Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part - Protocol No 1 on the arrangements applying to imports into the Community of agricultural products originating in Tunisia - Protocol No 2 on the arrangement applying to imports into the Community of fishery products originating in Tunisia - Protocol No 3 on the arrangements applying to imports into Tunisia of agricultural products originating in the Community - Protocol No 4 concerning the definition of originating products and methods of administrative cooperation - Protocol No 5 on mutual assistance in customs matters between the administrative authorities - Joint Declarations

- Declarations

Official Journal L 097 , 30/03/1998 P. 0002 - 0183

EURO-MEDITERRANEAN AGREEMENT establishing an association between the European Communities and their Member States, of the one part, and the Republic of Tunisia, of the other part

THE KINGDOM OF BELGIUM,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE GRAND DUCHY OF LUXEMBOURG,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE PORTUGUESE REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the European Community and the Treaty establishing the European Coal and Steel Community, hereinafter referred to as the 'Member States', and

THE EUROPEAN COMMUNITY,

THE EUROPEAN COAL AND STEEL COMMUNITY,

hereinafter referred to as 'the Community', of the one part, and

THE REPUBLIC OF TUNISIA,

hereinafter referred to as 'Tunisia', of the other part,

CONSIDERING the importance of the existing traditional links between the Community, its Member States and Tunisia and the common values that the Contracting Parties share;

CONSIDERING that the Community, its Member States and Tunisia wish to strengthen those links and to establish lasting relations, based on reciprocity, partnership and co-development;

CONSIDERING the importance which the Parties attach to the principles of the United Nations Charter, particularly the observance of human rights and political and economic freedom, which form the very basis of the Association;

CONSIDERING recent political and economic developments both on the European continent and in Tunisia;

CONSIDERING the considerable progress made by Tunisia and its people towards achieving their objectives of full integration of the Tunisian economy in the world economy and participation in the community of democratic nations;

CONSCIOUS of the importance of this Agreement, based on cooperation and dialogue, for lasting stability and security in the Euro-Mediterranean region;

CONSCIOUS, on the one hand, of the importance of relations in an overall Euro-Mediterranean context and, on the other, of the objective of integration between the countries of the Maghreb;

BEARING IN MIND the economic and social disparities between the Community and Tunisia and desirous of achieving the objectives of this association through the appropriate provisions of this Agreement;

DESIROUS of establishing and developing regular political dialogue on bilateral and international issues of mutual interest;

TAKING ACCOUNT of the Community's willingness to provide Tunisia with decisive support in its endeavours to bring about economic reform, structural adjustment and social development;

CONSIDERING the commitment of both the Community and Tunisia to free trade, in compliance with the rights and obligations arising out of the General Agreement on Tariffs and Trade (GATT);

DESIROUS of establishing cooperation sustained by regular dialogue on economic, social and cultural issues in order to achieve better mutual understanding;

CONVINCED that this Agreement will create a climate conducive to the development of their economic relations, in particular in the fields of trade and investment, the key sectors for economic restructuring and technological modernisation,

HAVE AGREED AS FOLLOWS:

- 1. An association is hereby established between the Community and its Member States, of the one part, and Tunisia, of the other part.
- 2. The aims of this Agreement are to:
- provide an appropriate framework for political dialogue between the Parties, allowing the development of close relations in all areas they consider relevant to such dialogue,
- establish the conditions for the gradual liberalisation of trade in goods, services and capital,
- promote trade and the expansion of harmonious economic and social relations between the Parties, notably through dialogue and cooperation, so as to foster the development and prosperity of Tunisia and its people,

- encourage integration of the Maghreb countries by promoting trade and cooperation between Tunisia and other countries of the region,
- promote economic, social, cultural and financial cooperation.

Article 2

Relations between the Parties, as well as all the provisions of the Agreement itself, shall be based on respect for human rights and democratic principles which guide their domestic and international policies and constitute an essential element of the Agreement.

TITLE I POLITICAL DIALOGUE

Article 3

- 1. A regular political dialogue shall be established between the Parties. It shall help build lasting links of solidarity between the partners which will contribute to the prosperity, stability and security of the Mediterranean region and bring about a climate of understanding and tolerance between cultures.
- 2. Political dialogue and cooperation are intended in particular to:
- (a) facilitate rapprochement between the Parties through the development of better mutual understanding and regular coordination on international issues of common interest;
- (b) enable each Party to consider the position and interests of the other;
- (c) contribute to consolidating security and stability in the Mediterranean region and in the Maghreb in particular;
- (d) help develop joint initiatives.

Article 4

Political dialogue shall cover all issues of common interest to the Parties, in particular the conditions required to ensure peace, security and regional development through support for cooperation, notably within the Maghreb group of countries.

Article 5

Political dialogue shall be established at regular intervals and whenever necessary notably:

- (a) at ministerial level, principally within the Association Council;
- (b) at the level of senior officials representing Tunisia, on the one hand, and the Council Presidency and the Commission on the other;
- (c) taking full advantage of all diplomatic channels including regular briefings, consultations on the occasion of international meetings and contacts between diplomatic representatives in third countries;
- (d) where appropriate, by any other means which would make a useful contribution to consolidating dialogue and increasing its effectiveness.

TITLE II FREE MOVEMENT OF GOODS

Article 6

The Community and Tunisia shall gradually establish a free trade area over a transitional period lasting a maximum of 12 years starting from the date of the entry into force of this Agreement in accordance with the provisions of this Agreement and in conformity with those of the General Agreement on Tariffs and Trade 1994 and the other multilateral Agreements on trade in goods annexed to the Agreement establishing the WTO, hereinafter referred to as the GATT.

CHAPTER I INDUSTRIAL PRODUCTS

Article 7

The provisions of this Chapter shall apply to products originating in the Community and Tunisia with the exception of the products referred to in Annex II to the Treaty establishing the European Community.

Article 8

No new customs duties on imports nor charges having equivalent effect shall be introduced in trade between the Community and Tunisia.

Article 9

Products originating in Tunisia shall be imported into the Community free of customs duties and charges having equivalent effect and without quantitative restrictions or measures having equivalent effect.

Article 10

1. The provisions of this Chapter shall not preclude the retention by the Community of an agricultural component on imports of the goods originating in Tunisia listed in Annex 1.

The agricultural component shall reflect differences between the price on the Community market of the agricultural products considered as being used in the production of such goods and the price of imports from third countries where the total cost of the said basic products is higher in the Community. The agricultural component may take the form of a fixed amount or an ad valorem duty. Such differences shall be replaced, where appropriate, by specific duties based on tariffication of the agricultural component or by ad valorem duties.

The provisions of Chapter 2 applicable to agricultural products shall apply mutatis mutandis to the agricultural component.

2. The provisions of this Chapter shall not preclude the separate specification by Tunisia of an agricultural component in the import duties in force on the products listed in Annex 2 originating in the Community. The agricultural component may take the form of a fixed amount or an ad valorem duty.

The provisions of Chapter 2 applicable to agricultural products shall apply mutatis mutandis to the agricultural component.

3. In the case of the products shown in Annex 2, list 1, originating in the Community, Tunisia shall apply upon the entry into force of this Agreement import duties and charges having equivalent effect no greater than those in force on 1 January 1995, within the limits of the tariff quotas shown in that list.

During elimination of the industrial component of the duties pursuant to paragraph 4, the level of the duties to be applied in respect of the products for which the tariff quotas are to be abolished may not be higher than the level of the duties in force on 1 January 1995.

4. In the case of the products in Annex 2, list 2, originating in the Community, Tunisia shall eliminate the industrial component of the duties in accordance with the provisions laid down in Article 11 (3) of the Agreement in respect of products in Annex 4.

In the case of the products in Annex 2, lists 1 and 3, originating in the Community, Tunisia shall eliminate the industrial component of the duties in accordance with the provisions laid down in Article 11 (3) of the Agreement in respect of products in Annex 5.

5. The agricultural components applied pursuant to paragraphs 1 and 2 may be reduced where, in trade between the Community and Tunisia, the charge applicable to a basic agricultural product is reduced or where such reductions are the result of mutual concessions relating to processed agricultural products.

6. The reduction referred to in paragraph 5, the list of products concerned and, where appropriate, the tariff guotas within which the reduction applies shall be established by the Association Council.

Article 11

- 1. Customs duties and charges having equivalent effect applicable on import into Tunisia of products originating in the Community other than those listed in Annexes 3 to 6 shall be abolished upon the entry into force of this Agreement.
- 2. Customs duties and charges having equivalent effect applicable on import into Tunisia of the products originating in the Community listed in Annex 3 shall be progressively abolished in accordance with the following timetable:

On the date of entry into force of this Agreement each duty and charge shall be reduced to 85 % of the basic duty;

One year after the date of entry into force of this Agreement each duty and charge shall be reduced to 70 % of the basic duty;

Two years after the date of entry into force of this Agreement each duty and charge shall be reduced to 55 % of the basic duty;

Three years after the date of entry into force of this Agreement each duty and charge shall be reduced to 40 % of the basic duty;

Four years after the date of entry into force of this Agreement each duty and charge shall be reduced to 25 % of the basic duty;

Five years after the date of entry into force of this Agreement the remaining duties shall be abolished.

3. Customs duties and charges having equivalent effect applicable on import into Tunisia of the products originating in the Community listed in Annexes 4 and 5 shall be progressively abolished in accordance with the following timetables:

In the case of the list appearing in Annex 4:

On the date of entry into force of this Agreement each duty and charge shall be reduced to 92 % of the basic duty;

One year after the date of entry into force of this Agreement each duty and charge shall be reduced to 84 % of the basic duty;

Two years after the date of entry into force of this Agreement each duty and charge shall be reduced to 76 % of the basic duty;

Three years after the date of entry into force of this Agreement each duty and charge shall be reduced to 68 % of the basic duty;

Four years after the date of entry into force of this Agreement each duty and charge shall be reduced to 60 % of the basic duty;

Five years after the date of entry into force of this Agreement each duty and charge shall be reduced to 52 % of the basic duty;

Six years after the date of entry into force of this Agreement each duty and charge shall be reduced to 44 % of the basic duty;

Seven years after the date of entry into force of this Agreement each duty and charge shall be reduced to 36 % of the basic duty;

Eight years after the date of entry into force of this Agreement each duty and charge shall be reduced to 28 % of the basic duty;

Nine years after the date of entry into force of this Agreement each duty and charge shall be reduced to 20 % of the basic duty;

Ten years after the date of entry into force of this Agreement each duty and charge shall be reduced to 12 % of the basic duty;

Eleven years after the date of entry into force of this Agreement each duty and charge shall be reduced to 4 % of the basic duty;

Twelve years after the date of entry into force of this Agreement the remaining duties shall be abolished.

In the case of the list appearing in Annex 5:

Four years after the date of entry into force of this Agreement each duty and charge shall be reduced to 88 % of the basic duty;

Five years after the date of entry into force of this Agreement each duty and charge shall be reduced to 77 % of the basic duty;

Six years after the date of entry into force of this Agreement each duty and charge shall be reduced to 66 % of the basic duty;

Seven years after the date of entry into force of this Agreement each duty and charge shall be reduced to 55 % of the basic duty;

Eight years after the date of entry into force of this Agreement each duty and charge shall be reduced to 44 % of the basic duty;

Nine years after the date of entry into force of this Agreement each duty and charge shall be reduced to 33 % of the basic duty;

Ten years after the date of entry into force of this Agreement each duty and charge shall be reduced to 22 % of the basic duty;

Eleven years after the date of entry into force of this Agreement each duty and charge shall be reduced to 11 % of the basic duty;

Twelve years after the date of entry into force of this Agreement the remaining duties shall be abolished.

- 4. In the event of serious difficulties for a given product, the relevant timetables in accordance with paragraph 3 may be reviewed by the Association Committee by common accord on the understanding that the schedule for which the review has been requested may not be extended in respect of the product concerned beyond the maximum transitional period of 12 years. If the Association Committee has not taken a decision within thirty days of its application to review the timetable, Tunisia may suspend the timetable provisionally for a period which may not exceed one year.
- 5. For each product the basic duty to which the successive reductions laid down in paragraphs 2 and 3 are to be applied shall be that actually applied vis-à-vis the Community on 1 January 1995.
- 6. If, after 1 January 1995, any tariff reduction is applied on an erga omnes basis, the reduced duties shall replace the basic duties referred to in paragraph 5 as from the date when such reductions are applied.
- 7. Tunisia shall communicate its basic duties to the Community.

The provisions of Articles 10, 11 and 19(b) shall not apply to products in the list appearing in Annex 6. The arrangements to be applied to such products shall be re-examined by the Association Council four years after the Agreement's entry into force.

Article 13

The provisions concerning the abolition of customs duties on imports shall also apply to customs duties of a fiscal nature.

Article 14

1. Exceptional measures of limited duration which derogate from the provisions of Article 11 may be taken by Tunisia in the form of an increase or reintroduction of customs duties.

These measures may only concern infant industries, or certain sectors undergoing restructuring or facing serious difficulties, particularly where these difficulties produce major social problems.

Customs duties on imports applicable in Tunisia to products originating in the Community introduced by these measures may not exceed 25 % ad valorem and shall maintain an element of preference for products originating in the Community. The total value of imports of the products which are subject to these measures may not exceed 15 % of total imports of industrial products from the Community during the last year for which statistics are available.

These measures shall be applied for a period not exceeding five years unless a longer duration is authorised by the Association Committee. They shall cease to apply at the latest on the expiry of the maximum transitional period of twelve years.

No such measures can be introduced in respect of a product if more than three years have elapsed since the elimination of all duties and quantitative restrictions or charges or measures having equivalent effect concerning that product.

Tunisia shall inform the Association Committee of any exceptional measures it intends to take and, at the request of the Community, consultations shall be held on such measures and the sectors to which they apply before they are implemented. When taking such measures Tunisia shall provide the Committee with a timetable for the elimination of the customs duties introduced under this Article. This timetable shall provide for a phasing-out of these duties in equal annual instalments starting at the latest two years after their introduction. The Association Committee may decide on a different timetable.

2. By way of derogation from the fourth subparagraph of paragraph 1, the Association Committee may exceptionally, in order to take account of the difficulties involved in setting up a new industry, authorise Tunisia to maintain the measures already taken pursuant to paragraph 1 for a maximum period of three years beyond the twelve-year transitional period.

CHAPTER II AGRICULTURAL AND FISHERY PRODUCTS

Article 15

The provisions of this Chapter shall apply to the products originating in the Community and Tunisia listed in Annex II to the Treaty establishing the European Community.

