus enjoys privileged access to the Community market for its main products. The other two Maghreb countries enjoy similar concessions. Other Mediterranean countries also enjoy agricultural trade benefits under the Community's global Mediterranean approach, e.g., the Mashreq countries.

French Market

In addition to the Community's concessions, Tunisia continues to enjoy privileged access to the French market until 1 January 1979. (For details, see French Official Journal of 8.9.76). These advantages cover some products in the EEC-Tunisia Agreement as well as the 20% which are excluded. The Tunisian exporters have been given 2 1/2 years from the date of entry into force of the interim agreement to redistribute their exports more evenly throughout the Community.

Safeguards

Because the concessions cover some highly sensitive agricultural products, they are subject to certain safeguards in order to protect the interests of Community producers. The sensitive products are those produced in the Community, e.g., wine and olive oil, which directly compete with products from Tunisia. They are often in surplus or have a difficult market situation.

- Respect of the measures of the Community's Common Agricultural Policy (CAP). This means respecting Community reference prices for fruit and vegetables, levies on potatoes etc.
- Quotas : restricting the preference on the annual amounts of imports of certain products.
- Import calendars : giving tariff reductions only during certain periods of the year.
- Safeguard clause : protecting the interests of Community producers in the event of market disruption.
- Rules of origin : ensuring that imports originate from the beneficiary country or from the other two Maghreb countries having Cooperation Agreements with the EEC (see section C for more details).

KEY PRODUCTS

Measures in the Cooperation Agreement affecting Tunisia's key farm exports are explained below :

OLIVE OIL

Tunisia is the world's largest olive oil exporter. In the 1975-1976 season (November 1 - October 31) exports to the EEC totalled 22,639 hectolitres (hl). This was a significant drop on the 1974-1975 and 1973-1974 figures of 33,139 hl. and 57,364 hl. respectively. Despite attempts at diversification, olive oil exports still account for half the total value of Tunisian agricultural exports.

Under the agreement (article 16), the EEC has reduced the levy on unrefined oil (CCT subheading 15.07 A II) by :

- 0.5 unites of account per 100 kilogrammes (this is a trade advantage and is the same as that offered Greece)
- 20.0 unites of account per 100 kilogrammes (this is an economic advantage and consists of two parts of 10 u.a./100 kg. (1).

Refined Olive Oil (CCT subheading 15.07 A1) is treated slightly differently. Protection consists of a fixed element and a variable element which is published regularly in the Official Journal. Tunisian exports to the Community are exempt from the fixed element.

These reductions only apply to olive oil entirely produced in Tunisia and transported directly to the Community. They came into force the same time as the interim agreement (17.76). The levies are published periodically in the Official Journal of the EEC.

In return, the Tunisian authorities must apply an export tax at least equal to the economic advantage (currently 20 u.a./100 kg). It must be fully reflected in the price offered to the Community. If not, the Tunisian exporters only benefit from the trade advantage of 0.5 u.a./100 kg.

As regards customs formalities, the EEC importer of Tunisian olive oil must demand an import certificate proving that the olive oil originated in Tunisia. If the importer pays the Tunisian exporter (Tunisian national export office) a price which includes the tax (20 u.a./100 kg) then he can benefit from the reduced levies as published in the Official Journal of the EEC. Proof that the price including the export tax, has been paid is provided by a bank certificate.

(1) The first part has been doubled from the 5 u.a./100 kg in the 1969 Agreement. The second part can be revised annually to take into account the situation of the international olive oil market. The first revision will take place on 31 October 1977. This arrangement was agreed upon in an exchange of letters (see Annex B of the Agreement) and takes into account the importance of olive oil to Tunisia. It is also designed to encourage better production

WINE

Wine is an important Tunisian agricultural export to the Community. In 1976 exports to the Community amounted to 177,830 hectolitres, a big drop on the 1975 figure of 404,787 hl. In 1976, Tunisia exported slightly less wine to the Community than Morocco but considerably less than Algeria (290,000 hect.).

Under the Cooperation Agreement, Tunisian wine made from fresh grapes (CCT no. ex. 22.05) enjoys an 80% tariff reduction. This is provided that Community reference prices are observed, bearing in mind the monetary compensatory amounts (1) (published regularly in the Official Journal). The import price of wine plus the customs duty levied and the monetary compensatory amounts must not be less than the Community reference price.

Quality Wines

Quality wines are defined as those entitled to a designation of origin under Tunisian law. They are exempted from Community customs duties up to an annual quota of 50,000 hl.

However, pending the necessary Tunisian legislation and an exchange of letter specifying which wines are involved, Tunisian quality wines will continue to pay the same rate of duty as ordinary table wine.

All quality wine must normally be imported in containers of not more than 2 litres capacity. However, in the first year of application of this concession 20,000 hl. of quality wine may be imported in bulk. In the second year a further 19,000 hl. may be imported in bulk.

The Tunisian authorities are responsible for checking the identity and quality of their wine as well as the issue of certificates of the designation of origin (see Annex D).

FRUIT AND FRESH VEGETABLES

Under the agreement tariff concessions vary from 30-60% for a wide range of fruit and fresh vegetables. Often these concessions are limited by calendars covering off-season periods in the Community.

POTATOES

Under the agreement, imports of new potatoes (CCT no. 07.01 A 11 ex. a) from Tunisia enjoy a 40% tariff reduction between a period lasting from January 1 to March 31.

When a common regulation for potatoes is introduced, the concession will be increased to 50% and the calendar extended two weeks to April 15.

CITRUS FRUIT

Although the size of the EEC's citrus fruit trade with Tunisia is not so great as that with Algeria and Morocco, the Community still takes 96% of Tunisian orange exports.

In fact, the Community is only 45% self-sufficient in citrus fruit (oranges, mandarines, clementines, and similar citrus hybrids, lemons and grapefruit CCT no. 8.02)

A tariff reduction of 80% is granted on imports of Tunisian citrus fruit into the Community in the agreement. It should be pointed out that this does not yet apply to lemon imports.

(1) See EEC Reg. no. 2964/76 of OJ L.338 of 7.12.76.

SARDINES

Compared with Morocco, sardines are only of marginal importance to Tunisia.

The measures relating to sardines (article 18) will not be applied until an exchange of letters between the EEC and Tunisia has put them into force. Before this can take place, a common import regime must be agreed upon.

In the meantime, the arrangements based on the 1969 Agreement (annex 2), which have been renewed automatically by the EEC since 1972, continue to apply. The current extension expires on 31 December 1977.

Import regimes for prepared and preserved sardines of the Nine Member States are as follows :

France	zero tariff
Benelux	zero tariff
Germany	12.5% customs duty on imports up to 1,000 tonnes
Italy	12.5% customs duty on imports up to 500 tonnes
United Kingdom	10% customs duty
Ireland	9% customs duty
Denmark	40 øre/kg. (3 BF approx.).

N.B. The German and Italian quotas can be raised by 30% annually.

After an exchange of letters between Tunisia and the EEC, Tunisian tinned sardines may be imported duty free into the Community provided they respect the Community's minimum prices.

Minimum prices have been fixed for the period from 1 July 1976 to 30 June 1978. After this date, they should be updated by an annual exchange of letters between the EEC and Tunisia.

TOMATO CONCENTRATE AND FRUIT SALAD

Imports of tomato concentrates originating in Tunisia (CCT no. 20.02) may enjoy a tariff reduction of 30% (article 19), provided that the Tunisians agree in an exchange of letters to voluntarily limit their exports. They have not so far agreed to do this, so tomato concentrates pay the full rate of duty.

On the other hand, imports of tinned fruit salad (CCT no. 20.06) originating in Tunisia enjoy a tariff reduction of 55% provided they do not exceed 100 tonnes annually. An exchange of letter of 18 January 1977, published in the Official Journal on January 27, formally fixed the arrangements for 1977.

APRICOT PULP

EEC customs duties on imports of apricot pulp (CCT no. 20.06) are reduced by 30% within an annual tariff quota of 4,300 tonnes (article 21).

Common Customs Tariff heading no.	Description
20.06	Fruit otherwise prepared or preserved, whether or not containing added sugar or spirit : B. Other : II. Not containing added spirit : c) Not containing added sugar, in immediate packings of a net capacity : 1. Of 4.5 kg. or more : ex aa) Apricots : - Apricot pulp

The quota is divided into two sections as follows:(1)

The first section of 2,840 tonnes forming 66% of the total annual quota is divided among member states as follows. It is applicable until 31 December 1977.