Article 16

The Community and Tunisia shall gradually implement greater liberalisation of their reciprocal trade in agricultural and fishery products.

Article 17

1. Agricultural and fishery products originating in Tunisia shall benefit on import into the Community from the provisions set out in Protocols Nos 1 and 2 respectively.

2. Agricultural products originating in the Community shall benefit on import into Tunisia from the provisions set out in Protocol No 3.

Article 18

- 1. From 1 January 2000 the Community and Tunisia shall assess the situation with a view to determining the liberalisation measures to be applied by the Community and Tunisia with effect from 1 January 2001 in accordance with the objective set out in Article 16.
- 2. Without prejudice to the provisions of the preceding paragraph and taking account of the patterns of trade in agricultural products between the Parties and the particular sensitivity of such products, the Community and Tunisia will examine on a regular basis in the Association Council, product by product and on a reciprocal basis, the possibilities of granting each other further concessions.

CHAPTER III COMMON PROVISIONS

Article 19

Without prejudice to the provisions of the GATT:

- (a) no new quantitative restriction on imports or measure having equivalent effect shall be introduced in trade between the Community and Tunisia;
- (b) quantitative restrictions on imports and measures having equivalent effect in trade between Tunisia and the Community shall be abolished upon the entry into force of this Agreement;
- (c) the Community and Tunisia shall apply to the other's exports customs neither duties or charges having equivalent effect nor quantitative restrictions or measures of equivalent effect.

Article 20

1. Should specific rules be introduced as a result of implementation of their agricultural policies or modification of their existing rules, or should the provisions on the implementation of their agricultural policies be modified or developed, the Community and Tunisia may modify the arrangements laid down in the Agreement in respect of the products concerned.

The Party carrying out such modification shall inform the Association Committee thereof. At the request of the other Party, the Association Committee shall meet to take appropriate account of that Party's interests.

- 2. If the Community or Tunisia, in applying paragraph 1, modifies the arrangements made by this Agreement for agricultural products, they shall accord imports originating in the other Party an advantage comparable to that provided for in this Agreement.
- 3. Any modification of the arrangements made by this Agreement shall be the subject, at the request of the other Contracting Party, of consultations within the Association Council.

Article 21

Products originating in Tunisia shall not enjoy more favourable treatment when imported into the Community than that applied by Member States among themselves.

The provisions of this Agreement shall apply without prejudice to the provisions of Council Regulation (EEC) No 1911/91 of 26 June 1991 on the application of the provisions of Community law to the Canary Islands.

Article 22

1. The two Parties shall refrain from any measures or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products of one Party and like products originating in the territory of the other Party.

2. Products exported to the territory of one of the Parties may not benefit from repayment of indirect internal taxation in excess of the amount of indirect taxation imposed on them directly or indirectly.

Article 23

- 1. This Agreement shall not preclude the maintenance or establishment of customs unions, free trade areas or arrangements for frontier trade insofar as they do not have the effect of altering the trade arrangements provided for in this Agreement.
- 2. Consultations between the Parties shall take place within the Association Committee concerning agreements establishing customs unions or free trade areas and, where appropriate, on other major issues related to their respective trade policies with third countries. In particular in the event of a third country acceding to the Community, such consultations shall take place so as to ensure that account is taken of the mutual interests of the Community and Tunisia stated in this Agreement.

Article 24

If one of the Parties finds that dumping is taking place in trade with the other Party within the meaning of Article VI of the General Agreement on Tariffs and Trade, it may take appropriate measures against this practice in accordance with the Agreement relating to the application of Article VI of the General Agreement on Tariffs and Trade, related internal legislation and the conditions and procedures laid down in Article 27.

Article 25

Where any product is being imported in such increased quantities and under such conditions as to cause or threaten to cause:

- serious injury to domestic producers of like or directly competitive products in the territory of one of the Contracting Parties, or
- serious disturbances in any sector of the economy or difficulties which could bring about serious deterioration in the economic situation of a region,

the Community or Tunisia may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 27.

Article 26

Where compliance with the provisions of Article 19(c) leads to:

- (i) re-export to a third country of a product against which the exporting Party maintains quantitative export restrictions, export duties or measures or charges having equivalent effect; or
- (ii) a serious shortage, or threat thereof, of a product essential to the exporting Party,

and where the situations referred to above give rise, or are likely to give rise, to major difficulties for the exporting Party, that Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 27. The measures shall be non-discriminatory and shall be eliminated when conditions no longer justify their maintenance.

- 1. In the event of the Community or Tunisia subjecting imports of products liable to give rise to the difficulties referred to in Article 25 to an administrative procedure having as its purpose the rapid supply of information on trade flow trends, it shall inform the other Party.
- 2. In the cases specified in Articles 24, 25 and 26, before taking the measures provided for therein or, in cases to which paragraph 3(d) applies, as soon as possible, the Community or Tunisia, as the case may

be, shall supply the Association Committee with all relevant information with a view to seeking a solution acceptable to the two Parties.

In the selection of measures, priority shall be given to those which least disturb the functioning of this Agreement.

The safeguard measures shall be immediately notified to the Association Committee by the Party concerned and shall be the subject of periodic consultations, particularly with a view to their abolition as soon as circumstances permit.

- 3. For the implementation of paragraph 2, the following provisions shall apply:
- (a) as regards Article 24, the exporting Party shall be informed of the dumping case as soon as the authorities of the importing Party have initiated an investigation. When no end has been put to the dumping within the meaning of Article VI of the GATT or no other satisfactory solution has been reached within 30 days of the matter being referred, the importing Party may adopt the appropriate measures;
- (b) as regards Article 25, the difficulties arising from the situation referred to in that Article shall be referred for examination to the Association Committee, which may take any decision needed to put an end to such difficulties.

If the Association Committee or the exporting Party has not taken a decision putting an end to the difficulties or no other satisfactory solution has been reached within 30 days of the matter being referred, the importing Party may adopt the appropriate measures to remedy the problem. These measures shall not exceed the scope of what is necessary to remedy the difficulties which have arisen;

(c) as regards Article 26, the difficulties arising from the situations referred to in that Article shall be referred for examination to the Association Committee.

The Association Committee may take any decision needed to put an end to the difficulties. If it has not taken such a decision within 30 days of the matter being referred to it, the exporting Party may apply appropriate measures to exports of the product concerned;

(d) where exceptional circumstances requiring immediate action make prior information or examination, as the case may be, impossible, the Community or Tunisia, whichever is concerned, may, in the situations specified in Articles 24, 25 and 26, apply forthwith the precautionary measures strictly necessary to deal with the situation and shall inform the other Party immediately thereof.

Article 28

The Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures of artistic, historic or archaeological value or the protection of intellectual, industrial and commercial property of rules relating to gold and silver. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Parties.

Article 29

The concept of 'originating products' for the purposes of implementing this Title and the methods of administrative cooperation relating thereto are laid down in Protocol No 4.

Article 30

The Combined Nomenclature of goods shall be applied to the classification of goods in trade between the two Parties.

TITLE III RIGHT OF ESTABLISHMENT AND SERVICES

- 1. The Parties agree to widen the scope of the Agreement to cover the right of establishment of one Party's firms on the territory of the other and liberalisation of the provision of services by one Party's firms to consumers of services in the other.
- 2. The Association Council will make recommendations for achieving the objective described in paragraph 1.

In making such recommendations, the Association Council will take account of past experience of implementation of reciprocal most-favoured-nation treatment and of the respective obligations of each Party under the General Agreement on Trade in Services annexed to the Agreement establishing the WTO, hereinafter referred to as the 'GATS', particularly those in Article V of the latter.

3. The Association Council will make a first assessment of the achievement of this objective no later than five years after the Agreement enters into force.

Article 32

- 1. At the outset, each of the Parties shall reaffirm its obligations under the GATS, particularly the obligation to grant reciprocal most-favoured-nation treatment in the service sectors covered by that obligation.
- 2. In accordance with the GATS, such treatment shall not apply to:
- (a) advantages granted by either Party under the terms of an agreement of the type defined in Article V of the GATS or to measures taken on the basis of such an agreement;
- (b) other advantages granted in accordance with the list of exemptions from most-favoured-nation treatment annexed by either Party to the GATS.

TITLE IV PAYMENTS, CAPITAL, COMPETITION AND OTHER ECONOMIC PROVISIONS

CHAPTER I CURRENT PAYMENTS AND MOVEMENT OF CAPITAL

Article 33

Subject to the provisions of Article 35, the Parties undertake to allow all current payments for current transactions to be made in a freely convertible currency.

Article 34

- 1. With regard to transactions on the capital account of balance of payments, the Community and Tunisia shall ensure, from the entry into force of this Agreement, that capital relating to direct investments in Tunisia in companies formed in accordance with current laws can move freely and that the yield from such investments and any profit stemming therefrom can be liquidated and repatriated.
- 2. The Parties shall consult each other with a view to facilitating, and fully liberalising when the time is right, the movement of capital between the Community and Tunisia.

Article 35

Where one or more Member States of the Community, or Tunisia, is in serious balance of payments difficulties, or under threat thereof, the Community or Tunisia, as the case may be, may, in accordance with the conditions established under the General Agreement on Tariffs and Trade and Articles VIII and XIV of the Articles of Agreement of the International Monetary Fund, adopt restrictions on current transactions which shall be of limited duration and may not go beyond what is strictly necessary to remedy the balance of payments situation. The Community or Tunisia, as the case may be, shall inform the other Party forthwith and shall submit to it as soon as possible a timetable for the elimination of the measures concerned.

CHAPTER II COMPETITION AND OTHER ECONOMIC PROVISIONS

Article 36

- 1. The following are incompatible with the proper functioning of the Agreement, insofar as they may affect trade between the Community and Tunisia:
- (a) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition;
- (b) abuse by one or more undertakings of a dominant position in the territories of the Community or of Tunisia as a whole or in a substantial part thereof;
- (c) any official aid which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods, with the exception of cases in which a derogation is allowed under the Treaty establishing the European Coal and Steel Community.
- 2. Any practices contrary to this Article shall be assessed on the basis of criteria arising from the application of the rules of Articles 85, 86 and 92 of the Treaty establishing the European Community and, in the case of products falling within the scope of the European Coal and Steel Community, the rules of Articles 65 and 66 of the Treaty establishing that Community, and the rules relating to state aid, including secondary legislation.
- 3. The Association Council shall, within five years of the entry into force of this Agreement, adopt the necessary rules for the implementation of paragraphs 1 and 2.

Until these rules are adopted, the provisions of the Agreement on interpretation and application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade shall be applied as the rules for the implementation of paragraph 1(c) and related parts of paragraph 2.

4. (a) For the purposes of applying the provisions of paragraph 1(c), the Parties recognize that during the first five years after the entry into force of this Agreement, any State aid granted by Tunisia shall be assessed taking into account the fact that Tunisia shall be regarded as an area identical to those areas of the Community described in Article 92(3)(a) of the Treaty establishing the European Community.

During the same period of time, Tunisia may exceptionally, as regards ECSC steel products, grant State aid for restructuring purposes provided that:

- it leads to the viability of the recipient firms under normal market conditions at the end of the restructuring period,
- the amount and intensity of such aid are strictly limited to what is absolutely necessary in order to restore such viability and are progressively reduced,
- the restructuring programme is linked to a comprehensive plan for rationalising capacity in Tunisia.

The Association Council shall, taking into account the economic situation of Tunisia, decide whether the period should be extended every five years.

- (b) Each Party shall ensure transparency in the area of official aid, inter alia by reporting annually to the other Party on the total amount and the distribution of the aid given and by providing, upon request, information on aid schemes. Upon request by one Party, the other Party shall provide information on particular individual cases of official aid.
- 5. With regard to products referred to in Chapter II of Title II:
- the provisions of paragraph 1(c) do not apply,
- any practices contrary to paragraph 1(a) shall be assessed according to the criteria established by the Community on the basis of Articles 42 and 43 of the Treaty establishing the European Community, and in particular those established in Council Regulation No 26/62.

- 6. If the Community or Tunisia considers that a particular practice is incompatible with the terms of paragraph 1, and:
- is not adequately dealt with under the implementing rules referred to in paragraph 3, or
- in the absence of such rules, and if such practice causes or threatens to cause serious prejudice to the interest of the other Party or material injury to its domestic industry, including its services industry,

it may take appropriate measures after consultation within the Association Committee or after 30 working days following referral to that Committee.

In the case of practices incompatible with paragraph 1(c) of this Article, such appropriate measures may, where the General Agreement on Tariffs and Trade applies thereto, only be adopted in accordance with the procedures and under the conditions laid down by the General Agreement on Tariffs and Trade and any other relevant instrument negotiated under its auspices which is applicable between the Parties.

7. Notwithstanding any provisions to the contrary adopted in accordance with paragraph 3, the Parties shall exchange information taking into account the limitations imposed by the requirements of professional and business secrecy.

Article 37

The Member States and Tunisia shall progressively adjust, without affecting commitments made under the GATT, any state monopolies of a commercial character so as to ensure that, by the end of the fifth year following the entry into force of this Agreement, no discrimination regarding the conditions under which goods are procured and marketed exists between nationals of the Member States and of Tunisia. The Association Committee will be informed about the measures adopted to implement this objective.

Article 38

With regard to public enterprises and enterprises which have been granted special or exclusive rights, the Association Council shall ensure, from the fifth year following the entry into force of the Agreement, that no measures which disturbs trade between the Community and Tunisia in a manner which runs counter to the interests of the Parties is adopted or maintained. This provision shall not impede the performance in fact or in law of the specific functions assigned to those enterprises.

Article 39

- 1. The Parties shall provide suitable and effective protection of intellectual, industrial and commercial property rights, in line with the highest international standards. This shall encompass effective means of enforcing such rights.
- 2. Implementation of this Article and of Annex 7 shall be regularly assessed by the Parties. If difficulties which affect trade arise in connection with intellectual, industrial and commercial property rights, either Party may request urgent consultations to find mutually satisfactory solutions.

Article 40

- 1. The Parties shall take appropriate steps to promote the use by Tunisia of Community technical rules and European standards for industrial and agri-food products and certification procedures.
- 2. Using the principles set out in paragraph 1 as a basis, the Parties shall, when the circumstances are right, conclude agreements for the mutual recognition of certifications.

- 1. The Parties shall set as their objective a reciprocal and gradual liberalisation of public procurement contracts.
- 2. The Association Council shall take the steps necessary to implement paragraph 1.

TITLE V ECONOMIC COOPERATION

Article 42 Objectives

- 1. The Parties undertake to step up economic cooperation in their mutual interest and in the spirit of partnership which is at the root of this Agreement.
- 2. The objective of economic cooperation shall be to support Tunisia's own efforts to achieve sustainable economic and social development.