Germany	280 tonnes
Benelux	280 tonnes
Denmark	140 tonnes
France	1,760 tonnes
Ireland	100 tonnes
Italy	140 tonnes
United Kingdom	140 tonnes

The second section of 1,460 tonnes constitutes the Community's reserve and can be drawn upon when individual member states exhaust their initial quota.

On the other hand, if a member state still has more than 20% of its original quota left by 15 September 1977, it must put the surplus into the Community reserve. This will help ensure that the Community quota is fully utilised.

(1) EEC Reg. no. 3049 published in OJ no. L.350

BRANS AND SHARPS

The same system is used for brans and sharps (CCT no. 23.02 A II) as for olive oil except that the levy is calculated in percentage terms. There is a reduction of 60% of the variable component of the levy provided that Tunisia applies an equivalent tax on its exports.

Unlike olive oil, there is no centralised marketing system for brans and sharps. The levies are calculated on a quarterly basis, e.g., 1 May - 31 July and are published in the Official Journal (OJ) by the 10th of the month before the date of application (e.g., 10 April in the above case).

NEW EEC MEMBERS

The United Kingdom, Ireland, and Denmark have until the end of the transitional period on 31 June 1977 to align their customs duties with those of the rest of the Community. In the case of fruit and vegetables, the deadline is 31 December 1977.

C. RULES OF ORIGIN FOR TUNISIAN GOODS

GENERAL RULE

Under article 9 of the EEC/Tunisia agreement, products originating in Tunisia and not covered by the EEC's Common Agricultural Policy enjoy duty free access to the Community (see page A.1).

DEFINITION OF "ORIGINATING PRODUCTS" (PROTOCOL NO. 2 OF EEC/TUNISIA AGREEMENT)

In 34 articles and 9 annexes, Protocol no. 2 defines the concept of "originating products" as well as the methods to administrate these rules (1).

The Main Rules Are :

1. Products are considered "wholly obtained" in Tunisia if they are :
 - a) Minerals extracted from Tunisian soil or seabed
 - b) Vegetables harvested in Tunisia
 - c) Animals born and raised in Tunisia
 - d) Products from livestock born and raised in Tunisia
 - e) Products obtained from hunting or fishing in Tunisia

(1) For complete text, see EEC/Tunisia Cooperation Agreement S/732/76 (TU 15) available in all official languages of the Community

- f) Products of sea fishing carried out in "their" vessels
(As defined in Annex 1 of Protocol no. 2)
- g) Products made aboard their factory ships from products mentioned under f)
- h) Used articles collected there and fit only for the recovery of raw materials
- i) Waste and scrap resulting from manufacturing operations conducted in Tunisia
- j) Goods exclusively produced in Tunisia from products mentioned above (a-i).

Products Not Wholly Obtained in Tunisia :

This covers products produced in Tunisia partly from components originating from third countries.

Such products are not considered as originating in Tunisia unless the components have undergone "sufficient" working or processing.

"Sufficient" working or processing is defined as :

- where there is a change in tariff heading except those products in list A which have their own special provisions.

Products in list A are those which change tariff heading, but are still not classified as "originating", e.g., finished products such as photographic film.

Products are not classified as originating unless :

- extra conditions are fulfilled, e.g., manufacture of paperboard from paper pulp produced in Tunisia.
- limits on the share of components from third countries are respected.
- two stages of processing have taken place, e.g., weaving and confection of fabrics imported from a third country.
- a certain amount of originating products have been used.

List B - where the status of "originating products" is awarded even though there is no change in tariff heading.

The necessary conditions are :

- percentage of local products
- description of processing involved
- as regards boilers, machinery, and mechanical appliances, components imported from third countries may not comprise more than 5% of the value of the finished product.

In the following cases, the working or processing is judged insufficient to confer the status of "originating product" (art. 3 para. 3a-h of Protocol no. 2).

- a) methods of preserving goods, e.g., by chilling or drying
- b) simple operations such as dusting, sorting, washing, painting
- c) changes of packaging and breaking up and assembly of consignments as well as simple packing in bottles, bags, and boxes
- d) fixing of marks and labels on products or their packaging
- e) simple mixing of products if one of the products is originating in Tunisia, Morocco, or Algeria
- f) simple assembly of parts of articles to form a complete article
- g) a combination of two or more operations mentioned above (a-f)
- h) slaughter of animals.

OTHER IMPORTANT PROVISIONS

- Originating products transported directly between Tunisia, Algeria, Morocco, or the Community shall be considered as transported directly from Tunisia to the Community or vice versa (see Article 5 of Protocol no. 2).
- Working or processing carried out in the EEC or in Morocco, or Algeria will be considered as made in Tunisia given certain transport conditions (see Article 5 of Protocol no. 2)
- Products obtained in Tunisia applying the measures described above will be considered as originating in Tunisia if the last working or processing took place in Tunisia and on condition that all the conditions of the definition of origin have been met (see the derogation in Art. 1, para. 4) concerning products from one or more of the following countries : Morocco, Algeria, and the EEC member states.
- Certain products shown in List C (Annex 4 of Protocol no. 2) are temporarily excluded from the application of Protocol no. 2. They concern mainly mineral oils, hydrocarbons, and lubricants (headings no. "ex 27.07", "27.09", to "27.16", "ex 29.01", "ex 34.03", "ex 34.04", "ex. 34.16" of the EEC Common Customs Tariff).

The protocol also defines the criteria for products originating from the Community. They are the same as those outlined in points 1 and 2 above. As regards Tunisian products which have received preliminary processing before being exported to the Community for further processing, these shall be considered as originating in the Community provided a sufficient amount of processing has taken place before re-export.

The following products in list C of Annex 4 are excluded from the protocol. They are :

- aromatic and mineral oils, hydrocarbon for use as power or heating fuels, lubricating preparations, paraffin based waxes and prepared additives for lubricants.

Administrative Cooperation

- Protocol 2, Title II defines the methods for implementing the rules of origin.

Certificates of Origin :

Proof that a product originates from Tunisia or the EEC is provided by a "movement certificate EUR 1" a copy of which is shown in the annex.

- As regards originating products worth less than 1,000 units of account sent by post (including parcel post) the form "EUR 2" is needed.
- A translation may sometimes be required of import certificates.

D. TUNISIAN IMPORT REGIME

MFN TREATMENT (Article 26)

Community exports to Tunisia for only 3% of its total world exports. Under the Cooperation Agreement, Tunisia is not obliged to make reciprocal trade concessions to the EEC. Instead, it will grant the Community most-favoured-nation treatment (MFN). This means that Tunisia will extend to the Nine any favourable trading terms offered in subsequent agreements to third parties. The only exceptions are Tunisian moves to form a customs union, e.g., with Algeria, and Morocco, or a free trade area with other countries.

In order to meet its own industrialisation and development requirements, Tunisia may introduce new customs duties or quotas on Community exports. Alternatively, it may increase existing duties and quotas. Consultations will take place in the Cooperation Council before such measures are applied. In no case can quotas discriminate among EEC Member States.

ANTI-DUMPING PROCEDURE (Article 35)

Should either Tunisia or the Community find that dumping is taking place in their trade with each other, then it can take action under Article VI of the General Agreement on Tariffs and Trade. Similar action can be taken against bounties or subsidies (Article 35).

However, the matter must first be brought up in the Cooperation Council. All necessary trade information must be provided so that the matter can be thoroughly examined. Any proposed safeguard measures must first be discussed in the Council. Such measures must disturb the functioning of the agreement as little as possible, and be withdrawn as soon as circumstances permit.

Similar safeguard measures can be taken against imports by Tunisia or one or more member states of the Community in the event of balance of payment difficulties.

IV. ECONOMIC COOPERATION

The aim of the Tunisia/EEC Agreement is to promote the economic and social development of Tunisia through economic, technical, and financial cooperation. These efforts should complement those already being undertaken by the Tunisian government as expressed in its development plans and programmes. They should also give importance to regional projects.

Types of cooperation

Cooperation between Tunisia and the EEC can take the following forms (article 4).

- Development of economic infrastructure, e.g., water and power supplies, communications, aimed at promoting industrialisation and diversification of the economy away from agriculture.
- Industrial Cooperation : The Community can help in several ways in the industrialisation of Tunisia.
 - . Participation in Tunisia's industrial development programmes
 - . Promoting contacts between Tunisia and Community Industrial policy makers in both the public and private sectors
 - . Speed up the transfer of technology through the purchase of patents, licenses, etc. on favourable terms
 - . Removal of non-tariff barriers such as packaging, health and safety regulations impeding exports to either market
 - . Marketing and sales promotion of Tunisian exports, e.g., trade fairs and exhibitions, increased advertising courses for sales trainees
 - . Cooperation in the fields of science, technology and the protection of the environment
 - . EEC assistance in the exploration, production, and processing of Tunisia's energy resources on the spot
 - . Cooperation in the fisheries sector. This could involve help in modernising the Tunisian fishing fleet or in setting up canning factories

- . Encouragement of private investment through political and economic guarantees against nationalisation, tax rebates, repatriation allowances, etc.
- . Exchange of economic and financial information and trends.

The Cooperation Council is responsible for defining the various methods of cooperation outlined above and supervising their implementation.

Where Community financing is provided, this shall be in accordance with Protocol no. 1 on technical and financial cooperation.

Cooperation Guidelines

In order to speed up the commitment of Community aid, it was agreed that aid programmes should be drawn up without waiting for the agreement to be ratified. Accordingly, a Community fact-finding mission visited Tunisia in the autumn of 1976 to study the economic situation and discuss the country's development needs with the Tunisian authorities.

A report was drawn up and in March 1977, the Commission sent a communication to the Council of Ministers proposing guidelines for economic technical, and financial cooperation with Tunisia. After the Nine have adopted the guidelines, they will be submitted to the EEC/Tunisia Joint Committee. The Commission hopes this will be done by 1 July 1977 which is when the present interim agreement expires.

General Objectives

The general objectives can be summarised as follows :

- Development and modernisation of Tunisian industry so as to increase the number of jobs and improve productivity
- Expansion of agricultural production so as to increase food self-sufficiency
- Development of basic infrastructure so as to reduce economic bottlenecks. Expansion of professional training and research programmes
- Closer contacts between European and Tunisian businessmen so as to encourage the transfer of technology and capital investment.

The Commission suggests that financial and technical cooperation should complement the various forms of economic cooperation laid down in the agreement, e.g., industrial cooperation, marketing, and sales promotion. It is hoped that Community participation in projects will act as a catalyst attracting the support of other financial backers. This would take the form of triangular cooperation, e.g., Tunisian projects, OPEC capital, and Community know-how.

Sectorial Objectives

The Commission proposes objectives for Industry, Agriculture, Basic Infrastructure, Training, and Technical Assistance.

1. Industry

- Increased production of primary products at competitive prices so as to substitute for imports
- Increased local processing of raw material for export, e.g., phosphates
- Development of small and medium-sized firms.

2. Agriculture

- Greater self-sufficiency in food by increased production of cereals, sugar, and livestock products.

3. Basic Infrastructure

- The emphasis here is on energy and communications infrastructure, e.g., electricity, and roads, serving the needs of industry and agriculture.

4. Training and Technical Assistance

- Technical and vocational training schemes closely modelled on Tunisia's needs
- Technical assistance in areas where there is a shortage of qualified personnel, e.g., project identification and preparation, which threatens to delay development programmes.

V. TECHNICAL AND FINANCIAL COOPERATION

As stated in article 1 of Protocol no. 1 of the agreement, the object of Community financial aid is to contribute to Tunisia's economic and social development.

Amount and Duration of Aid

The aid totals 95 million units of account (38 million dinars) and extends until 31 October 1981. The aid can only be released once the agreement has been ratified by the Nine Member States and the Tunisian Parliament. It is not expected that the Community will complete the ratification process until 1978. Tunisia has already ratified the agreement.

Although the aid will be distributed as evenly as possible during this period a relatively greater amount may be committed in the first couple of years so as to make up for the delay over ratification. Any funds not committed by the end of October 1981 can still be used according to normal procedures until exhausted.

The aid is made up as follows :

EIB Loans	:	41 million units of account (16.4 million dinars)
Loans on special terms	:	39 million units of account (15.6 million dinars)
Grants	:	15 million units of account (6 million dinars)
TOTAL	:	95 million units of account (38 million dinars)

The grants will come from the Community budget and EIB loans will be covered by Community rather than national guarantees. This was decided by the Nine on 8 March 1977 and only then could the ratification process start. The aid is conditional on a new European Unit of Account being introduced on 1 January 1978. This will be the unit used for all Community expenditures.

The EIB loans come from the bank's resources and usually benefit from a 2% interest rebate financed from the 15 million units of account set aside for grants.

The loans on special terms will be issued for a period of 40 years at a nominal interest rate of 1%. There is a 10 year grace period before repayment starts.

Both types of EIB loans may be granted to the Tunisian government or appropriate Tunisian organisations, e.g., Development Banks for onlending. They must, however, observe the terms agreed with the Community.

Purpose of Financial Aid

EEC Financial aid can be used to wholly or partly finance :

- Capital projects aimed at the modernisation of Tunisian agriculture, industrialisation, and economic diversification. These will be financed by EIB loans, loans on special terms, or a combination of both.
- Technical cooperation connected with capital projects such as feasibility studies, planning, choice of technology. This will normally be financed by grants.
- In addition, the EEC could finance the training of industrial staff to work on and later operate the capital projects. All forms of technical cooperation will usually be financed by grants.

EEC aid may not be used to cover administrative, maintenance, or running costs. It can only be used to cover the cost of executing the projects.

Given the modest volume of EEC aid, co-financing is of special importance.

The EEC may jointly finance projects along with credit and development organisations of Tunisia, EEC Member States, and International Finance Organisations, e.g., Arab Funds.

Beneficiaries of Financial Aid

The following are eligible for EEC financial aid :

- The Tunisian Government, which in turn will authorise aid for the following groups :
 - . Official Tunisian Development Agencies
 - . Private Tunisian Development Agencies
 - . Private enterprise in Tunisia
 - . Tunisian producer groups
 - . Tunisian industrial trainees.

Presentation and Appraisal of Projects

With the approval of the Tunisian Government, each of the above groups may submit a formal request for aid to the EEC, which will then examine it in collaboration with its opposite numbers. It has not yet been decided how this responsibility will be shared on the European side between the European Commission and the European Investment Bank. The exact procedure for appraising projects and making financing decisions has also still to be worked out.

The Tunisian government or other beneficiaries shall be responsible for the execution, management, and maintenance of projects financed by the Community. On the other hand, the Community will check that its aid is used as efficiently as possible and in accordance with the objectives laid down in the Protocol.

Awarding of Contracts

All Tunisian and EEC citizens are eligible to tender for contracts of projects financed by the Community.

For projects worth less than 1 million units of account (400,000 Dinars) an accelerated procedure will be used so as to encourage Tunisian enterprise. This means that shorter time-limits will be allowed to submit tenders for small scale projects of primary interest to Tunisian business.

In exceptional circumstances, other countries may be allowed by mutual consent to submit tenders. This may apply to projects being co-financed.

For the execution of these contracts, Tunisia will apply fiscal and customs arrangements at least as favourable as those applied to other international organisations.

Before granting a loan to a non-gouvernemental body, the Community may require a guarantee that it will be properly used.

Throughout the duration of these loans, the Tunisian government will make available the foreign currency needed for the payment of interest and commission as well as for the repayment of principal.

The Cooperation Council will be responsible for the overall supervision of financial and technical cooperation. It will examine annually how the aid is being used. Before 31 October 1981, both sides will examine how this cooperation can be extended for a further period.

FINANCIAL AND TECHNICAL COOPERATION

EUROPEAN UNIT OF ACCOUNT

The European Unit of Account (EUA) used to express the amounts of aid in Protocol no. 1 of the Tunisia/EEC agreement is defined as a "basket" of the currencies of the Community's 9 Member States.

The proportion of each member currency in the basket reflects that country's productive and trading importance and is as follows :

German mark	:	0.828
Pound sterling	:	0.0885
French franc	:	1.15
Italian lira	:	109
Dutch guilder	:	0.286
Belgian franc	:	3.66
Luxembourg franc	:	0.14
Danish krone	:	0.217
Irish pound	:	0.00759

The value of the unit of account in each of the 9 currencies is calculated daily by the European Commission using daily market exchange rates.

The daily value of the EUA in each of the Community currencies is published each afternoon and telexed to central banks and financial and press agencies. They are also published periodically in the Official Journal of the European Communities (Part C Communications and Information).

The EUA is calculated as follows. First of all, it is calculated in Belgian Francs according to the official daily exchange rate in Brussels. Then, this initial value of the EUA in Belgian Francs is multiplied by the official national daily exchange rate of member currencies to give the value of the EUA in each of the 9 currencies.