Article 43 Scope

- 1. Cooperation will be targeted first and foremost at areas of activity suffering the effects of internal constraints and difficulties or affected by the process of liberalising Tunisia's economy as a whole, and more particularly by the liberalisation of trade between Tunisia and the Community.
- 2. Similarly, cooperation shall focus on areas likely to bring the economies of the Community and Tunisia closer together, particularly those which will generate growth and employment.
- 3. Cooperation shall foster economic integration within the Maghreb using any measures likely to further such relations within the region.
- 4. Preservation of the environment and ecological balances shall constitute a central component of the various fields of economic cooperation.
- 5. Where appropriate, the Parties shall determine by agreement other fields of economic cooperation.

Article 44 Methods

Economic cooperation shall involve methods including:

- (a) regular economic dialogue between the two Parties covering all aspects of macroeconomic policy;
- (b) communication and exchanges of information;
- (c) advice, use of the services of experts and training;
- (d) joint ventures;
- (e) assistance with technical, administrative and regulatory matters.

Article 45 Regional cooperation

In order to make the most of this Agreement, the Parties shall foster all activities which have a regional impact or involve third countries, notably:

- (a) intra-regional trade within the Maghreb;
- (b) environmental matters;
- (c) the development of economic infrastructure;
- (d) research in science and technology;
- (e) cultural matters;
- (f) customs matters;
- (g) regional institutions and the establishment of common or harmonised programmes and policies.

Article 46 Education and training

The aim of cooperation shall be to:

- (a) find ways to bring about a significant improvement in education and training, including vocational training;
- (b) place special emphasis on giving the female population access to education, including technical training, higher education and vocational training;
- (c) encourage the establishment of lasting links between specialist bodies on the Parties' territories in order to pool and exchange experience and methods.

Article 47 Scientific, technical and technological cooperation

The aim of cooperation shall be to:

- (a) encourage the establishment of permanent links between the Parties' scientific communities, notably by means of:
- providing Tunisia with access to Community research and technological development programmes in accordance with Community rules governing non-Community countries' involvement in such programmes,
- Tunisian participation in networks of decentralised cooperation,
- promoting synergy in training and research;
- (b) improve Tunisia's research capabilities;
- (c) stimulate technological innovation and the transfer of new technology and know-how;
- (d) encourage all activities aimed at establishing synergy at regional level.

Article 48 Environment

The aim of cooperation shall be to prevent deterioration of the environment, to improve the quality of the environment, to protect human health and to achieve rational use of natural resources for sustainable development.

The Parties undertake to cooperate in areas including:

- (a) soil and water quality;
- (b) the consequences of development, particularly industrial development (especially safety of installations and waste);
- (c) monitoring and preventing pollution of the sea.

Article 49 Industrial cooperation

The aim of cooperation shall be to:

- (a) encourage cooperation between the Parties' economic operators, including cooperation in the context of access for Tunisia to Community business networks and decentralised cooperation networks;
- (b) back the effort to modernise and restructure Tunisia's public and private sector industry (including the agri-food industry);
- (c) foster an environment which favours private initiative, with the aim of stimulating and diversifying output for the domestic and export markets;
- (d) make the most of Tunisia's human resources and industrial potential through better use of policy in the fields of innovation and research and technological development;
- (e) facilitate access to credit to finance investment.

Article 50 Promotion and protection of investment

The aim of cooperation shall be to create a favourable climate for flows of investment, and to use the following in particular:

- (a) the establishment of harmonised and simplified procedures, co-investment machinery (especially to link small and medium-sized enterprises) and methods of identifying and providing information on investment opportunities;
- (b) the establishment, where appropriate, of a legal framework to promote investment, chiefly through the conclusion by Tunisia and the Member States of investment protection agreements and agreements preventing double taxation.

Article 51 Cooperation in standardisation and conformity assessment

The Parties shall cooperate in developing:

- (a) the use of Community rules in standardisation, metrology, quality control and conformity assessment;
- (b) the updating of Tunisian laboratories, leading eventually to the conclusion of mutual recognition agreements for conformity assessment;
- (c) the bodies responsible for intellectual, industrial and commercial property and for standardisation and quality in Tunisia.

Article 52 Approximation of legislation

Cooperation shall be aimed at helping Tunisia to bring its legislation closer to that of the Community in the areas covered by this Agreement.

Article 53 Financial services

The aim of cooperation shall be to achieve closer common rules and standards in areas including the following:

- (a) bolstering and restructuring Tunisia's financial sectors;
- (b) improving accounting, auditing, supervision and regulation of financial services and financial monitoring in Tunisia.

Article 54 Agriculture and fisheries

The aim of cooperation shall be to:

- (a) modernise and restructure agriculture and fisheries through methods including the modernisation of infrastructure and equipment, the development of packaging and storage techniques and the improvement of private distribution and marketing chains;
- (b) diversify output and external markets;
- (c) achieve cooperation in health, plant health and growing techniques.

Article 55 Transport

The aim of cooperation shall be to:

- (a) achieve the restructuring and modernisation of road, rail, port and airport infrastructure of common interest, in correlation with major trans-European communication routes;
- (b) define and apply operating standards comparable to those found in the Community;
- (c) bring equipment up to Community standards, particularly where multimodal transport, containerisation and transhipment are concerned;

(d) gradually improve road transit and the management of airports, air traffic and railways.

Article 56 Telecommunications and information technology

Cooperation shall focus on:

- (a) telecommunications in general;
- (b) standardisation, conformity testing and certification for information technology and telecommunications;
- (c) dissemination of new information technologies, particularly in relation to networks and the interconnection of networks (ISDN integrated services digital networks and EDI electronic data interchange);
- (d) stimulating research on and development of new communication and information technology facilities to develop the market in equipment, services and applications related to information technology and to communications, services and installations.

Article 57 Energy

Cooperation shall focus on:

- (a) renewable energy;
- (b) promoting the saving of energy;
- (c) applied research relating to networks of databases linking the two Parties' economic and social operators;
- (d) backing efforts to modernise and develop energy networks and the interconnection of such networks with Community networks.

Article 58 Tourism

The aim of cooperation shall be to develop tourism, particularly with regard to:

- (a) catering management and quality of service in the various fields connected with catering;
- (b) development of marketing;
- (c) promotion of tourism for young people.

Article 59 Cooperation in customs matters

- 1. The aim of cooperation shall be to ensure fair trade and compliance with trade rules. It shall focus on:
- (a) simplifying customs checks and procedures;
- (b) the use of the Single Administrative Document and creating a link between the Community and Tunisian transit systems.
- 2. Without prejudice to other forms of cooperation provided for in this Agreement, and particularly those provided for in Articles 61 and 62, the Contracting Parties' administrative authorities shall provide mutual assistance in accordance with the terms of Protocol No 5.

Article 60 Cooperation in statistics

The aim of cooperation shall be to bring the methods used by the Parties closer together and to put to use data on all areas covered by this Agreement for which statistics can be collected.

Article 61 Money laundering

- 1. The Parties agree on the need to work towards and cooperate on preventing the use of their financial systems to launder the proceeds of criminal activities in general and drug trafficking in particular.
- 2. Cooperation in this area shall include administrative and technical assistance with the purpose of establishing suitable standards against money laundering equivalent to those adopted by the Community and international fora in this field, including the Financial Action Task Force (FATF).

Article 62 Combating drug use and trafficking

- 1. The aim of cooperation shall be to:
- (a) improve the effectiveness of policies and measures to prevent and combat the production and supply of and trafficking in narcotics and psychotropic substances;
- (b) eliminate illicit consumption of such products.
- 2. The Parties shall together set out appropriate strategies and methods of cooperation, in accordance with their own legislation, to attain those objectives. For any action which is not conducted jointly, there shall be consultations and close coordination.

Such action may involve the appropriate public and private sector institutions and international organisations, in collaboration with the government of the Republic of Tunisia and the relevant authorities in the Community and the Member States.

- 3. Cooperation shall take the following forms in particular:
- (a) the establishment or expansion of clinics/hostels and information centres for the treatment and rehabilitation of drug addicts;
- (b) the implementation of prevention, information, training and epidemiological research projects;
- (c) the establishment of standards for preventing diversion of precursors and other essential ingredients for the illicit manufacture of narcotics and psychotropic substances, which are equivalent to those adopted by the Community and the appropriate international authorities, particularly the Chemicals Action Task Force (CATF).

Article 63

The two Parties shall together establish the procedures needed to achieve cooperation in the fields covered by this Title.

TITLE VI COOPERATION IN SOCIAL AND CULTURAL MATTERS

CHAPTER I WORKERS

Article 64

- 1. The treatment accorded by each Member State to workers of Tunisian nationality employed in its territory shall be free from any discrimination based on nationality, as regards working conditions, remuneration and dismissal, relative to its own nationals.
- 2. All Tunisian workers allowed to undertake paid employment in the territory of a Member State on a temporary basis shall be covered by the provisions of paragraph 1 with regard to working conditions and remuneration.
- 3. Tunisia shall accord the same treatment to workers who are nationals of a Member State and employed in its territory.

1. Subject to the provisions of the following paragraphs, workers of Tunisian nationality and any members of their families living with them shall enjoy, in the field of social security, treatment free from any discrimination based on nationality relative to nationals of the Member States in which they are employed.

The concept of social security shall cover the branches of social security dealing with sickness and maternity benefits, invalidity, old-age and survivors' benefits, industrial accident and occupational disease benefits and death, unemployment and family benefits.

These provisions shall not, however, cause the other coordination rules provided for in Community legislation based on Article 51 of the EC Treaty to apply, except under the conditions set out in Article 67 of this Agreement.

- 2. All periods of insurance, employment or residence completed by such workers in the various Member States shall be added together for the purpose of pensions and annuities in respect of old age, invalidity and survivors' benefits and family, sickness and maternity benefits and also for that of medical care for the workers and for members of their families resident in the Community.
- 3. The workers in question shall receive family allowances for members of their families who are resident in the Community.
- 4. The workers in question shall be able to transfer freely to Tunisia, at the rates applied by virtue of the legislation of the debtor Member State or States, any pensions or annuities in respect of old age, survivor status, industrial accident or occupational disease, or of invalidity resulting from industrial accident or occupational disease, except in the case of special non-contributory benefits.
- 5. Tunisia shall accord to workers who are nationals of a Member State and employed in its territory, and to the members of their families, treatment similar to that specified in paragraphs 1, 3 and 4.

Article 66

The provisions of this Chapter shall not apply to nationals of the Parties residing or working illegally in the territory of their host countries.

Article 67

- 1. Before the end of the first year following the entry into force of this Agreement, the Association Council shall adopt provisions to implement the principles set out in Article 65.
- 2. The Association Council shall adopt detailed rules for administrative cooperation providing the necessary management and monitoring guarantees for the application of the provisions referred to in paragraph 1.

Article 68

The provisions adopted by the Association Council in accordance with Article 67 shall not affect any rights or obligations arising from bilateral agreements linking Tunisia and the Member States where those agreements provide for more favourable treatment of nationals of Tunisia or of the Member States.

CHAPTER II DIALOGUE IN SOCIAL MATTERS

- 1. The Parties shall conduct regular dialogue on any social matter which is of interest to them.
- 2. Such dialogue shall be used to find ways to achieve progress in the field of movement of workers and equal treatment and social integration for Tunisian and Community nationals residing legally in the territories of their host countries.
- 3. Dialogue shall cover in particular all issues connected with:

- (a) the living and working conditions of the migrant communities;
- (b) migration;
- (c) illegal immigration and the conditions governing the return of individuals who are in breach of the legislation dealing with the right to stay and the right of establishment in their host countries;
- (d) schemes and programmes to encourage equal treatment between Tunisian and Community nationals, mutual knowledge of cultures and civilizations, the furthering of tolerance and the removal of discrimination.

Article 70

Dialogue on social matters shall be conducted at the same levels and in accordance with the same procedures as provided for in Title I of this Agreement, which can itself provide a framework for that dialogue.

CHAPTER III COOPERATION IN THE SOCIAL FIELD

Article 71

With a view to consolidating cooperation between the Parties in the social field, projects and programmes shall be carried out in any area of interest to them.

Priority will be afforded to:

- (a) reducing migratory pressure, in particular by creating jobs and developing training in areas from which emigrants come;
- (b) resettling those repatriated because of their illegal status under the legislation of the state in question;
- (c) promoting the role of women in the economic and social development process through education and the media in step with Tunisian policy on the matter;
- (d) bolstering and developing Tunisia's family planning and mother and child protection programmes;
- (e) improving the social protection system;
- (f) enhancing the health cover system;
- (g) improving living conditions in poor, densely populated areas;
- (h) implementing and financing exchange and leisure programmes for mixed groups of Tunisian and European young people residing in the Member States, with a view to promoting mutual knowledge of their respective cultures and fostering tolerance.

Article 72

Cooperation schemes may be carried out in coordination with Member States and relevant international organisations.

Article 73

A working party shall be set up by the Association Council by the end of the first year following the entry into force of this Agreement. It shall be responsible for the continuous and regular evaluation of the implementation of Chapters 1 to 3.

CHAPTER IV COOPERATION ON CULTURAL MATTERS

- 1. In order to boost mutual knowledge and understanding, taking account of activities already carried out, the Parties shall undertake while respecting each other's culture to provide a firmer footing for lasting cultural dialogue and to promote continuous cultural cooperation between them, without ruling out a priori any field of activity.
- 2. In putting together cooperation projects and programmes and carrying out joint activities, the Parties shall place special emphasis on young people, on written and audio-visual means of expression and communication, and on the protection of their heritage and the dissemination of culture.
- 3. The Parties agree that cultural cooperation programmes already under way in the Community or in one or more of its Member States may be extended to Tunisia.

TITLE VII FINANCIAL COOPERATION

Article 75

With a view to full attainment of the Agreement's objectives, financial cooperation shall be implemented for Tunisia in line with the appropriate financial procedures and resources.

These procedures shall be adopted by mutual agreement between the Parties by means of the most suitable instruments once the Agreement enters into force.

In addition to the areas covered by the Titles V and VI of this Agreement, cooperation shall entail:

- facilitating reforms aimed at modernizing the economy,
- updating economic infrastructure,
- promoting private investment and job creation activities,
- taking into account the effects on the Tunisian economy of the progressive introduction of a free trade area, in particular where the updating and restructuring of industry is concerned,
- flanking measures for policies implemented in the social sectors.