The value of the EUA is not calculated in Tunisian Dinars because financial transfers will normally be made in the currency of one of the EEC Member States and then converted into Tunisian Dinars.

The value of the European Unit of Account (1 E.u.a.) on 1 July 1977 was \$ 1.10.

VI. LABOUR BENEFITS

Not yet in force

The aim of the agreement is to give Tunisians working in the EEC equal treatment compared with their Community counterparts. However, the benefits do not come into force until after the Agreement has been ratified. Meanwhile, the bilateral agreements between Tunisia and Member States continue to operate. At present, there are about 85,000 Tunisian workers in the EEC of whom 70,000 are in France. Alone among the Nine Member States, France pays out family allowances according to the worker's country of origin, e.g., the family of a Tunisian worker in France receives allowances at Tunisian rates.

Principles

The Tunisia/EEC Agreement lays down a number of principles concerning labour relations :

- No national discrimination regarding working conditions and wages. This means that a Tunisian worker will earn the same wage and enjoy the same working conditions as a European. The same applies for Europeans working in Tunisia.
- Tunisian workers as well as members of their family living with them shall enjoy the same social security benefits as Community workers.

- Additionality : Tunisian workers can add together all periods of insurance, employment or residence accumulated in the various Member States. These can then be used as entitlement to social security benefits.
- Tunisian workers shall receive family allowances for members of their family living in the Community.
- Tunisian workers can transfer their pensions or social security benefits to Tunisia at the rates applied in the Member State or States.
- Tunisia shall accord reciprocal benefits to citizens of the Community working in Tunisia.

Within one year of the agreement coming into force, the Cooperation Council will decide on measures to implement the above mentioned principles. In no circumstances will these measures reduce benefits enjoyed by Tunisia in bilateral agreements with Member States.

VII. INSTITUTIONS

COOPERATION COUNCIL

The Agreement is managed by a Cooperation Council composed of members of the EEC Council of Ministers, the European Commission and on the other hand, members of the Tunisian Government.

The Council meets annually and is presided over alternately by a member from either side. Extra meetings may be held at the request of either Tunisia or the EEC.

Functions

The Council may take decisions in order to reach objectives laid down in the agreement. These decisions are taken by mutual agreement and are binding on both sides. In addition, the Council may also make recommendations concerning the smooth running of the agreement.

Other bodies

- A Cooperation Committee composed of representatives from both sides will aid the Cooperation Council in carrying out its tasks.
- The Cooperation Council may also decide to set up specialist committees to deal with particular problems.
- It can also organise contacts between the European Parliament and the Tunisian Chamber of Representatives so as to encourage an exchange of views at a more democratic level.

If either side concludes a trade agreement, e.g., a Community Association Agreement, affecting the EEC/Tunisia Agreement, then discussions will be held in the Cooperation Council to see that the interests of both sides have been taken into account. Similarly, if the Community is enlarged to include new Member States, discussion will be held.

If either side fails to honour the agreement, then the other side may take appropriate action. But it must first inform the Cooperation Council and supply it with all relevant information so that the problem can be thoroughly examined.

Similarly, any dispute between Tunisia and the EEC must be put before the Cooperation Council. If it fails to settle the dispute at its next meeting, then both sides and the Cooperation Council must each appoint an arbitrator. A final binding decision is then taken by the majority vote of the three arbitrators.

Neither side is obliged to disclose information which it considers classified or which concerns military research, development, production or trade, or which affects its security in time of war or tension.

Both sides agree not to discriminate between each others citizens, companies, or firms.

Review of Agreement in 1978

As the agreement is of unlimited duration, there is provision for reviews to be made firstly in 1978, and secondly in 1983. This will provide an opportunity to examine the effectiveness of the agreement and to propose possible improvements.

Finally, the agreement may be terminated six months after either side has handed in notice to do so.

EEC Office in Tunis

An EEC office will be opened in Tunis towards the end of 1977. The decision was made in principle when the EEC-Tunisia Agreement was signed in April 1976 but the Nine must still make the necessary budgetary decisions.

The task of the EEC Office will be to facilitate economic and trade cooperation between the EEC and Tunisia. It will provide information and arrange contacts between businessmen and public authorities. It will also supervise the execution of projects financed under the agreement including technical assistance schemes.

The office will act as a liaison with the embassies of EEC Member States in Tunis, the European Commission in Brussels, and the European Investment Bank in Luxembourg. Similar offices have been set up in 52 African, Caribbean, and Pacific countries, under the 1975 Lomé Convention.

PROCESSED AGRICULTURAL PRODUCTS REFERRED TO IN ARTICLE 14

Common Customs Tariff heading No	Description
ex 17.04	Sugar confectionery, not containing cocoa, but not including liquorice extract containing more than 10% by weight of sucrose but not containing other added substances
18.06	Chocolate and other food preparations containing cocoa
19.01	Malt extract
19.02	Preparations of flour, starch or malt extract, of a kind used as infant food or for dietetic or culinary purposes, containing less than 50% by weight of cocoa
19.03	Macaroni, spaghetti and similar products
19.04	Tapioca and sago; tapioca and sago substitutes obtained from potato or other starches
19.05	Prepared foods obtained by the swelling or roasting of cereals or cereal products (puffed rice, corn flakes and similar products)
19.06	Communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
19.07	Bread, ships' biscuits and other ordinary bakers' wares, not containing added sugar, honey, eggs, fats, cheese or fruit
19.08	Pastry, biscuits, cakes and other fine bakers' wares, whether or not containing cocoa in any proportion
ex 21.01	Roasted chicory and other roasted coffee substitutes, extracts, essences and concentrates thereof: - Excluding roasted chicory and extracts thereof
21.06	Natural yeasts (active or inactive); prepared baking powders: A. Active natural yeasts: II. Bakers' yeast
ex 21.07	Food preparations not elsewhere specified or included, containing sugar, dairy products, cereals or products based on cereals ⁽¹⁾

(¹) This heading covers only products which, on importation into the Community, are subject to the duty laid down in the Common Customs Tariff, comprising an ad valorem duty constituting the fixed component and a variable component.

Common Customs Tariff heading No	Description
ex 22.02	Lemonade, flavoured spa waters and flavoured aerated waters, and other non-alcoholic beverages, not including fruit and vegetable juices falling within heading No 20.07: - Containing milk or milkfats
29.04	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives: C. Polyhydric alcohols: II. Mannitol III. Sorbitol
35.05	Dextrins and dextrin glues; soluble or roasted starches; starch glues
38.12	Prepared glazings, prepared dressings and prepared mordants, of a kind used in the textile, paper, leather or like industries: A. Prepared glazings and prepared dressings: I. With a basis of amylaceous substances
38.19	Chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included; residual products of the chemical or allied industries, not elsewhere specified or included: T. Sorbitol, other than that falling within subheading 29.04 C III: I. In aqueous solution: (a) Containing 2% or less by weight of mannitol, calculated on the sorbitol content (b) Other: II. Other: (a) Containing 2% or less by weight of mannitol, calculated on the sorbitol content (b) Other

B. AGRICULTURAL PRODUCTS

Article 15

1. Customs duties on imports into the Community of the products originating in Tunisia which are listed below shall be reduced by the rates indicated for each of them.

Common Customs Tariff heading No	Description	Rate of reduction
01.01	Live horses, asses, mules and hinnies: A. Horses: II. For slaughter (a) III. Other	80 $\frac{1}{2}$ 80 $\frac{2}{3}$
02.01	Meat and edible offals of the animals falling within heading No 01.01, 01.02, 01.03 or 01.04, fresh, chilled or frozen: A. Meat: ex IV. Other: Excluding meat of domestic sheep	100 $\frac{1}{2}$
02.04	Other meat and edible meat offals, fresh, chilled or frozen	100 $\frac{1}{2}$
Chapter 3	Fish, crustaceans and molluscs	100 $\frac{1}{2}$
06.02	Other live plants, including trees, shrubs, bushes, roots, cuttings and slips: ex D. Other: Rose trees and bushes, excluding cuttings of rose trees and bushes	60 $\frac{1}{2}$
07.01	Vegetables, fresh or chilled: A. Potatoes: II. New potatoes: ex (a) From 1 January to 15 May: - From 1 January to 31 March F. Leguminous vegetables, shelled or unshelled: I. Peas: ex (a) From 1 September to 31 May: - From 1 October to 30 April II. Beans (of the species Phaseolus): ex (a) From 1 October to 30 June: - From 1 November to 30 April G. Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots: ex II. Carrots and turnips: Carrots, from 1 January to 31 March ex H. Onions, shallots and garlic: Onions, from 15 February to 15 May	40 $\frac{1}{2}$ 60 $\frac{1}{2}$ 60 $\frac{1}{2}$ 40 $\frac{1}{2}$ 60 $\frac{1}{2}$

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities in the Community.

Common Customs Tariff heading No	Description	Rate of reduction
07.01 (contd)	ex L. Artichokes: From 1 October to 31 December M. Tomatoes: ex I. From 1 November to 14 May: - From 15 November to 30 April S. Sweet peppers ex T. Other: Aubergines, from 1 December to 30 April Courgettes, from 1 December to the last day of February	30 % 60 % 40 % 60 % 60 %
07.03	Vegetables provisionally preserved in brine, in sulphur water or in other preservative solutions, but not specially prepared for immediate consumption:	
	A. Olives:	
	I. For uses other than the production of oil (a)	60 %
	B. Capers	90 %
07.05	Dried leguminous vegetables, shelled, whether or not skinned or split:	
	A. For sowing:	
	ex I. Peas (including chick peas) and beans (of the species Phaseolus)	
	Peas	60 %
	ex III. Other:	
	Broad beans and horse beans	60 %
	B. Other	100 %
08.01	Dates, bananas, coconuts, Brazil nuts, cashew nuts, pineapples, avocados, mangoes, guavas and mangosteens, fresh or dried, shelled or not:	
	ex A. Dates:	
	In immediate packings of a capacity of not more than 35 kg	100 %
08.02	Citrus fruit, fresh or dried:	
	ex A. Oranges:	
	Fresh	80 %
	ex B. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids	
	Fresh	80 %
	ex C. Lemons:	
	Fresh	80 %
	D. Grapefruit	80 %

(a) Entry under this subheading is subject to conditions to be determined by the competent authorities in the Community.

Common Customs Tariff heading No	Description	Rate of reduction
08.04	Grapes, fresh or dried: A. Fresh: I. Table grapes: ex (a) From 1 November to 14 July: - From 15 November to 30 April	60 %
08.07	Stone fruit, fresh: D. Plums: ex II. From 1 October to 30 June - From 1 November to 15 June	60 %
08.08	Berries, fresh: A. Strawberries: ex II. From 1 August to 30 April: - From 1 November to 31 March	60 %
ex 08.09	ex D. Raspberries, black currants and red currants: Raspberries, from 15 May to 15 June	50 %
ex 08.09	Other fruit, fresh: Melons, from 1 November to 31 May Watermelons, from 1 April to 15 June	50 % 50 %
08.11	Fruit provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption: ex B. Oranges: Comminuted ex E. Other: Comminuted citrus fruit	80 % 80 %
09.04	Pepper of the genus 'Piper'; pimento of the genus 'Capsicum' or the genus 'Pimenta': A. Neither crushed nor ground: II. Pimento B. Crushed or ground:	100 % 100 %
09.09	Seeds of anise, badian, fennel, coriander, cumin, caraway and juniper	100 %
09.10	Thyme, saffron and bay leaves; other spices	100 %
12.03	Seeds, fruit and spores, of a kind used for sowing: E. Other (a)	60 %

(a) This concession is solely for seeds complying with the provisions of the directives on the marketing of seeds and plants.

Common Customs Tariff heading No	Description	Rate of reduction
12.07	Plants and parts (including seeds and fruit) of trees, bushes, shrubs or other plants, being goods of a kind used primarily in perfumery, in pharmacy, or for insecticidal, fungicidal or similar purposes, fresh or dried, whole, cut, crushed, ground or powdered	100 %
12.08	Locust beans, fresh or dried, whether or not kibbled or ground, but not further prepared; fruit kernels and other vegetable products of a kind used primarily for human food, not falling within any other heading	100 %
13.03	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, derived from vegetable products: ex B. Pectic substances, pectinates and pectates Pectic substances and pectinates	25 %
16.04	Prepared or preserved fish, including caviar and caviar substitutes: A. Caviar and caviar substitutes B. Salmonidae C. Herring E. Tunny F. Bonito (Sarda sp.p.), mackerel and anchovies G. Other	100 % 100 % 100 % 60 % 100 % 100 %
16.05	Crustaceans and molluscs, prepared or preserved	100 %
20.01	Vegetables and fruit, prepared or preserved by vinegar or acetic acid, with or without sugar, whether or not containing salt, spices or mustard: ex B. Other Without added sugar, with the exception of gherkins	100 %
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid: A. Mushrooms Forced mushrooms Other B. Truffles ex C. Tomatoes: Peeled tomatoes D. Asparagus F. Capers and Olives G. Peas; beans in pod H. Other, including mixtures: Carrots and mixtures Other	50 % 60 % 70 % 30 % 20 % 100 % 20 % 20 % 50 %

Common Customs Tariff heading No	Description	Rate of reduction
20.05	<p>Jams, fruit jellies, marmalades, fruit purée and fruit pastes, being cooked preparations, whether or not containing added sugar:</p> <p>A. Chestnut purée and paste: II. Other</p> <p>B. Jams and marmalades of citrus fruit: III. Other</p> <p>C. Other: III. Not specified</p>	<p>50 % 50 % 50 %</p>
20.06	<p>Fruit otherwise prepared or preserved, whether or not containing added sugar or spirit:</p> <p>B. Other:</p> <p> II. Not containing added spirit:</p> <p> (a) Containing added sugar, in immediate packings of a net capacity of more than 1 kg:</p> <p> 2. Grapefruit segments</p> <p> ex 3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids: Comminuted</p> <p> ex 7. Peaches and apricots: Apricots</p> <p> ex 8. Other fruits: Comminuted oranges and lemons</p> <p> (b) Containing added sugar, in immediate packings of a net capacity of 1 kg or less:</p> <p> 2. Grapefruit segments</p> <p> ex 3. Mandarins (including tangerines and satsumas); clementines, wilkings and other similar citrus hybrids: Comminuted</p> <p> ex 8. Other fruits: Comminuted oranges and lemons</p> <p> (c) Not containing added sugar, in immediate packings of a net capacity:</p> <p> 1. Of 4.5 kg or more:</p> <p> ex (aa) Apricots: Apricot halves</p> <p> ex (bb) Peaches (including nectarines) and plums: Peach halves and nectarine halves</p> <p> ex (dd) Other fruits: Grapefruit segments Citrus pulp Comminuted citrus fruit</p> <p> 2. Of less than 4.5 kg:</p> <p> ex (bb) Other fruits and mixtures of fruit: Apricot halves, peach halves and nectarine halves Grapefruit segments Comminuted citrus fruit</p>	<p>80 % 80 % 20 % 80 % 80 % 80 % 80 % 50 % 50 % 80 % 40 % 80 % 50 % 80 % 80 %</p>

Common Customs Tariff heading No	Description	Rate of reduction
20.07	<p>Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and not containing spirit:</p> <p>A. Of a specific gravity exceeding 1.33 at 15° C:</p> <p>III. Other:</p> <p>ex (a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <p>Orange juice 70 %</p> <p>Grapefruit juice 70 %</p> <p>Other citrus fruit juices 60 %</p> <p>ex (b) Of a value not exceeding 30 u.a. per 100 kg net weight:</p> <p>Orange juice 70 %</p> <p>Grapefruit juice 70 %</p> <p>Other citrus fruit juices 60 %</p> <p>B. Of a specific gravity not exceeding 1.33 at 15° C:</p> <p>II. Other:</p> <p>(a) Of a value exceeding 30 u.a. per 100 kg net weight:</p> <p>1. Orange juice 70 %</p> <p>2. Grapefruit juice 70 %</p> <p>ex 3. Lemon juice and other citrus fruit juices:</p> <p>Other citrus fruit juices (excluding lemon juice) 60 %</p> <p>(b) Of a value not exceeding 30 u.a. per 100 kg net weight:</p> <p>1. Orange juice 70 %</p> <p>2. Grapefruit juice 70 %</p>	
23.01	Flours and meals, of meat, offals, fish, crustaceans or molluscs, unfit for human consumption; greaves	100 %

See text for arrangements concerning olive oil, wine, and other key products.