Article 76

Within the framework of Community instruments intended to buttress structural adjustment programmes in the Mediterranean countries - and in close coordination with the Tunisian authorities and other contributors, in particular the international financial institutions - the Community will examine suitable ways of supporting structural policies carried out by Tunisia to restore financial equilibrium in all its key aspects and create an economic environment conducive to boosting growth, while at the same time enhancing social welfare.

Article 77

In order to ensure a coordinated approach to dealing with exceptional macroeconomic and financial problems which could stem from the progressive implementation of the Agreement, the Parties shall closely monitor the development of trade and financial relations between the Community and Tunisia as part of the regular economic dialogue established under Title V.

TITLE VIII INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

Article 78

An Association Council is hereby established which shall meet at ministerial level once a year and when circumstances require, on the initiative of its Chairman and in accordance with the conditions laid down in its rules of procedure.

It shall examine any major issues arising within the framework of this Agreement and any other bilateral or international issues of mutual interest.

Article 79

- 1. The Association Council shall consist of the members of the Council of the European Union and members of the Commission of the European Communities, on the one hand, and of members of the Government of the Republic of Tunisia, on the other.
- 2. Members of the Association Council may arrange to be represented, in accordance with the provisions laid down in its rules of procedure.
- 3. The Association Council shall establish its rules of procedure.
- 4. The Association Council shall be chaired in turn by a member of the Council of the European Union and a member of the Government of the Republic of Tunisia in accordance with the provisions laid down in its rules of procedure.

Article 80

The Association Council shall, for the purpose of attaining the objectives of the Agreement, have the power to take decisions in the cases provided for therein.

The decisions taken shall be binding on the Parties, which shall take the measures necessary to implement the decisions taken. The Association Council may also make appropriate recommendations.

It shall draw up its decisions and recommendations by agreement between the Parties.

Article 81

- 1. Subject to the powers of the Council, an Association Committee is hereby established which shall be responsible for the implementation of the Agreement.
- 2. The Association Council may delegate to the Association Committee, in full or in part, any of its powers.

Article 82

- 1. The Association Committee, which shall meet at the level of officials, shall consist of representatives of members of the Council of the European Union and of members of the Commission of the European Communities, on the one hand, and of representatives of the Government of the Republic of Tunisia, on the other.
- 2. The Association Committee shall establish its rules of procedure.
- 3. The Association Committee shall be chaired in turn by a representative of the Presidency of the Council of the European Union and by a representative of the Government of the Republic of Tunisia.

The Association Committee shall normally meet alternately in the Community and in Tunisia.

Article 83

The Association Committee shall have the power to take decisions for the management of the Agreement as well as in those areas in which the Council has delegated its powers to it.

It shall draw up its decisions by agreement between the Parties. These decisions shall be binding on the Parties, which shall take the measures necessary to implement the decisions taken.

Article 84

The Association Council may decide to set up any working group or body necessary for the implementation of the Agreement.

The Association Council shall take all appropriate measures to facilitate cooperation and contacts between the European Parliament and the Chamber of Deputies of the Republic of Tunisia, and between the Economic and Social Committee of the Community and the Economic and Social Council of the Republic of Tunisia.

Article 86

- 1. Either Party may refer to the Association Council any dispute relating to the application or interpretation of this Agreement.
- 2. The Association Council may settle the dispute by means of a decision.
- 3. Each Party shall be bound to take the measures involved in carrying out the decision referred to in paragraph 2.
- 4. In the event of it not being possible to settle the dispute in accordance with paragraph 2, either Party may notify the other of the appointment of an arbitrator; the other Party must then appoint a second arbitrator within two months. For the application of this procedure, the Community and the Member States shall be deemed to be one Party to the dispute.

The Association Council shall appoint a third arbitrator.

The arbitrators' decisions shall be taken by majority vote.

Each party to the dispute shall take the steps required to implement the decision of the arbitrators.

Article 87

Nothing in the Agreement shall prevent a Contracting Party from taking any measures:

- (a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;
- (b) which relate to the production of, or trade in, arms, munitions or war materials or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;
- (c) which it considers essential to its own security in the event of serious internal disturbances affecting the maintenance of law and order, in time of war or serious international tension constituting threat of war or in order to carry out obligations it has accepted for the purpose of maintaining peace and international security.

Article 88

- 1. In the fields covered by this Agreement, and without prejudice to any special provisions contained therein:
- the arrangements applied by the Republic of Tunisia in respect of the Community shall not give rise to any discrimination between the Member States, their nationals, or their companies or firms,
- the arrangements applied by the Community in respect of the Republic of Tunisia shall not give rise to any discrimination between Tunisian nationals or its companies or firms.

Article 89

Nothing in the Agreement shall have the effect of:

- extending the fiscal advantages granted by either Party in any international agreement or arrangement by which it is bound,

- preventing the adoption or application by either Party of any measure aimed at preventing fraud or the evasion of taxes.
- opposing the right of either Party to apply the relevant provisions of its tax legislation to taxpayers who are not in an identical situation as regards their place of residence.

Article 90

- 1. The Parties shall take any general or specific measures required to fulfil their obligations under the Agreement. They shall see to it that the objectives set out in the Agreement are attained.
- 2. If either Party considers that the other Party has failed to fulfil an obligation under the Agreement, it may take appropriate measures. Before so doing, except in cases of special urgency, it shall supply the Association Council with all the relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.

In the selection of measures, priority must be given to those which least disturb the functioning of the Agreement. These measures shall be notified immediately to the Association Council and shall be the subject of consultations within the Association Council if the other Party so requests.

Article 91

Protocols Nos 1 to 5, Annexes 1 to 7 and the declarations shall form an integral part of the Agreement.

Article 92

For the purposes of this Agreement, 'Parties` shall mean, on the one hand, the Community or the Member States, or the Community and its Member States, in accordance with their respective powers, and, on the other hand, Tunisia.

Article 93

This Agreement shall be concluded for an unlimited period.

Either Party may denounce this Agreement by notifying the other Party. The Agreement shall cease to apply six months after the date of such notification.

Article 94

This Agreement shall apply, on the one hand, to the territories in which the Treaties establishing the European Community and the European Coal And Steel Community are applied and under the conditions laid down in those Treaties and, on the other hand to the territory of the Republic of Tunisia.

Article 95

This Agreement is drawn up in duplicate in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish, Swedish and Arabic languages, each of these texts being equally authentic.

Article 96

1. The Agreement shall be approved by the Contracting Parties in accordance with their own procedures.

It shall enter into force on the first day of the second month following the date on which the Contracting Parties notify each other that the procedures referred to in the first paragraph have been completed.

2. Upon its entry into force, the Agreement shall replace the Cooperation Agreement between the European Community and the Republic of Tunisia and the Agreement between the Member States of the European Coal and Steel Community and the Republic of Tunisia, signed in Tunis on 25 April 1976.

Hecho en Bruselas, el diecisiete de julio de mil novecientos noventa y cinco.

Udfærdiget i Bruxelles den syttende juli nitten hundrede og fem og halvfems.

Geschehen zu Brüssel am siebzehnten Juli neunzehnhundertfünfundneunzig.

, ãélá óôéò ÂñõîÝëëåò, óôéò äÝêá åöôÜ Éiõëßiõ ÷ßëéá ålléáêüóéá ålálþlóá ðÝlóå.

Done at Brussels on the seventeenth day of July in the year one thousand nine hundred and ninety-five.

Fait à Bruxelles, le dix-sept juillet mil neuf cent quatre-vingt-quinze.

Fatto a Bruxelles, addì diciassette luglio millenovecentonovantacinque.

Gedaan te Brussel, de zeventiende juli negentienhonderd vijfennegentig.

Feito em Bruxelas, em dezassete de Julho de mil novecentos e noventa e cinco.

Tehty Brysselissä seitsemäntenätoista päivänä heinäkuuta vuonna tuhatyhdeksänsataayhdeksänkymmentäviisi.

Som skedde i Bryssel den sjuttonde juli nittonhundranittiofem.

>REFERENCE TO A GRAPHIC>

Pour le Royaume de Belgique

Voor het Koninkrijk België

Für das Königreich Belgien

>REFERENCE TO A GRAPHIC>

Cette signature engage également la Communauté française, la Communauté flamande, la Communauté germanophone, la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.

Deze handtekening verbindt eveneens de Vlaamse Gemeenschap, de Franse Gemeenschap, de Duitstalige Gemeenschap, het Vlaamse Gewest, het Waalse Gewest en het Brusselse Hoofdstedelijke Gewest.

Diese Unterschrift verbindet zugleich die Deutschsprachige Gemeinschaft, die Flämische Gemeinschaft, die Französische Gemeinschaft, die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

På Kongeriget Danmarks vegne

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Für die Bundesrepublik Deutschland

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For Ireland

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Per la Repubblica italiana

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Pour le Grand-Duché de Luxembourg

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Voor het Koninkrijk der Nederlanden

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Für die Republik Österreich

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Pela República Portuguesa

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Suomen tasavallan puolesta

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För Konungariket Sverige

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For the United Kingdom of Great Britain and Northern Ireland

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Por las Comunidades Europeas

For De Europæiske Fællesskaber

Für die Europäischen Gemeinschaften

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For the European Communities

Pour les Communautés européennes

Per le Comunità europee

Voor de Europese Gemeenschappen

Pelas Comunidades Europeias

Euroopan yhteisöjen puolesta

På Europeiska gemenskapernas vägnar

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ANNEX 1

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ANNEX 2

PRODUCTS REFERRED TO IN ARTICLE 10(2) >TABLE> >TABLE> >TABLE> ANNEX 3 CN Code

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ANNEX 6

CN Code

ANNEX 7 relating to intellectual, industrial and commercial property

- 1. By the end of the fourth year after the entry into force of the Agreement, Tunisia shall accede to the following multilateral conventions on the protection of intellectual, industrial and commercial property:
- International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome, 1961);
- Budapest Treaty on the International Recognition of the Deposit of Micro-organisms for the Purposes of Patent Procedure (1977, amended in 1980);
- Patent Cooperation Treaty (1970, amended in 1979 and modified in 1984);
- International Convention for the Protection of the New Varieties of Plant (Act of Geneva, 1991);
- Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (Geneva, 1977).
- 2. The Association Council may decide that paragraph 1 of this Annex applies to other multilateral conventions in this field. In this connection, Tunisia will do its utmost to accede in particular to the conventions to which the Member States of the European Community are party.
- 3. The Contacting Parties express their attachment to observing the obligations flowing from the following multilateral conventions:
- Paris Convention for the Protection of Industrial Property in the 1967 Act of Stockholm (Paris Union);
- Berne Convention for the Protection of Literary and Artistic Works in the Act of Paris of 24 July 1971.

PROTOCOL No 1 on the arrangements applying to imports into the Community of agricultural products originating in Tunisia

Article 1

- 1. The products listed in the Annex, originating in Tunisia, shall be admitted for import into the Community in accordance with the conditions set out below and in the Annex.
- 2. Import duties shall be either eliminated or reduced by the percentage indicated in respect of each product in column (a).

Where the Common Customs Tariff provides for the application of ad valorem customs duties and a specific customs duty in respect of certain products, the rates of reduction shown in column (a) and in column (c), as referred to in paragraph 3, shall apply only to the ad valorem customs duty.

3. The customs duties shall be eliminated in respect of certain products within the limits of the tariff quotas shown against them in column (b).

The Common Customs Tariff duties in respect of the quantities imported in excess of the quotas shall be reduced by the percentage indicated in column (c).

4. The reference quantities fixed in respect of certain other products exempt from customs duties are shown in column (d).

Where imports of a product exceed the reference quantities, the Community may, having regard to an annual review of trade flows which is shall carry out, make the product concerned subject to a Community tariff quota the volume of which shall be equal to the reference quantity. In such a case, for quantities imported in excess of the quota, the common customs tariff duty shall, according to the product concerned, be applied in full or reduced, as indicated in column (c).

- 5. For some of the products referred to in paragraphs 3 and 4 and indicated in column (e), the quotas or reference quantities shall be increased from 1 January 1997 to 1 January 2000 on the basis of four equal instalments each corresponding to 3 % of these amounts.
- 6. For some of the products other than those referred to in paragraphs 3 and 4 and indicated in column (e), the Community may fix a reference quantity as provided for in paragraph 4 if, in the light of the annual review of trade which it shall carry out, it establishes that the volume of imports may cause difficulties on the Community market. If, subsequently, the product is subject to a tariff quota under the conditions set out in paragraph 4, the Common Customs Tariff duty shall be applied in full or reduced, depending on the product concerned, by the percentage shown in column (c) in respect of the quantities imported in excess of the quota.

Article 2

Article 1 shall apply in respect of wines of fresh grapes of heading 2204 of the Combined Nomenclature, originating in Tunisia and entitled to a designation of origin, where such wines are put up in containers holding two litres or less and have an actual alcoholic strength of 15 % volume or less.

In accordance with Tunisian law, these wines shall have the following designations: Côteaux de Teboura, Côteaux d'Utique, Sidi Salem, Kelibia, Thibar, Mornag, Grand cru Mornag.

Article 3

- 1. Each marketing year from 1 January 1996 to 31 December 1999, within the limits of a quantity of 46 000 tonnes per year, a customs duty of ECU 7,81/100 kg shall be levied on imports into the Community of untreated olive oil of subheadings 1509 10 10 and 1509 10 90 of the Combined Nomenclature wholly obtained in Tunisia and transported directly from Tunisia to the Community.
- 2. Where imports of olive oil under the above arrangements threaten to disturb the balance of the European Union market, in particular as a result of the latter's obligations relating to this product in the WTO framework, the European Community may take the appropriate measures to remedy this situation.
- 3. The parties shall reassess the situation during the second half of 1999 with a view to determining the arrangements for the period from 1 January 2000.

ANNEX

>TABLE>

PROTOCOL No 2 on the arrangements applying to imports into the Community of fishery products originating in Tunisia

Sole Article

The products listed below, originating in Tunisia, shall be imported into the Community free of customs duties

>TABLE>

PROTOCOL No 3 on the arrangements applying to imports into Tunisia of agricultural products originating in the Community

Sole Article

The customs duties on import into Tunisia of the products originating in the Community listed in the Annex, shall not be higher than those shown in column (a) within the limits of the tariff quotas shown in column (b).