MOVEMENT CERTIFICATE

1. Exporter (Name, full address, country)	<h2 style="margin: 0;">EUR. 1</h2> <h3 style="margin: 0;">No A 000.000</h3> <p style="font-size: small; margin: 5px 0;">See notes overleaf before completing this form</p>		
3. Consignee (Name, full address, country) (Optional)	2. Certificate used in preferential trade between and (insert appropriate countries, groups of countries or territories)		
	4. Country, group of countries or territory in which the products are considered as originating	5. Country, group of countries or territory of destination	
6. Transport details (Optional)	7. Remarks		
8. Item number; Marks and numbers; Number and kind of packages ⁽¹⁾ ; Description of goods	9. Gross weight (kg) or other measure (litres, m ³ , etc.)	10. Invoices (Optional)	
11. CUSTOMS ENDORSEMENT Declaration certified Export document ⁽²⁾ Form No Customs office Issuing country or territory Date (Signature)		12. DECLARATION BY THE EXPORTER I, the undersigned, declare that the goods described above meet the conditions required for the issue of this certificate. Place and date: (Signature)	

If goods are not packed, indicate number of articles or state 'in bulk' as appropriate.

(2) Complete only where the regulations of the exporting country or territory require.

<p>13. REQUEST FOR VERIFICATION, to</p>	<p>14. RESULT OF VERIFICATION,</p>
<p>Verification of the authenticity and accuracy of this certificate is requested.</p>	<p>Verification carried out shows that this certificate ⁽¹⁾</p> <p><input type="checkbox"/> was issued by the customs office indicated and that the information contained therein is accurate.</p> <p><input type="checkbox"/> does not meet the requirements as to authenticity and accuracy (see remarks appended).</p>
<p>.....</p> <p style="text-align: center;">(Place and date)</p> <p style="text-align: right;">Stamp</p>	<p>.....</p> <p style="text-align: center;">(Place and date)</p> <p style="text-align: right;">Stamp</p>
<p>.....</p> <p style="text-align: center;">(Signature)</p>	<p>.....</p> <p style="text-align: center;">(Signature)</p> <p>⁽¹⁾ Insert X in the appropriate box.</p>

NOTES

1. Certificates must not contain erasures or words written over one another. Any alterations must be made by deleting the incorrect particulars and adding any necessary corrections. Any such alteration must be initialled by the person who completed the certificate and endorsed by the customs authorities of the issuing country or territory.
2. No spaces must be left between the items entered on the certificate and each item must be preceded by an item number. A horizontal line must be drawn immediately below the last item. Any unused space must be struck through in such a manner as to make any later additions impossible.
3. Goods must be described in accordance with commercial practice and with sufficient detail to enable them to be identified.

<p>1. المصدر — Eksportør — Ausführer — Exporter — Exportateur — Esportatore — Exporteur:</p>	<p>2. الرقم — Nummer — Nummer — Number — Numéro — Numero — Nummer</p>	<p>00000</p>
<p>4. المرسل إليه — Modtager — Empfänger — Consignee — Destinataire — Destinatario — Geadresseerde:</p>	<p>3. (Name of authority guaranteeing the designation of origin)</p>	
<p>6. وسيلة النقل — Transportmiddel — Beförderungsmittel — Means of transport — Moyen de transport — Mezzo di trasporto — Vervoermiddel:</p>	<p>5. شهادة التسمية الاصلية CERTIFIKAT FOR OPRINDELSESBETEGNELSE BESCHEINIGUNG DER URSPRUNGSBEZEICHNUNG CERTIFICATE OF DESIGNATION OF ORIGIN CERTIFICAT D'APPELLATION D'ORIGINE CERTIFICATO DI DENOMINAZIONE DI ORIGINE CERTIFICAAT VAN BENAMING VAN OORSPRONG</p>	
<p>8. مكان الافراج — Losningssted — Entladungsort — Place of unloading — Lieu de déchargement — Luogo di sbarco — Plaats van lossing:</p>	<p>7. (Designation of origin)</p>	
<p>9. الانواع والارقام ، عدد ونوع الطرود Mærker og numre, kollienes antal og art Zeichen und Nummern, Anzahl und Art der Packstücke Marke and numbers, number and kind of packages Marques et numéros, nombre et nature des colis Marche e numero, quantità e natura dei colli Merketi en nummers, aantal en soort der colli</p>	<p>10. الوزن الخام Bruttovægt Rohgewicht Gross weight Poids brut Peso lordo Brutogewicht</p>	<p>11. لترات Liter Liter Litres Litres Litri Liter</p>
<p>12. لترات (بالحروف) - Liter (i bogstaver) - Liter (in Buchstaben) - Litres (in words) - Litres (en lettres) - Litri (in lettere) - Liter (voluit):</p>		
<p>13. تأشيرة الهيئة المرسله — Pätegning fra udstedende organ — Bescheinigung der erteilenden Stelle — Certificate of the issuing authority — Visa de l'organisme émetteur — Visto dell'organismo emittente — Visum van de instantie van afgifte:</p>		
<p>14. تأشيرة الجمارك — Toldstedets attest — Sichtvermerk der Zollstelle — Customs stamp — Visa de la douane — Visto della dogana — Visum van de douane</p>	<p>(oversættelse se nr. 15 — Übersetzung siehe Nr. 15 — see the translation under No 15 — Voir traduction au n° 15 — Vedasi traduzione al n. 15 — Zie voor vertaling nr. 15)</p>	

15. Det bekræftes, at vinen, der er nævnt i dette certifikat, er fremstillet i området og ifølge tunesisk lovgivning er berettiget til oprindelsesbetegnelsen:

Alkohol tilsat denne vin er alkohol fremstillet af vin.

Wir bestätigen, daß der in dieser Bescheinigung bezeichnete Wein im Bezirk gewonnen wurde und ihm nach tunesischem Gesetz die Ursprungsbezeichnung "....." zuerkannt wird.
Der diesem Wein zugefügte Alkohol ist aus Wein gewonnener Alkohol.

We hereby certify that the wine described in this certificate is wine produced within the wine district of and is considered by Tunisian legislation as entitled to the designation of origin ".....".
The alcohol added to this wine is alcohol of vinous origin.

Nous certifions que le vin décrit dans ce certificat a été produit dans la zone de et est reconnu, suivant la loi tunisienne, comme ayant droit à la dénomination d'origine ".....".
L'alcool ajouté à ce vin est de l'alcool d'origine vinique.

Si certifica che il vino descritto nel presente certificato è un vino prodotto nella zona di ed è riconosciuto, secondo la legge tunisina, come avente diritto alla denominazione di origine ".....".
L'alcole aggiunto a questo vino è alcole di origine vinica.

Wij verklaren dat de in dit certificaat omschreven wijn is vervaardigd in het wijndistrict van en dat volgens de Tunesische wetgeving de benaming van oorsprong "....." erkend wordt.
De aan deze wijn toegevoegde alcohol is alcohol, uit wijn gewonnen.

16. (*)

يحتفظ بهذه الخانة لبيانات اخرى من الدولة المصدر (*)

(*) Rubrik forbeholdt eksportlandets andre angivelser.

(*) Diese Nummer ist weiteren Angaben des Ausfuhrlandes vorbehalten.

(*) Spaca reserved for additional details given in the exporting country.

(*) Case réservée pour d'autres Indications du pays exportateur.

(*) Spazio riservato per altre indicazioni del paese esportatore.

(*) Ruimte bestemd voor andere gegevens van het land van uitvoer.

TUNISIAN AGRICULTURE

In recent years, the share of agriculture in Tunisia's gross domestic product has fallen from 22 per cent to 18 per cent, and the share of population employed in this sector from 63 per cent to 53 per cent. With a population of only 5.7 M. its per capita annual income of \$ 806 is slightly below Algeria's, but considerably more than Morocco's.

Despite agriculture being one of the country's major natural resources and aided by favourable weather conditions in the past few years and a small population, Tunisia has had to import cereals, meat, milk, and sugar.

On the other hand, agricultural exports, mainly olive oil and wine, provide 20 per cent of foreign exchange earnings. The value of unrefined olive oil exports fell heavily in 1975 from a record 90 M. u.a. to 38 M. u.a. but still accounted for 50 per cent of Tunisia's farm export earnings. Tunisia remains the world's most important olive oil exporter. Wine exports also fell in 1975 but far less dramatically to 8.3 M. u.a. (10 per cent of total farm exports). It is still a considerable improvement on the 1971 and 1972 figures.

About 5.3 M. ha of the land area is cultivated (32 percent of total) of which 85 per cent is privately owned. About 41 per cent of the farms are less than 5 Ha. and cover 7 per cent of the cultivated area. In contrast 4 per cent of the farms are more than 50 Ha. and cover 34 percent of the cultivated land area.