>TABLE>

PROTOCOL No 4 concerning the definition of originating products and methods of administrative cooperation

TITLE I GENERAL PROVISIONS

Article 1 Definitions

For the purposes of this Protocol:

- (a) 'manufacture' means any kind of working or processing including assembly or specific operations;
- (b) 'material` means any ingredient, raw material, component or part, etc., used in the manufacture of the product;
- (c) 'product` means the product being manufactured, even if it is intended for later use in another manufacturing operation;
- (d) 'goods' means both materials and products;
- (e) 'customs value` means the value as determined in accordance with the Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade of 1994 (WTO Agreement on customs valuation);
- (f) 'ex-works price` means the price paid for the product ex-works to the manufacturer in whose undertaking the last working or processing is carried out, including the value of all the materials used, minus all internal taxes which are, or may be, repaid when the product obtained is exported;
- (g) 'value of materials` means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the territories concerned;
- (h) 'value of originating materials` means the customs value of such materials as defined in point (g) applied mutatis mutandis;
- (i) 'chapters` and 'headings` means the chapters and the headings (four-digit codes) used in the nomenclature which makes up the Harmonised Commodity Description and Coding System, referred to in this Protocol as 'the Harmonised System` or 'HS`;
- (j) 'classified' refers to the classification of a product or material under a particular heading;
- (k) 'consignment' means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice.

TITLE II DEFINITION OF THE CONCEPT OF 'ORIGINATING PRODUCTS'

Article 2 Origin criteria

For the purpose of implementing this Agreement and without prejudice to the provisions of Articles 3, 4 and 5 of this Protocol, the following products shall be considered as:

- 1) products originating in the Community:
- (a) products wholly obtained in the Community, within the meaning of Article 6 of this Protocol;
- (b) products obtained in the Community which contain materials not wholly obtained there, provided that the said materials have undergone sufficient working and processing in the Community within the meaning of Article 7 of this Protocol;
- 2) products originating in Tunisia:
- (a) products wholly obtained in Tunisia within the meaning of Article 6 of this Protocol;

(b) products obtained in Tunisia which contain materials not wholly obtained there, provided that the said materials have undergone sufficient working or processing in Tunisia within the meaning of Article 7 of this Protocol.

Article 3 Bilateral cumulation

- 1. Notwithstanding Article 2(1)(b), materials originating in Tunisia within the meaning of this Protocol shall be considered as materials originating in the Community and it shall not be necessary that such materials have undergone sufficient working or processing there, provided however that they have undergone working or processing going beyond that referred to in Article 8 of this Protocol.
- 2. Notwithstanding Article 2(2)(b), materials originating in the Community within the meaning of this Protocol shall be considered as materials originating in Tunisia and it shall not be necessary that such materials have undergone working or processing there, provided however that they have undergone working or processing going beyond that referred to in Article 8 of this Protocol.

Article 4 Cumulation with materials originating in Algeria and Morocco

- 1. Notwithstanding Article 2(1)(b) and subject to the provisions of paragraphs 3 and 4, materials originating in Algeria or Morocco within the meaning of Protocol No 2 annexed to the Agreements between the Community and these countries shall be considered as originating in the Community and it shall not be necessary that such materials have undergone sufficient working or processing, on condition however that they have undergone working or processing beyond that referred to in Article 8 of this Protocol.
- 2. Notwithstanding Article 2(2)(b) and subject to the provisions of paragraphs 3 and 4, materials originating in Algeria or Morocco within the meaning of Protocol No 2 annexed to the Agreements between the Community and these countries shall be considered as originating in Tunisia and it shall not be necessary that such materials have undergone sufficient working or processing, on condition however that they have undergone working or processing beyond that referred to in Article 8 of this Protocol.
- 3. The provisions set out in paragraphs 1 and 2 concerning materials originating in Algeria are only applicable to the extent that trade between the Community and Algeria and between Tunisia and Algeria, is governed by identical rules of origin.
- 4. The provisions set out in paragraphs 1 and 2 concerning materials originating in Morocco are only applicable to the extent that trade between the Community and Morocco and between Tunisia and Morocco, is governed by identical rules of origin.

Article 5 Cumulation of working or processing

- 1. For the purpose of implementing Article 2(1)(b), working or processing carried out in Tunisia, or, when the conditions required by Article 4(3) and (4) are fulfilled, in Algeria or in Morocco shall be considered as having been carried out in the Community when the products obtained undergo subsequent working or processing in the Community.
- 2. For the purpose, of implementing Article 2(2)(b), working or processing carried out in the Community or, when the conditions required by Article 4(3) and (4) are fulfilled, in Algeria or in Morocco shall be considered as having been carried out in Tunisia when the products obtained undergo subsequent working or processing in Tunisia.
- 3. Where pursuant to the provisions of paragraph 1 or 2 the originating products are obtained in two or more of the States referred to in those provisions or in the Community, they shall be considered as originating products of the State or the Community according to where the last working or processing took place, provided that that working or processing went beyond that referred to in Article 8.

Article 6 Wholly obtained products

- 1. Within the meaning of Article 2(1)(a) and (2)(a), the following shall be considered as 'wholly obtained' either in the Community or in Tunisia.
- (a) mineral products extracted from their soil or from their seabed;
- (b) vegetable products harvested there;
- (c) live animals born and raised there;
- (d) products from live animals raised there;
- (e) products obtained by hunting or fishing there;
- (f) products of sea fishing and other products taken from the sea by their vessels;
- (g) products made aboard their factory ships exclusively from products referred to in subparagraph (f);
- (h) used articles collected there fit only for the recovery of raw materials, including used tyres fit only for retreading or use as waste;
- (i) waste and scrap resulting from manufacturing operations conducted there;
- (j) products extracted from marine soil or subsoil outside their territorial waters provided that they have sole rights to work that soil or subsoil;
- (k) goods produced exclusively from products specified in subparagraphs (a) to (j).
- 2. The terms 'their vessels` and 'their factory ships` in paragraph 1(f) and (g) shall apply only to vessels and factory ships:
- which are registered or recorded in a Member State or in Tunisia,
- which sail under the flag of a Member State or of Tunisia,
- which are owned to the extent of at least 50 % by nationals of Member States or of Tunisia, or by a company with its head office in a Member State or in Tunisia, of which the manager or managers, chairman of the board of directors or the supervisory board and the majority of the members of such boards are nationals of Member States or of Tunisia and of which, in addition in the case of partnerships or limited companies, at least half the capital belongs to Member States or Tunisia, to public bodies or to nationals of the Member States or Tunisia,
- of which the master and officers are nationals of Member States or of Tunisia,
- of which at least 75 % of the crew are nationals of Member States or of Tunisia.
- 3. Insofar as trade between Tunisia or the Community and Algeria or Morocco are covered by identical rules of origin, the terms 'their vessels` and 'their factory ships` in paragraph 1(f) shall also apply to Algerian or Moroccan vessels or factory ships within the meaning of paragraph 2.
- 4. The terms 'Tunisia` and the 'Community` shall also cover the territorial waters which surround Tunisia and the Member States of the Community.

Vessels operating on the high seas, including factory ships on which the fish caught is worked or processed, shall be considered as part of the territory of the Community or of Tunisia provided that they satisfy the conditions set out in paragraph 2.

Article 7 Sufficiently worked or processed products

1. For the purposes of Article 2, non-originating materials are considered to be sufficiently worked or processed when the product obtained is classified in a heading which is different from that in which all the non-originating materials used in its manufacture are classified, subject to paragraph 2 and Article 8.

2. For a product mentioned in columns 1 and 2 of the list in Annex II, the conditions set out in column 3 for the product concerned must be fulfilled instead of the rule set out in paragraph 1.

For the products falling under Chapters 84 to 91, as an alternative to satisfying the conditions set out in column 3, the exporter may opt to apply the conditions set out in column 4 instead.

Where in the list in Annex II a percentage rule is applied in determining the originating status of a product obtained in the Community or in Tunisia the value added by the working or processing shall correspond to the ex-works price of the product obtained, less the value of third-country materials imported into the Community or Tunisia.

3. These conditions indicate, for all products covered by the Agreement, the working or processing which must be carried out on the non-originating materials used in the manufacture of these products, and apply only in relation to such materials. Accordingly, it follows that if a product, which has acquired originating status by fulfilling the conditions set out in the list for that product, is used in the manufacture of another product, the conditions applicable to the product in which it is incorporated do not apply to it, and no account that be taken of the non-originating materials which may have been used in its manufacture.

Article 8 Insufficient working or processing operations

For the purpose of implementing Article 7 the following shall be considered as insufficient working or processing to confer the status of originating products, whether or not there is a change of heading:

- (a) operations to ensure the preservation of products in good conditions during transport and storage (ventilation, spreading out, drying, chilling, placing in brine, sulphur dioxide or other aqueous solutions, removal of damaged parts, and like operations);
- (b) simple operations consisting of removal of dust, sifting or screening, sorting, classifying, matching (including the making-up of sets of articles), washing, painting, cutting up;
- (c) (i) changes of packaging and division and assembly of packages:
- (ii) simple placing in bottles, flasks, bags, cases, boxes, fixing on cards or boards, etc., and all other simple packaging operations;
- (d) affixing marks, labels and other like distinguishing signs on products or their packaging;
- (e) simple mixing of products, whether or not of different kinds, where one or more components of the mixture do not meet the conditions laid down in this Protocol to enable them to be considered as originating in the Community or in Tunisia;
- (f) simple assembly of parts to constitute a complete product;
- (g) a combination of two or more operations specified in subparagraphs (a) to (f);
- (h) slaughter of animals.

Article 9 Unit of qualification

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular product which is considered as the basic unit when determining classification using the nomenclature of the Harmonised System.

Accordingly, it follows that:

(a) when a product composed of a group assembly of articles is classified under the terms of the Harmonised System under a single heading, the whole constitutes the unit of qualification;

- (b) when a consignment consists of a number of identical products classified under the same heading of the Harmonised System, each product must be taken individually when applying the provisions of this Protocol.
- 2. Where, under general rule 5 of the Harmonised System, packaging is included with the product for classification purposes, it shall be considered to form a whole with the product for the purposes of determining origin.

Article 10 Accessories, spare parts and tools

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as forming a whole with the piece of equipment, machine, apparatus or vehicle in question.

Article 11 Sets

Sets, as defined in general rule 3 of the Harmonised System, shall be regarded as originating when all component products are originating. Nevertheless, when a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed 15 % of the ex-works price of the set.

Article 12 Neutral elements

In order to determine whether a product originates in the Community or in Tunisia it shall not be necessary to establish whether the electrical energy, fuel, plant and equipment as well as machines and tools used to obtain such product, or whether any goods, used in the course of production which do not enter and which were not intended to enter into the final composition of the product, are originating or not.

TITLE III TERRITORIAL REQUIREMENTS

Article 13 Principle of territoriality

The conditions set out in Title II relative to the acquisition of originating status must be fulfilled without interruption in the Community or in Tunisia without prejudice to the provisions of Articles 4 and 5.

Article 14 Reimportation of goods

If originating products exported from the Community or Tunisia to another country are returned, except insofar as provided for in Article 4 or 5 they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

- (a) the goods returned are the same goods as those exported; and
- (b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that country or while being exported.

Article 15 Direct transport

1. The preferential treatment provided for under the Agreement applies only to products or materials which are transported between the territories of the Community and Tunisia or, when the provisions of Articles 4 and 5 are applied, of Algeria or Morocco without entering any other territory. However, goods originating in Tunisia or in the Community and constituting one single consignment which is not split up may be transported through territory other than that of the Community or Tunisia or, when the provisions of Article 3 apply, of Algeria or Morocco with, should the occasion arise, transhipment or temporary warehousing in such territory, provided that the goods have remained under the surveillance of the customs authorities in the country of transit or of warehousing and that they have not undergone operations other than unloading, reloading or any operation designed to preserve them in good condition.

Products originating in Tunisia or in the Community may be transported by pipeline across territory other than that of the Community or that of Tunisia.

- 2. Evidence that the conditions set out in paragraph 1 have been fulfilled may be supplied to the customs authorities of the importing country by the production of:
- (a) a through bill of lading issued in the exporting country covering the passage through the country of transit; or
- (b) a certificate issued by the customs authorities of the country of transit:
- (i) giving an exact description of the products;
- (ii) stating the dates of unloading and reloading of the products and, where applicable, the names of the ships used; and
- (iii) certifying the conditions under which the products remained in the transit country; or
- (c) failing these, any substantiating documents.

Article 16 Exhibitions

- 1. Products sent from one of the Contracting Parties for exhibition in a third country and sold after the exhibition for importation in another Contracting Party shall benefit on importation from the provisions of the Agreement on condition that the products meet the requirements of this Protocol entitling them to be recognised as originating in the Community or in Tunisia and provided that it is shown to the satisfaction of the customs authorities that:
- (a) an exporter has consigned these product from one of the Contracting Parties to the country in which the exhibition is held and has exhibited them there;
- (b) the products have been sold or otherwise disposed of by that exporter to a person in another Contracting Party;
- (c) the products have been consigned during the exhibition or immediately thereafter to the latter Contracting Party in the state in which they were sent for exhibition; and
- (d) the products have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.
- 2. A proof of origin must be issued or made out in accordance with the provisions of Title IV and submitted to the customs authorities of the importing country in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the nature of the products and the conditions under which they have been exhibited may be required.
- 3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organised for private purposes in shops or business premises with a view to the sale of foreign products and during which the products remain under customs control.

TITLE IV PROOF OF ORIGIN

Article 17 Movement certificate EUR.1

Evidence of originating status of products, within the meaning of this Protocol, shall be given by an EUR.1 movement certificate, a specimen of which appears in Annex III to this Protocol.

Article 18 Normal procedure for the issue of an EUR.1 movement certificate

1. An EUR.1 movement certificate shall be issued by the customs authorities of the exporting country on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorised representative.

2. For this purpose, the exporter or his authorised representative shall fill out both the EUR.1 movement certificate and the application form, specimens of which appear in Annex III.

These forms shall be completed in one of the languages in which the Agreement is drawn up, in accordance with the provisions of the domestic law of the exporting country. If they are handwritten, they shall be completed in ink inprinted characters. The description of the products must be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled a horizontal line must be drawn below the last line of the description, the empty space being crossed through.

- 3. The exporter applying for the issue of an EUR.1 movement certificate shall be prepared to submit at any time, at the request of the customs authorities of the exporting country where the EUR.1 movement certificate is issued, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.
- 4. The EUR.1 movement certificate shall be issued by the customs authorities of a Member State of the European Community if the goods to be exported can be considered as products originating in the Community within the meaning of Article 2(1) of this Protocol. The EUR.1 movement certificate shall be issued by the customs authorities of Tunisia; if the goods to be exported can be considered as products originating in Tunisia within the meaning of Article 2(2) of this Protocol.
- 5. Where the cumulation provisions of Articles 2 to 5 are applied, the customs authorities of the Member States of the Community or of Tunisia may issue EUR.1 movement certificates under the conditions laid down in this Protocol if the goods to be exported can be considered as originating products within the meaning of this Protocol and provided that the goods covered by the EUR.1 movement certificate are in the Community or in Tunisia.