Composition of Tunisian agricultural production (in % of gross output)

	<u>Average 1962/66</u>	<u>Average 1973/75</u>
Cereals	28	20
Olives	7	14
Other tree crops	18	12
Vegetables	14	16
Meat and Eggs	22	26
Other	11	12
	<hr/>	<hr/>
	100	100

Production has been fairly stable in recent years. The share of olives, meat, eggs, and vegetables has risen while that of cereals and fruit has fallen.

One major problem is irrigation. Although the irrigated area has nearly doubled to 110,000 ha., the results have been disappointing. Irrigation facilities have not been properly exploited due to the constraints of the traditional landholding system.

5TH DEVELOPMENT PLAN - BIG INCREASE IN SUGAR BEET PRODUCTION PLANNED

In the 5th Development Plan, 1977-1981, agriculture will receive 12 per cent of total investment. Two thirds of this amount will be devoted to infrastructure projects (improving the water supply, and land conservation). The remainder will be allocated for increasing farm production, especially sugar beet which will expand from 50,000 to 350,000 tonnes annually. A new 65,000 tonnes per year sugar refinery is planned which will raise total capacity to 145,000 tonnes, and mean that 30% of demand will be covered locally.

No expansion of the area devoted to cereals, olives, date palms, and vineyards is planned. The emphasis instead will be on higher yields and improved quality of trees and vines.

A substantial increase in dairy and sheep farming is planned. The aim is to achieve self-sufficiency in meat production and reduce dairy imports by two thirds.

The Tunisian government also plans to increase fish production by 62% by 1981. Investment will be concentrated on new boats and improving port facilities.

Tariff Concessions in 1976 EEC/Tunisia Agreement

The concessions granted Tunisia's main farm exports in the 1976 agreement, and their value in 1975 are given in the following table (000 u.a.)

Tariff Concessions (EEC/Tunisia)

Product	CCT no.	Concession	Duty left	Value 1975
Olive oil	15.07	Reduction in levy quotas	(See text)	38,825
Wine	22.05	-	(See text)	8,343
Dates	08.01 Ex A	80%	3%	3,610
Oranges	08.02 Ex A	80%	3%	3,510
Crustaceans and molluses	03.03	100%	-	3,841 (1974)
Apricot Halves prepared or preserved	20.06 B11C	50%	8.5%	1,405
Thyme, saffron, bay leaves	09.10 ABC	100%	-	1,425 (1974)
Tinned tomatoes	20.02 C	30%	12.6%	422

Source : Statistical Office of European Communities

TOURISM

Until recently, tourism has been one of the largest growth sectors in the Tunisian economy as well as a major earner of foreign exchange. Between 1962-1974, the number of tourists, the amount of foreign exchange earned, and the number of hotel beds have each multiplied thirteen fold. In this period 170 million dinars has been invested in the tourist industry and about 25,000 jobs created.

Tourism has been developed in four main areas : Tunis, Hammamet/Nabeul, Sousse/Monastir and Serba/Zarzis. Tourism was deliberately singled out for development because of its potential as a foreign exchange earner, as a way of stimulating investment, and a means of providing employment. For its part, the government provided the basic infrastructure needed to develop the industry, e.g., airports, roads, water and power supplies.

As the tourist industry has developed, there has been a slight change of emphasis. More modest hotels have replaced the former luxury "palaces". With rising production costs there has been greater emphasis on profitability. The Tunisian authorities have also sought to turn tourism from a seasonal to a year round industry. They have also sought to attract a wider range of tourists both in terms of nationality and social groupings.

Following the check in the growth of the tourist industry in 1974, the Tunisian government has sought to reactivate it with a new infrastructure investment programme. For example, the construction of an airport at Tozeur will enable the touristic potential of the Sahara to be more fully exploited. Professional training will also be stepped up so as to assure a better and wider service.

As regards the tourist clientele, the Germans were the largest group in 1974 forming 29% of all tourists. They were followed by the French (13%), Belgians (12.5%), Italians (8%), and English (5%) among the EEC Member States.

	1960	1970	1974	Growth % per 1960-70	1970-74
No. of visitors (000)	53	411	716	22.7	14.9
Gross Receipts (\$ million)	3	65	201	36.0	32.6

BASIC DATAGENERAL

Land Area = 163,610 km²

Climate : Temperate on coast, hot and dry inland

Temperature (Tunis) : hottest month -August, 21-33° C
 coldest month -January, 6-14° C.

Time : 1 hour ahead of Greenwich Mean Time.

Monetary unit : Tunisian Dinar (TD), 1 TD = \$ 2.30
 1 EUA = 2.1 TD.

PEOPLE, RESOURCES, AND EQUIPMENT

Population : 5.7 million (1976)

Annual growth of population (1970-1974) - 2.4%

Density : 34 people per km²

Cities : (population in 000, 1966)

- Tunis (capital)	648
- Sfax	216
- Sousse	90
- Bizerte	70
- Kairouan	50

Labour Force (1970) - 1,273,000 of which agriculture - 591,000 (46%)

National Income per Person (1976) : \$ 806

Mineral Reserves (1973) : Crude Oil, 54 million tonnes
 Natural Gas, 41 billion cubic metres

Petroleum Refinery Capacity (1973) : 1.2 million tonnes

Ports (total goods traffic, 000 tonnes, 1973)

	<u>Loaded</u>	<u>unloaded</u>
La Skirra (crude oil)	12,187	-
Sfax	2,713	757
Bizerte	1,072	1,545
Tunis - La Goulette	947	1,594
Sousse	133	182

Airports : Carthage and Al Aouina (Tunis), Jerba, Monastir, Sfax, Gabes Tozeur.

PRODUCTION

Gross Domestic Product (1974) = \$ 3,597 million

Growth in real terms (1970-1974) : 9.7% per annum.

Structure of Gross Domestic Product (1974) : Agriculture - 18%, mining - 11%,
 manufacturing - 9%, construction - 7%, distribution and hotels - 15%,
 transport and communication - 5%, others - 35%.

Main Products (000 tonnes)

	1970	1974	Growth % p.a. 1970-74
Agriculture : Meat	449	810	15.9
Tomatoes	127	227	15.6
Wine	60	95	12.2
Oranges	75	72	-1.0
Olive Oil	90	100	2.7
Fish Catch	24	31	8.9
Energy :			
Crude Oil	4,151	4,139	-0.1
Petroleum products	1,106	999	-3.3
Natural gas (million m3)	5	202	152.1
Mining :			
Phosphate Rock	3,021	3,474	4.8
Iron Ore	422	450	1.6
Manufacturing			
Beer (000 hl.)	201	340	19.2
Cigarettes (m.units)	3,286	4,329	9.6
Sulphuric Acid	424	729	19.8
Cement	547	520	-1.3
Crude Steel	100	136	10.8

Source : Economist World in Figures 1976

EEC Trade with Tunisia (1970-1975) million e.u.a.

	1970	1971	1972	1973	1974	1975
EEC Exports	186.4	215.9	281.8	336.8	523.7	667.2
EEC Imports	120.9	140.5	198.4	188.4	404.2	335.8
Trade Balance	+65.5	+75.4	+83.4	+148.4	+119.5	+331.4

Source : OSCE - List CST

EEC Imports from Tunisia 1974 (000 e.u.a.)

All products	404,241	100
Index (1970 = 100)	334	
A. Subject to tariffs	235,865	58.4
Zero tariffs	168,376	41.6
		<hr/>
		100
B. Agricultural Products	129,876	32.1
Industrial products	274,365	67.9
		<hr/>
		100

Breakdown of Main Imports 1974 (000 e.u.a.)

Agricultural Products :		%
Fresh Fruit	11,361	2.8
Fresh Fish	3,839	1.0
Vegetable Oils	91,008	22.5
Industrial Products :		
Alcoholic Drinks	10,288	2.5
Halogen Products	23,909	5.9
Fertilisers	12,960	3.2
Cotton fabrics	7,093	1.8
Carpets	4,643	1.2
Clothing	21,894	5.4
Raw Materials :		
Crude Oil	138,448	34.3
Phosphate Rock	29,637	7.3

Main EEC Exports to Tunisia 1974 (000 e.u.a.)