In these cases EUR.1 movement certificates shall be issued subject to the presentation of the proof of origin previously issued or made out. This proof of origin must be kept for at least three years by the customs authorities of the exporting State.

6. The issuing customs authorities shall take any steps necessary to verify the originating status of the products and the fulfilment of the other requirements of this Protocol. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check which they consider appropriate.

The issuing customs authorities shall also ensure that the forms referred to in paragraph 2 are duly completed. In particular, they shall check whether the space reserved for the description of the products has been completed in such a manner as to exclude all possibility of fraudulent additions.

- 7. The date of issue of the EUR.1 movement certificate shall be indicated in the part of the certificate reserved for the customs authorities.
- 8. An EUR.1 movement certificate shall be issued by the customs authorities of the exporting country when the products to which it relates are exported. It shall be made available to the exporter as soon as actual exportation has been effected or ensured.

Article 19 EUR.1 movement certificates issued retrospectively

- 1. Notwithstanding Article 18(8), an EUR.1 movement certificate may exceptionally be issued after exportation of the products to which it relates if:
- (a) it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or
- (b) it is demonstrated to the satisfaction of the customs authorities that an EUR.1 movement certificate was issued but was not accepted at importation for technical reasons.

- 2. For the implementation of paragraph 1, the exporter must indicate in this application the place and date of exportation of the products to which the EUR.1 movement certificate relates, and state the reasons for his request.
- 3. The customs authorities may issue an EUR.1 movement certificate retrospectively only after verifying that the information supplied in the exporter's application agrees with that in the corresponding file.
- 4. EUR.1 movement certificate issued retrospectively must be endorsed with one of the following phrases:

'NACHTRÄGLICH AUSGESTELLT`, 'DELIVRE A POSTERIORI`, 'RILASCIATO A POSTERIORI`, 'AFGEGEVEN A POSTERIORI`, 'ISSUED RETROSPECTIVELY`, 'UDSTEDT EFTERFØLGENDE`, 'ÅÊÄÏÈÅÍ ÅÊ ÔÙÍ ÕÓÔÅÑÙÍ`, 'EXPEDIDO A POSTERIORI`, 'EMITADO A POSTERIORI`, 'ANNETTU JÄLKIKÄTEEN`, 'UTFÄRDAT I EFTERHAND`, '>REFERENCE TO A GRAPHIC>

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5. The endorsement referred to in paragraph 4 shall be inserted in the 'Remarks' box of the EUR.1 movement certificate.

Article 20 Issue of a duplicate EUR.1 movement certificate

- 1. In the event of theft, loss or destruction of an EUR.1 movement certificate, the exporter may apply to the customs authorities which issued it for a duplicate made out on the basis of the export documents in their possession.
- 2. The duplicate issued in this way must be endorsed with one of the following words:

'DUPLICATA`, 'DUPLICATA`, 'DUPLICATO`, 'DUPLICAAT`, 'DUPLICATE`, 'ÁÍÔÉÃÑÁÖÏ`, 'DUPLICADO`, 'SEGUNDA VIA`, 'KAKSOISKAPPALE`, '>REFERENCE TO A GRAPHIC>

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- 3. The endorsement referred to in paragraph 2, the date of issue and the serial number of the original certificate shall be inserted in the 'Remarks' box of the duplicate EUR.1 movement certificate.
- 4. The duplicate, which must bear the date of issue of the original EUR.1 movement certificate, shall take effect as from that date.

Article 21 Replacement of certificates

- 1. It shall at any time be possible to replace one or more EUR.1 movement certificates by one or more other certificates provided that this is done by the customs office responsible for controlling the goods.
- 2. The replacement certificate shall be regarded as a definite EUR.1 movement certificate for the purpose of the application of this Protocol, including the provisions of this Article.
- 3. The replacement certificate shall be issued on the basis of a written request from the re-exporter, after the authorities concerned have verified the information supplied in the applicant's request. The date and serial number of the original EUR.1 movement certificate shall be given in box 7.

Article 22 Simplified procedure for the issue of certificates

- 1. By way of derogation from Articles 18, 19 and 20 of this Protocol, a simplified procedure for the issue of EUR.1 movement certificate can be used in accordance with the following provisions.
- 2. The customs authorities in the exporting State may authorise any exporter, hereinafter referred to as 'approved exporter', making frequent shipments for which EUR.1 movement certificates may be issued and who offers, to the satisfaction of the competent authorities, all guarantees necessary to verify the originating status of the products, not to submit at the time of export to the customs office of the exporting State or territory either the goods or the application for an EUR.1 certificate relating to those

goods, for the purpose of obtaining an EUR.1 certificate under the conditions laid down in Article 18 of this Protocol.

- 3. The authorisation referred to in paragraph 2 shall stipulate, at the choice of the competent authorities, that box No 11 'Customs endorsement` of the EUR.1 movement certificate must:
- (a) either be endorsed beforehand with the stamp of the competent customs office of the exporting State and the signature, which may be a facsimile, of an official of that office; or
- (b) endorsed by the approved exporter with a special stamp which has been approved by the customs authorities of the exporting State and corresponds to the specimen given in Annex V of this Protocol. Such stamp may be pre-printed on the forms.
- 4. In the cases referred to in paragraph 3(a), one of the following phrases shall be entered in box No 7 'Remarks' of the EUR.1 movement certificate:

'PROCEDIMIENTO SIMPLIFICADO`, 'FORENKLET PROCEDURE`, 'VEREINFACHTES VERFAHREN`, 'ÁÐËÏÕÓÔÅÕÌÅÍÇ ÄÉÁÄÉÊÁÓÉÁ`, 'SIMPLIFIED PROCEDURE`, 'PROCEDURE SEMPLIFICATA,`, 'VEREENVOUDIGDE PROCEDURE`, 'PROCEDIMENTO SIMPLIFICADO`, 'YKSINKERTAISTETTU MENETTELY`, 'FÖRENKLAT FÖRFARANDE`, '>REFERENCE TO A GRAPHIC>

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 m Box~No~11~'Customs~endorsement`}$ of the EUR.1 certificate shall be completed if necessary by the approved exporter.
- 6. The approved exporter shall, if necessary, indicate in box No 13 'Request for verification' of the EUR.1 certificate the name and address of the authority competent to verify such a certificate.
- 7. Where the simplified procedure is applied, the customs authorities of the exporting State may be prescribe the use of EUR.1 certificates bearing a distinctive sign by which they may be identified.
- 8. In the authorisation referred to in paragraph 2 the competent authorities shall specify in particular:
- (a) the conditions under which the applications for EUR.1 certificates are to be made;
- (b) the conditions under which these applications are to be kept for at least three years;
- (c) in the cases referred to in paragraph 3(b) the authority competent to carry out the subsequent verification referred to in Article 33 of this Protocol.
- 9. The customs authorities of the exporting State may declare certain categories of goods ineligible for the special treatment provided for in paragraph 2.
- 10. The customs authorities shall refuse the authorisation referred to in paragraph 2 to exporters who do not offer all the guarantees which they consider necessary. The competent authorities may withdraw the authorisation at any time. They must do so where the approved exporter no longer satisfies the conditions or no longer offers these guarantees.
- 11. The approved exporter may be required to inform the competent authorities, in accordance with the rules which they lay down, of the goods to be dispatched by him, so that such authorities may make any verification they think necessary before the departure of the goods.
- 12. The customs authorities of the exporting State may carry out any check on approved exporters which they consider necessary. Such exporters must allow this to be done.
- 13. The provisions of this Article shall be without prejudice to the application of the rules of the Community, the Member States and Tunisia concerning customs formalities and the use of customs documents.

Article 23 Information certificate and declaration

- 1. When Articles 3, 4 and 5 are applied for the issue of an EUR.1 movement certificate the competent customs office in the State requested to issue the certificate for products in the manufacture of which products coming from Algeria, Morocco or the Community are used, shall take into consideration the declaration, of which a specimen is given in Annex VI, given by the exporter in the State from which it came, either on the commercial invoice applicable to these products, or on a supporting document to that invoice.
- 2. The submission of the information certificate, issued under the conditions set out in paragraph 3 and of which a specimen is given in Annex VII, may however be requested of the exporter by the customs office concerned, either for checking the authenticity and accuracy of information given on the declaration provided for in paragraph 1, or for obtaining additional information.
- 3. The information certificate concerning the products taken into use shall be issued at the request of the exporter of these products, either in the circumstances envisaged in paragraph 2, or at the initiative of this exporter, by the competent customs office in the State from which these goods were exported. It shall be made out in duplicate. One copy shall be given to the exporter who has requested it, who shall send it either to the exporter of the final products or to the customs office where the issue of the EUR.1 movement certificate for these products has been requested. The second copy shall be preserved by the office which has issued it for at least three years.

Article 24 Validity of proof of origin

- 1. EUR.1 movement certificate shall be valid for four months from the date of issue in the exporting country, and must be submitted within the said period to the customs authorities of the importing country.
- 2. EUR.1 movement certificate which are submitted to the customs authorities of the importing country after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these documents by the final date set is due to reasons of force majeure or exceptional circumstances.
- 3. In other cases of belated presentation, the customs authorities of the importing country may accept the EUR.1 movement certificates where the products have been submitted to them before the said final date.

Article 25 Submission of proof of origin

EUR.1 movement certificates shall be submitted to the customs authorities of the importing country in accordance with the procedures applicable in that country. The said authorities may require a translation of an EUR.1 movement certificate or an invoice declaration. They may also require the import declaration to be accompanied by a statement from the importer to the effect that the goods meet the conditions required for the implementation of the Agreement.

Article 26 Importation by instalments

Where, at the request of the importer and on the conditions laid down by the customs authorities of the importing country, dismantled or non-assembled products within the meaning of general rule 2(a) of the Harmonised System falling within Chapters 84 and 85 of the Harmonised System are imported by instalments, a single proof of origin for such products shall be submitted to the customs authorities upon importation of the first instalment.

Article 27 Invoice declaration

1. Notwithstanding Article 17, the evidence of originating status, within the meaning of this Protocol, may be given by an invoice declaration, the text of which appears in Annex IV to this Protocol, made by the exporter on an invoice, a delivery note or other commercial document (hereafter referred to as 'invoice declaration') describing the products concerned in sufficient detail as to permit the identification of

consignments containing only originating products and whose value does not exceed ECU 5 110 per consignment.

- 2. The invoice declaration shall be completed and signed by the exporter or, under the exporter's responsibility, by his authorised representative in accordance with this Protocol.
- 3. An invoice declaration shall be completed for each consignment.
- 4. The exporter who applied for the invoice declaration shall submit at the request of the customs authorities of the exporting State all supporting documents concerning the use of this form.
- 5. Articles 24 and 25 shall apply mutatis mutandis to the invoice declaration.

Article 28 Exemptions from formal proof of origin

- 1. Products sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating products without requiring the submission of a formal proof of origin, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Protocol and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this declaration can be made on the customs declaration C2/CP3 or on a sheet of paper annexed to that document.
- 2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the products that no commercial purpose is in view.
- 3. Furthermore, the total value of these products must not exceed ECU 500 in the case of small packages or ECU 1 200 in the case of products forming part of travellers' personal luggage.

Article 29 Preservation of proof of origin and supporting documents

- 1. The exporter applying for the issue of an EUR.1 movement certificate shall keep for at least three years the documents referred to in Article 18(1) and (3).
- 2. The exporter making out an invoice declaration shall keep for at least three years a copy of this invoice declaration as well as the documents referred to in Article 27(1).
- 3. The exporter making out an invoice declaration shall keep for at least three years a copy of this invoice declaration as well as the documents referred to in Article 27(1).
- 3. The customs authorities of the exporting country issuing an EUR.1 movement certificate shall keep for at least three years the application form referred to in Article 18(2).
- 4. The customs authorities of the importing country shall keep for at least three years the EUR.1 movement certificate submitted to them.

Article 30 Discrepancies and formal errors

- 1. The discovery of slight discrepancies between the statements made in an EUR.1 movement certificate, or in an invoice declaration and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not ipso facto render the EUR.1 movement certificate, or the invoice declaration null and void if it is duly established that this document does correspond to the products submitted.
- 2. Obvious formal errors such as typing errors on an EUR.1 movement certificate, or an invoice declaration should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

Article 31 Amounts expressed in ecus

1. Amounts in the national currency of the exporting country equivalent to the amounts expressed in ecus shall be fixed by the exporting country and communicated to the other Contracting Parties. When the amounts exceed the corresponding amounts fixed by the importing country, the latter shall accept them if the products are invoiced in the currency of the exporting country or in the currency of one of the other countries referred to in Article 4 of this Protocol.

If the goods are invoiced in the currency of another Member State of the Community the importing State shall recognize the amount notified by the country concerned.

2. Up to and including 30 April 2000, the amounts to be used in any given national currency shall be the equivalent in that national currency of the amounts expressed in ecus as at 1 October 1994.

For each successive period of five years, the amounts expressed in ecus and their equivalents in the national currencies of the States shall be reviewed by the Association Council on the basis of the exchange rates of the ecu on the first working day of October in the year immediately preceding that five-year period.

When carrying out this review, the Association Council shall ensure that there will be no decrease in the amounts to be used in any national currency and shall furthermore consider the desirability of preserving the effects of the limits concerned in real terms. For this purpose, it may decide to modify the amounts expressed in ecus.

TITLE V ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION

Article 32 Communication of stamps and addresses

The customs authorities of the Member States and of Tunisia shall provide each other, through the Commission of the European Communities, with specimen impressions of stamps used in their customs offices for the issue of EUR.1 certificates and with the addresses of the customs authorities responsible for issuing EUR.1 movement certificates and for verifying those certificates and invoice declarations.

Article 33 Verification of EUR,1 movement certificates, invoice declaration and information certificate

- 1. Subsequent verification of EUR.1 movement certificates and invoice declarations shall be carried out randomly or whenever the customs authorities of the importing state have reason to doubt the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Protocol.
- 2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing country shall return the EUR.1 movement certificate, the invoice declaration, or a copy of these documents, to the customs authorities of the exporting country giving, where appropriate, the reasons of substance or form for an inquiry.

In order to assist with the verification, the customs authorities shall provide all the necessary documents and any information collected which indicate that the information on the EUR.1 certificate or the invoice declaration are incorrect.

- 3. The verification shall be carried out by the customs authorities of the exporting country. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check which they consider appropriate.
- 4. If the customs authorities of the importing country decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, they shall offer to release the products to the importer subject to any precautionary measures judged necessary.
- 5. The customs authorities requesting the verification shall be informed of the results of this verification within a maximum of ten months. These results must indicate clearly whether the documents are authentic and whether the products concerned can be considered as originating products and fulfil the other requirements of this Protocol.

- 6. If in cases of reasonable doubt there is no reply within ten months or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting customs authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.
- 7. The subsequent verification of information certificates provided for by Article 23 shall be carried out in the cases mentioned in paragraph 1 and in accordance with the procedures laid down in paragraphs 2 to 6.

Article 34 Dispute settlement

Where disputes arise in relation to the verification procedures of Article 33 which cannot be settled between the customs authorities requesting a verification and the customs authorities responsible for carrying out this verification or where they raise a question as to the interpretation of this Protocol, they shall be submitted to the Customs Cooperation Committee.

In all cases the settlement of disputes between the importer and the customs authorities of the importing State shall be under the legislation of the said State.

Article 35 Penalties

Penalties shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

Article 36 Free zones

- 1. The Member States and Tunisia shall take all necessary steps to ensure that products traded under cover of an EUR.1 movement certificate, which in the course of transport use a free zone situated in their territory, are not substituted by other goods and that they do not undergo handling other than normal operations designed to prevent their deterioration.
- 2. By means of an exemption to the provisions contained in paragraph 1, when products originating in the Community or in Tunisia and imported into a free zone under cover of an EUR.1 certificate undergo treatment or processing, the authorities concerned must issue a new EUR.1 certificate at the exporter's request, if the treatment or processing undergone is in conformity with the provisions of this Protocol.

TITLE VI CEUTA AND MELILLA

Article 37 Application of the Protocol

- 1. The term 'Community' used in this Protocol does not cover Ceuta or Melilla. The term 'products originating in the Community' does not cover products originating in these zones.
- 2. This protocol shall apply mutatis mutandis to products originating in Ceuta and Melilla, subject to particular conditions set out in Article 38.

Article 38 Special conditions

- 1. The following provisions shall apply instead of Articles 2 to 4(1) and (2) and references to these articles shall apply mutatis mutandis to this ARticle.
- 2. Providing they have been transported directly in accordance with the provisions of Article 15, the following shall be considered as:
- 1) products originating obtained in Ceuta and Melilla;
- (a) products wholly obtained in Ceuta and Melilla;
- (b) products obtained in Ceuta and Melilla in the manufacture of which products other than those referred to in (a) are used, provided that:

(i) the said products have undergone sufficient working or processing within the meaning of Article 7 of this Protocol;

or that

- (ii) those products are originating in Tunisia or the Community within the meaning of this Protocol, or when the conditions required in Article 4(3) and (4) are fulfilled from Algeria or from Morocco provided that they have been submitted to working or processing which goes beyond the insufficient working or processing referred to in Article 8.
- 2) products originating in Tunisia:
- (a) products wholly obtained in Tunisia;
- (b) products obtained in Tunisia, in the manufacture of which products other than those referred to in (a) are used, provided that:
- (i) the said products have undergone sufficient working or processing within the meaning of Article 7 of this Protocol;

or that

- (ii) those products are originating in Ceuta and Melilla or the Community within the meaning of this Protocol, or when the conditions required in Article 4(3) and (4) are fulfilled from Algeria or from Morocco provided that they have been submitted to working or processing which goes beyond the insufficient working or processing referred to in Article 8.
- 3. Ceuta and Melilla shall be considered as a single territory.
- 4. The exporter or his authorised representative shall enter 'Tunisia` and 'Ceuta and Melilla` in box 2 of EUR.1 movement certificates. In addition, in the case of products originating in Ceuta and Melilla, this shall be indicated in box 4 of EUR.1 movement certificates.
- 5. The Spanish customs authorities shall be responsible for the application of this Protocol in Ceuta and Melilla.

TITLE VII FINAL PROVISIONS

Article 39 Amendments to the Protocol

The Association Council may decide to amend the provisions of this protocol at the request of one of the contracting parties or of the customs cooperation committee.

Article 40 Customs Cooperation Committee

- 1. A Customs Cooperation Committee shall be set up, charged with carrying out administrative cooperation with a view to the correct and uniform application of this Protocol and with carrying out any other tasks in the customs field which may be entrusted to it.
- 2. The Committee shall be composed, on the one hand, of experts of the Member States and of officials of the Commission of the European Communities who are responsible for customs questions and, on the other hand, of experts nominated by Tunisia.

Article 41 Annexes

The Annexes to this Protocol shall form an integral part thereof.

Article 42 Implementation of the Protocol

The Community and Tunisia shall each take the steps necessary to implement this Protocol.

Article 43 Arrangements with Algeria and Morocco

The Contracting Parties shall take any measures necessary for the conclusion of arrangements with Morocco and Algeria enabling this Protocol to be applied. The Contracting Parties shall notify other of measures taken to this affect.

Article 44 Goods in transit or storage

The provisions of the Agreement may be applied to goods which comply with the provisions of this Protocol and which on the date of entry into force of the Agreement are either in transit or are in the Community or in Tunisia or, insofar as the provisions of Articles 3, 4 and 5 are applicable, in Algeria or Morocco in temporary storage in bonded warehouses or in free zones, subject to the submission to the customs authorities of the importing State, within four months of that date, of an EUR.1 certificate endorsed retrospectively by the competent authorities of the exporting State together with the documents showing that the goods have been transported directly.

ANNEX I

INTRODUCTORY NOTES

FOREWORD

These notes shall apply, where appropriate, to all manufactured products using non-originating materials, even if they are not subject to specific conditions contained in the list in Annex II but are subject instead to the change of heading rule set out in Article 7(1).

Note 1

- 1.1. The first two columns in the list describe the product obtained. The first column gives the heading number, or the chapter number, used in the Harmonised System and the second column gives the description of goods used in that system for that heading or chapter. For each entry in the first two columns a rule is specified in columns 3 or 4. Where, in some cases, the entry in the first column is preceded by an 'ex`, this signifies that the rule in columns 3 or 4 only applies to the part of that heading or chapter as described in column 2.
- 1.2. Where several heading numbers are grouped together in column 1 or a chapter number is given and the description of product in column 2 is therefore given in general terms, the adjacent rule in columns 3 or 4 applies to all products which, under the Harmonised System, are classified within headings of the chapter or within any of the headings grouped together in column 1.

Note 2

- 2.1. In the case of any heading not in the list or any part of a heading that is not in the list, the 'change of heading' rule set out in Article 7(1) applies. If a 'change of heading' condition applies to any entry in the list, then it is contained in the rule in column 3.
- 2.2. The working or processing required by a rule in column 3 has to be carried out only in relation to the non-originating materials used. The restrictions contained in a rule in column 3 likewise apply only to the non-originating materials used.
- 2.3. Where a rule states that 'materials of any heading` may be used, materials of the same heading as the product may also be used, subject, however, to any specific limitations which may also be contained in the rule. However, the expression 'manufacture from materials of any heading, including other materials of heading No . . .` means that only materials classified in the same heading as the product of a different description than that of the product as given in column 2 of the list may be used.
- 2.4. If a product made from non-originating materials which has acquired originating status during manufacture by virtue of the change of heading rule or its own list rule is used as a material in the process of manufacture of another product, then the rule applicable to the product in which it is incorporated does not apply to it.

For example:

An engine of heading No 8407, for which the rule states that the value of the non-originating materials which may be incorporated may not exceed 40 % of the ex-works price, is made from 'other alloy steel roughly shaped by forging` of heading No 7224.

If this forging has been forged in the country concerned from a non-originating ingot then the forging has already acquired origin by virtue of the rule for heading No ex 7224 in the list. It can then count as originating in the value calculation for the engine regardless of whether it was produced in the same factory or another. The value of the non-originating ingot is thus not taken into account when adding up the value of the non-originating materials used.

2.5. Even if the change of heading rule or the other rules contained in the list are satisfied, a product shall not acquire originating status if the processing carried out, taken as a whole, is insufficient within the meaning of Article 6.

Note 3

- 3.1. The rule in the list represents the minimum amount of working or processing required and the carrying out of more working or processing also confers originating status; conversely, the carrying out of less working or processing cannot confer origin. Thus if a rule says that non-originating material at a certain level of manufacture may be used, the use of such material at an earlier stage of manufacture is allowed and the use of such material at a later stage is not.
- 3.2. When a rule in the list specifies that a product may be manufactured from more than one material, this means that any one or more materials may be used. It does not require that all be used.

For example:

The rule for fabrics say that natural fibres may be used and that chemical materials, among other materials, may also be used. This does not mean that both have to be used; one can use one or the other or both.

If, however, a restriction applies to one material and other restrictions apply to other materials in the same rule, then the restrictions only apply to the materials actually used.

For example:

The rule for sewing machines specifies that both the thread tension mechanism used and the zigzag mechanism used must originate; these two restrictions only apply if the mechanisms concerned are actually incorporated into the sewing machine.

3.3. When a rule in the list specifies that a product must be manufactured from a particular material, the condition obviously does not prevent the use of other materials which, because of their inherent nature, cannot satisfy the rule.

For example:

The rule for heading No 1904 which specifically excludes the use of cereals or their derivatives does not prevent the use of mineral salts, chemicals and other additives which are not produced from cereals.

For example:

In the case of an article made from non-woven materials, if the use of only non-originating yarn is allowed for this class of article, it is not possible to start from non-woven cloth even if non-woven cloths cannot normally be made from yarn. In such cases, the starting material would normally be at the stage before yarn that is the fibre stage.

See also Note 6.3 in relation to textiles.

3.4. If in a rule in the list two or more percentages are given for the maximum value of non-originating materials that can be used, then these percentages may not be added together. The maximum value of all the non-originating materials used may never exceed the highest of the percentages given. Furthermore, the individual percentages must not be exceeded in relation to the particular materials they apply to.

Note 4

- 4.1. The term 'natural fibres` is used in the list to refer to fibres other than artificial or synthetic fibres and is restricted to the stages before spinning takes place, including waste, and, unless otherwise specified, the term 'natural fibres` includes fibres that have been carded, combed or otherwise processed but not spun.
- 4.2. The term 'natural fibres` includes horsehair of heading No 0503, silk of heading Nos 5002 and 5003 as well as the wool fibres, fine or coarse animal hair of heading Nos 5101 to 5105, the cotton fibres of heading Nos 5201 to 5203 and the other vegetable fibres of heading Nos 5301 to 5305.
- 4.3. The terms 'textiule pulp`, 'chemical materials` and 'paper-making materials` are used in the list to describe the materials not classified in Chapters 50 to 63, which can be used to manufacture artificial, synthetic or paper fibres or yarns.
- 4.4. The term 'man-made staple fibres` is used in the list to refer to synthetic or artificial filament tow, staple fibres or waste, of headings Nos 5501 to 5507.

Note 5

- 5.1. In the case of the products classified within those headings in the list to which a reference is made to this Note, the conditions set out in column 3 of the list shall not be applied to any basic textile materials used in their manufacture which, taken together, represent 10 % or less of the total weight of all the basic textile materials used (but see also Notes 5.3 and 5.4 below).
- 5.2. However, this tolerance may only be applied to mixed products which have been made from two or more basic textile materials.

The following are the basic textile materials:

- silk,
- wool,
- coarse animal hair,
- fine animal hair,
- horsehair,
- cotton,
- paper-making materials and paper,
- flax,
- true hemp,
- jute and other textile bast fibres,
- sisal and other textile fibres of the genus Agave,
- coconut, abaca, ramie and other vegetable textile fibres,
- synthetic man-made filaments,

- artificial man-made filaments,
- synthetic man-made staple fibres,
- artificial man-made staple fibres.

For example:

A yarn of heading No 5205 made from cotton fibres of heading No 5203 and synthetic staple fibres of heading No 5506 is a mixed yarn. Therefore, non-originating synthetic staple fibres that do not satisfy the origin rules (which require manufacture from chemical materials or textile pulp) may be used up to a weight of 10 % of the yarn.

For example:

A woollen fabric of heading No 5112 made from woollen yarn of heading No 5107 and synthetic yarn of staple fibres of heading No 5509 is a mixed fabric. Therefore synthetic yarn which does not satisfy the origin rules (which require manufacture from chemical materials or textile pulp) or woollen yarn that does not satisfy the origin rules (which require manufacture from natural fibres, not carded or combed or otherwise prepared for spinning) or a combination of the two may be used up to a weight of 10 % of the fabric.

For example:

Tufted textile fabric of heading No 5802 made from cotton yarn of heading No 5205 and cotton fabric of heading No 5210 is only a mixed product if the cotton fabric is itself a mixed fabric being made from yarns classified in two separate headings or if the cotton yarns used are themselves mixtures.

For example:

If the tufted textile fabric concerned had been made from cotton yarn of heading No 5205 and synthetic fabric of heading No 5407, then, obviously, the yarns used are two separate basic textile materials and the tufted textile fabric is accordingly a mixed product.

For example:

A carpet with tufts made from both artificial yarns and cotton yarns and with a jute backing is a mixed product because three basic textile materials are used. Thus, any non-originating materials that are at a later stage of manufacture than the rule allows may be used, provided their total weight taken together does not exceed 10 % of the weight of the textile materials in the carpet. Thus, both the jute backing and/or the artificial yarns could be imported at that stage of manufacture, provided the weight conditions are met.

- 5.3. In the case of fabrics incorporating 'yarn made of polyurethane segmented with flexible segments of polyether whether or not gimped` this tolerance is 20 % in respect of this yarn.
- 5.4. In the case of fabrics incorporating strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of an adhesive between two films of plastic film, this tolerance is 30 % in respect of this strip.

Note 6

- 6.1. In the case of those textile products which are marked in the list by a footnote referring to this note, textile materials with the exception of linings and interlinings which do not satisfy the rule set out in the list in column 3 for the made up products concerned may be used provided that they are classified in a heading other than that of the product and that their value does not exceed 8 % of the ex-works price of the product.
- 6.2. Materials which are not classified within Chapters 50 to 63 may be used freely, whether or not they contain textiles.

For example:

If a rule in the list provides that for a particular textile item, such as trousers, yarn must be used, this does not prevent the use of metal items, such as buttons, because buttons are not classified within Chapters 50 to 63. For the same reason, it does not prevent the use of slide-fasteners even though slide-fasteners normally contain textiles.

6.3. Where a percentage rule applies, the value of trimmings and accessories must be taken into account when calculating the value of the non-originating materials incorporated.