Food	38,211
Drink and Tobacco	1,470
Raw material (except fuel)	14,487
Fuel	30,970
Oils and fats	17,026
Chemicals	57,453
Manufactured Articles	131,673
Machines and transport equipment	195,076
Other manufactured materials	31,232
Other products	6,055
	<hr/>
Total	523,653

Source : OSCE - List CST

USEFUL ADDRESSES IN TUNISIA

EEC Embassies in Tunis

Belgium	47, rue du 1er Juin
Denmark	138, ave. de la Liberté
France	Place de l'Indépendance
German Federal Republic	18, rue Felicier Challaye
Italy	37, rue Abderrasser
Netherlands	2, rue d'Artois
United Kingdom	5, Place de la Victoire

Public Administrations

Investment Promotion Agency 18, avenue Mohamed V - Tunis Tel. 256.022	Industrial Service 195, rue de la Kasbah - Tunis Tel. 245.806
Stock Exchange 19bis, rue Kamel Ataturk - Tunis Tel. 259.411	Customs Service 10, Avenue Jean Jaurès - Tunis Tel. 247.400/221
National Industrial Centre Cité Mahraiane El Menzah - Tunis Tel. 286.111	Tax department 36, rue de Marseille - Tunis Tel. 249.711
Export Promotion Centre 19, rue d'Allemagne - Tunis Tel. 257.793	Tunisian Trade Office 13, rue Sidi Bou Mendil - Tunis Tel. 247.499
Trade Service 19, rue Al Djazira - Tunis Tel. 240.161/242.641	Office for Tunisian Workers Abroad, Professional Training and Employment 19, rue Asdrubal - Tunis Tel. 288.254/289.692

Suppliers

1. National Electricity and Gas Co.
38, rue Kamel Ataturk - Tunis
Tel. 243.522
2. National Company for the Exploitation
and Distribution of Water (SONEDE)
23, rue Dr. Braquehayé à Montfleury
Tunis - Tel. 249.700
3. El Iskan Company (Tunis Industrial
Zone)
126, rue de Yougoslavie - Tunis
Tel. 255.200
4. Air Tunis
113, Avenue de la Liberté
Tunis
Tel. 288.100
5. Tunisian National Railway Co (SNCFT)
67, Avenue Farhat Hached - Tunis
Tel. 242.188
6. Tunisian National Transport Co.
(SNT)
1, Avenue Habib Bourguiba
Tunis - Tel. 259.422
7. Freight Transport Co. (STM)
Route de Mornag km5 - Tunis
Tel. 287.020
8. Tunisian Navigation Co. (CTW)
5, Avenue Dag Hammarskjöld
Tunis
Tel. 242.907
9. Industrial Estate Agency
5, rue Robespierre - Tunis
Tel. 288.133

Professional Groups

1. Tunisian Union of Industry
Trade, and Handicraft (UTICA)
32, rue Charles de Gaulle - Tunis
Tel. 243.709
2. National Textile Federation
(FENATEX)
5, rue Charles de Gaulle - Tunis
Tel. 255.452
3. Northern Chamber of Commerce
Rue Ibn Khaldoun - Bizerte
Tel. 02.31.044
4. Tunis Chamber of Commerce
1, avenue Habib Thameur
Tunis
Tel. 242.810
5. Central Chamber of Commerce
rue Chedly Khaznadar à Sousse
Tel. 03.21.044
6. Southern Chamber of Commerce
15, rue Habib Thameur - Sfax
Tel. 04.20.245

USEFUL ADDRESSES IN THE EEC

1. The Directorate General of Development
Commission of the European Communities
200, rue de la Loi
B-1049 BRUSSELS
2. The Directorate General of Information
Commission of the European Communities
200, rue de la Loi
B-1049 BRUSSELS
3. European Investment Bank
2, Place de Metz B.P. 2005
LUXEMBOURG
4. Permanent Representations of the Nine Member States in Brussels
EEC Information Offices in the Nine Member States.

The Official Journal of the EEC comes out every day. Subscriptions and sales of issues can be obtained from the following addresses :

- (1) Office des publications officielles des
Communautés Européennes Tel. 49.00.81
Boîte postale 1003
LUXEMBOURG

Postal Cheque Account no. 191-90
Current account at bank : BIL 8-109/6003/300

BELGIUM
Subscriptions to the OJ can
be taken out and paid for at
post office

Sales by issue :
Moniteur Belge,
40-42, rue de Louvain
Bruxelles

DENMARK
Subscriptions (1)
Sales by issue :
J.H. Schultz - Boghandel -
Møtorgade 19
DK 1116 København K

FRANCE
Service de vente en France des
Publications des Communautés
européennes - Journal Officiel
26, rue Desaix - 75732 Paris
CEDEX 15

GERMANY
Bundesanzeiger - 5 Köln 1 -
Breite Strasse
- Postfach 108 006

IRELAND
Subscriptions (1)
Sales by issue :
Stationery Office - Beggar's Bush
Dublin 4 - Ireland

ITALY
Subscriptions (1)
Sales by issue :
Liberia dello Stato
Piazza G. Verdi, 10, Rome

LUXEMBOURG
Subscriptions to the OJ can be taken
out and paid for at post offices
Sales by issue :
Office des publications officielles des
Communautés européennes - tel. 49.00.81
Boîte postale 1003 - Luxembourg
5, rue du Commerce

NETHERLANDS
Staatsdrukkerij- en Uitgeverijbedrijf
Christoffel Plantijnstraat
THE HAGUE

UNITED KINGDOM
Subscriptions (1)
Sales by issue :
H.M. Stationery Office
P.O. Box 569 - London S.E.I.

OTHER COUNTRIES
Subscriptions and sales by issue (1)

PERMANENT REPRESENTATIONS TO THE EUROPEAN COMMUNITIES

Belgium	62, rue Belliard	1040 Bruxelles
France	37/40 Blvd. du Régent	1000 Bruxelles
Italy	74, rue de la Loi	1040 Bruxelles
Luxembourg	73, ave. de Cortenberg	1040 Bruxelles
Netherlands	62, rue Belliard	1040 Bruxelles
Federal Republic of Germany	64, rue Royale	1000 Bruxelles
Denmark	34, rue de la Loi	1040 Bruxelles
Ireland	5, ave. Galilée	1030 Bruxelles
United Kingdom	6, Rond Point Schuman	1040 Bruxelles

ABREVIATIONS

- ACP : The African, Caribbean and Pacific States which are signatories to the Lomé Convention
- CAP : Common Agricultural Policy
- CCT : Common Customs Tariff
- EUA : European Unit of Account
- EIB : European Investment Bank
- EEC : European Economic Community
- GATT : General Agreement on Tariffs and Trade
- GNP : Gross National Product
- GSP : Generalised Scheme of Preferences
- MCA : Monetary Compensatory Amount
- O.J. : Official Journal of the European Communities

GLOSSARY

- CAP : The Community's Agricultural Policy is designed to rationalise agricultural production and establish a Community wide system of supports and import controls. It covers more than 95% of the Community's agricultural production.
- EUA : The monetary unit used by the Community in giving financial aid to Tunisia. It is composed of a basket of currencies of the EEC's Nine Member States and reflects a weighted average of their market values.
- MCA : These take account of basic price differences in intra-Community trade.
- Levies : These are equivalent to countervailing duties and are import duties designed to offset an export subsidy imposed by another country.
- Reference price : This applies to the prices of fruit and vegetable imports and is designed to protect Community producers. It acts as a guide to the Community's internal market price.

	<u>Pages no</u>
I. EEC/TUNISIA COOPERATION AGREEMENT	2
II. INTERIM AGREEMENT	2
III. TRADE MEASURES	3
A. Industrial products	3
B. Agricultural products	5
General : French Market	5
Safeguards	5
Key products - Olive oil	6
- Wine	7
- Fruit and fresh vegetables	7
- Sardines	8
- Tomato concentrate and fruit salad	8
- Apricot pulp	9
- Brans and sharps	10
C. Rules of origin for Tunisian goods	10
D. Tunisian import regime	13
IV. ECONOMIC COOPERATION	14
- Types of cooperation	14
- Cooperation Guidelines	15
V. TECHNICAL AND FINANCIAL COOPERATION	17
- Amount and duration of aid	17
- Purpose of financial aid	18
- Beneficiaries of financial aid	18
- Presentation and appraisal of projects	18
- Awarding of contracts	19
- European unit of account	19
VI. LABOUR BENEFITS	20
VII. INSTITUTIONS	21
<u>ANNEXES</u>	
A. Processed Agricultural Products	23
B. Concessions on Agricultural Products	25
C. Movement Certificate	31
D. Certificate of Origin for Wine	33
E. Tunisian Agriculture	35
F. Tourism	37
G. Basic data	38
H. Useful Addresses	41