Note 7

- 7.1. For the purposes of heading Nos ex 2707, 2713, ex 2901, ex 2902 and ex 3403, the 'specific processes' are the following:
- (a) vacuum distillation;
- (b) redistillation by a very thorough fractionation process (1);
- (c) cracking;
- (d) reforming;
- (e) extraction by means of selective solvents;
- (f) the process comprising all the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolorisation and purification with naturally active earth, activated earth, activated charcoal or bauxite;
- (g) polymerisation;
- (h) alkylation;
- (i) isomerisation.
- 7.2. For the purposes of heading Nos 2710, 2711 and 2712, the 'specific processes' are the following:
- a) vacuum distillation;
- (b) redistillation by a very thorough fractionation process;
- (c) cracking;
- (d) reforming;
- (e) extraction by means of selective solvents;
- (f) the process comprising all the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolorisation and purification with naturally active earth, activated earth, activated charcoal or bauxite;
- (g) polymerisation;
- (h) alkylation;
- (ij) isomerisation;
- (k) (in respect of heavy oils falling within heading No ex 2710 only) desulphurisation with hydrogen resulting in a reduction of at least 85 % of the sulphur content of the products processed (ASTM D 1 266-59 T method);
- (I) (in respect of products falling within heading No 2710 only) deparaffining by a process other than filtering;

- (m) (in respect of heavy oils falling within heading No ex 2710 only) treatment with hydrogen at a pressure of more than 20 bar and a temperature of more than 250 °C with the use of a catalyst, other than to effect desulphurisation, when the hydrogen constitutes an active element in a chemical reaction. The further treatment with hydrogen of lubricating oils of heading No ex 2710 (e.g. hydrofinishing or decolorisation) in order, more especially, to improve colour or stability shall not, however, be deemed to be a specific process;
- (n) (in respect of fuel oils falling within heading No ex 2710 only) atmospheric distillation, on condition that less than 30 % of these products distils, by volume, including losses, at 300 °C by the ASTM D 86 method;
- (o) (in respect of heavy oils other than gas oils and fuel oils falling within heading No ex 2710 only) treatment by means of a high-frequency electrical brush-discharege.
- 7.3. For the purposes of heading Nos ex 2707, 2713 to 2715, ex 2901, ex 2902 and ex 3403, simple operations such as cleaning, decanting, desalting, water separation, filtering, colouring, marketing obtaining a sulphur content as a result of mixing products with different sulphur contents, any combination of these operations or like operations do not confer origin.
- (1) See Additional Explanatory Note 4(b) to Chapter 27 of the Combined Nomenclature.

ANNEX II

LIST OF WORKING OR PROCESSING REQUIRED TO BE CARRIED OUT ON NON-ORIGINATING MATERIALS IN ORDER THAT THE PRODUCT MANUFACTURED CAN OBTAIN ORIGINATING STATUS

>TABLE>

ANNEX III

EUR.1 MOVEMENT CERTIFICATES

- 1. EUR.1 movement certificates shall be made out on the form of which a specimen appears in this Annex. This form shall be printed in one or more of the languages in which the Agreement is drawn up. Certificates shall be made out in one of these languages and in accordance with the provisions of the domestic law of the exporting State. If they are handwritten, they shall be completed in ink and in capital letters.
- 2. Each certificate shall measure 210×297 mm; a tolerance of up to minus 5 mm or plus 8 mm in the length may be allowed. The paper used must be white, sized for writing, not containing mechanical pulp and weighing not less than 25 g/m^3 . It shall have a printed green guilloche pattern background making any falsification by mechanical or chemical means apparent to the eye.
- 3. The competent authorities of the Member States of the Community and of Tunisia may reserve the right to print the certificates themselves or may have them printed by approved printers. In the latter case each certificate must include a reference to such approval. Each certificate must bear the name and address of the printer or a mark by which the printer can be identified. It shall also bear a serial number, either printed or not, by which it can be identified.

>REFERENCE TO A GRAPHIC>

>REFERENCE TO A GRAPHIC>

>REFERENCE TO A GRAPHIC>

>REFERENCE TO A GRAPHIC>

ANNEX IV

DECLARATION REFERRED TO IN ARTICLE 27

- >START OF GRAPHIC>
- >END OF GRAPHIC>

ANNEX V

Specimen impression of the stamp mentioned in Article 22(3)(b)

- >REFERENCE TO A GRAPHIC>
- >START OF GRAPHIC>
- >END OF GRAPHIC>

ANNEX VI

SPECIMEN OF DECLARATION

- >START OF GRAPHIC>
- >END OF GRAPHIC>

ANNEX VII

- >REFERENCE TO A GRAPHIC>
- >REFERENCE TO A GRAPHIC>

ANNEX VIII

JOINT DECLARATION ON ARTICLE 1

The parties agree that the provisions of Article 1(e) of the Protocol shall not prejudice the right of Tunisia to benefit from special and differential treatment and other derogations accorded to developing countries by the agreement on implementation of Article VII of the General Agreement on Tariffs and Trade.

JOINT DECLARATION ON ARTICLES 19 AND 33

The parties agree to the necessity to establish Explanatory Notes to the provisions of Article 19(1)(b) and Article 33(1) and (2) of the Protocol.

JOINT DECLARATION ON ARTICLE 39

For the implementation of Article 39 of this Protocol, the Community is prepared to examine any request from Tunisia for derogations from the rules of origin after signature of the Agreement.

PROTOCOL No 5 on mutual assistance in customs matters between the administrative authorities

Article 1 Definitions

For the purposes of this Protocol:

- (a) 'customs legislation` shall mean any statutory or regulatory provision applicable in the territory of the Contracting Parties governing the import, export, transit of goods and their placing under any customs procedure, including measures of prohibition, restriction and control adopted by the Parties concerned;
- (b) 'applicant authority` shall mean a competent administrative authority which has been appointed by a Contracting Party for this purpose and which makes a request for assistance in customs matters;
- (c) 'requested authority` shall mean a competent administrative authority which has been appointed by a Contracting Party for this purpose and which receives a request for assistance in customs matters;
- (d) 'personal data` shall mean any data relating to an identified or identifiable natural person.

Article 2 Scope

- 1. The Contracting Parties shall assist each other, within their areas of responsibility, according to the procedures and under the conditions laid down in this Protocol, with a view to the prevention, investigation and detection of operations that contravene customs legislation.
- 2. Assistance in customs matters, as provided for in this Protocol, applies to any administrative authority of the Contracting Parties which is competent for the application of this Protocol. It shall not prejudice the rules governing mutual assistance in criminal matters. Nor shall it cover information obtained under powers exercised at the request of judicial authorities, unless those authorities so agree.

Article 3 Assistance on request

- 1. At the request of the applicant authority, the requested authority shall furnish it with all relevant information to enable it to ensure that customs legislation is correctly applied, in particular information regarding detected or projected operations which contravene or would contravene such legislation.
- 2. At the request of the applicant authority, the requested authority shall inform it whether goods exported from the territory of one of the Contracting Parties have been properly imported into the territory of the other Party, specifying, where appropriate, the customs procedure applying to the goods.
- 3. At the request of the applicant authority, the requested authority shall undertake surveillance, in accordance with its own legislation, of:
- (a) natural or legal persons in respect of whom there are reasonable grounds for believing that they are engaging in or have engaged in operations which contravene customs legislation;
- (b) places where stocks of goods have been assembled in such a way that there are reasonable grounds for supposing that they are intended as supplies for operations contrary to the legislation of the other Contracting Parties;
- (c) movements of goods notified as possibly involving operations that contravene customs legislation;
- (d) means of transport for which there are reasonable grounds for believing that they have been, are or may be, used for the purpose of contravening customs legislation.

Article 4 Spontaneous assistance

The Contracting Parties shall provide each other, in accordance with their laws, rules and other legal instruments, with assistance if they consider that to be necessary for the correct application of customs legislation, particularly when they obtain information pertaining to:

- operations which contravene or which they believe to be contravention of such legislation and which may be of interest to the other Contracting Parties,
- new means or methods employed in realising such operations,
- goods known to be involved in operations contracting customs legislation,
- natural or legal persons in respect of whom there are reasonable grounds for believing that they are engaging in or have engaged in operations which contravene customs legislation,
- means of transport for which there are reasonable grounds for believing that they have been, are or may be used in the contravening of customs legislation.

Article 5 Delivery/Notification

At the request of the applicant authority, the requested authority shall in accordance with its legislation take all necessary measures in order:

- to deliver any document,

- to notify any decision,

falling within the scope of this Protocol to an addressee, residing or established in its territory. In such a case Article 6(3) is applicable.

Article 6 Form and substance of requests for assistance

- 1. Requests pursuant to this Protocol shall be made in writing. Documents deemed useful to help respond to such requests shall accompany the request. When required because of the urgency of the situation, oral requests may be accepted, but must be confirmed in writing immediately.
- 2. Requests pursuant to paragraph 1 shall include the following information:
- (a) the applicant authority making the request;
- (b) the measure requested;
- (c) the object of and the reason for the request;
- (d) the laws, rules and other legal elements involved;
- (e) indications as exact and comprehensive as possible on the natural or legal persons being the target of the investigations;
- (f) a summary of the relevant facts and of the enquiries already carried out, except in cases provided for in Article 5.
- 3. Requests shall be submitted in an official language of the requested authority or in a language acceptable to such authority.
- 4. If a request does not met the formal requirements, its correction or completion may be demanded; the ordering of precautionary measures may, however, take place.

Article 7 Execution of requests

- 1. In order to comply with a request for assistance, the requested authority shall proceed, within its competence and available resources, as though it were acting on its own account or at the request of other authorities of that same Contracting Party, by supplying information already possessed, by carrying out appropriate enquiries or by arranging for them to be carried out. This provision shall apply also to the administrative department to which the request has been addressed by the requested authority when the latter cannot act on its own.
- 2. Requests for assistance shall be executed in accordance with the laws, rules and other legal instruments of the requested Contracting Party.
- 3. Duly authorised officials of a Contracting Party may, with the agreement of the other Contracting Party involved and within the conditions laid down by the latter, obtain from the offices of the requested authority or other authority for which the requested authority is responsible, information relating to the operations contravening or likely to contravene customs legislation which the applicant authority needs for the purposes of this Protocol.
- 4. Officials of a Contracting Party may, with the agreement of the other Contracting Party involved and within the conditions laid down by the latter, be present at enquiries carried out in the latter's territory.

Article 8 Form in which information is to be communicated

- 1. The requested authority shall communicate results of enquiries to the applicant authority in the form of documents, certified copies of documents, reports and the like.
- 2. The documents provided for in paragraph 1 may be replaced by computerised information produced in any form for the same purpose.

Article 9 Exceptions to the obligation to provide assistance

- 1. The Contracting Parties may refuse to give assistance as provided for in this Protocol, where to do so would:
- (a) be likely to prejudice Tunisia's sovereignty or that of a Member State of the Community whose assistance has been requested pursuant to this Protocol; or
- (b) be likely to prejudice their public policy, security or other essential interests; or
- (c) involve legislation other than customs legislation; or
- (d) violate an industrial, commercial or professional secret.
- 2. Where the applicant authority asks for assistance which it would itself be unable to provide if so asked, it shall draw attention to that fact in its request. It shall then be left to the requested authority to decide how to respond to such a request.
- 3. If assistance is denied, the decision and the reasons therefor must be notified to the applicant authority without delay.

Article 10 Obligation to observe confidentiality

- 1. Any information communicated in whatsoever form pursuant to this Protocol shall be of a confidential nature. It shall be covered by the obligation of official secrecy and shall enjoy the protection extended to like information under the relevant legislation of the Contracting Party which received it and the corresponding provisions applying to the Community authorities.
- 2. Personal data may be communicated only where the level of protection granted to persons laid down in the legislation of the Contracting Parties is equivalent. The Contracting Parties must ensure at least a level of protection based on the principles contained in the Annex to this Protocol.

Article 11 Use of information

- 1. Information obtained, including information relating to personal data, shall be used solely for the purposes of this Protocol and may be used within each Contracting Party for other purposes only with the prior written consent of the administrative authority which furnished the information and shall be subject to any restrictions laid down by that authority. These provisions shall not be applicable when the information obtained for the purposes of this Protocol could also be used for the purposes of fighting against illicit trafficking of narcotic drugs and psychotropic substances. Such information may be communicated to other authorities directly involved in combating illicit drug traffic, within the limits of Article 2.
- 2. Paragraph 1 shall not impede the use of information in any judicial or administrative proceedings subsequently instituted for failure to comply with customs legislation. The competent authority which provided the information shall be informed immediately of such use.
- 3. The Contracting Parties may, in their records of evidence, reports and testimonies and in proceedings and charges brought before the courts, use as evidence information obtained and documents consulted in accordance with the provisions of this Protocol.

Article 12 Experts and witnesses

1. An official of a requested authority may be authorised to appear, within the limitations of the authorisation granted, as expert or witness in judicial or administrative proceedings regarding the matters covered by this Protocol in the jurisdiction of the other Contracting Party, and produce such objects, documents or authenticated copies thereof, as may be needed for the proceedings. The request for an appearance must indicate specifically on what matters and by virtue of what title or qualification the official will be questioned.

2. The authorised official shall enjoy the protection guaranteed by existing legislation to officials of the applicant authority on its territory.

Article 13 Assistance expenses

The Contracting Parties shall waive all claims on each other for the reimbursement of expenses incurred pursuant to this Protocol, except, as appropriate, for expenses to experts, witnesses, interpreters and translators who are not dependent upon public services.

Article 14 Implementation

- 1. The implementation of this Protocol shall be entrusted to the national customs authorities of Tunisia on the one hand and the competent services of the Commission of the European Communities and, where appropriate, the customs authorities of the Member States on the other. They shall decide on all practical measures and arrangements necessary for its application, taking into consideration rules in the field of data protection. They may, through the Customs Cooperation Committee set up by Article 40 of Protocol No 4, recommend to the Association Council, amendments which they consider should be made to this Protocol.
- 2. The Contracting Parties shall consult other and subsequently keep each other informed of the detailed rules of implementation which are adopted in accordance with the provisions of this Protocol.

Article 15 Complementarity

- 1. This Protocol shall complement and not impede the application of any agreements on mutual assistance which have been concluded or may be concluded by individual or several Member States of the European Union and Tunisia. Nor shall it preclude more extensive mutual assistance granted under such agreements.
- 2. Without prejudice to Article 11, these agreements shall not prejudice Community provisions governing the communication between the competent services of the Commission and the customs authorities of the Member States of any information obtained in customs matters which could be of Community interest.

Annex to the Protocol

FUNDAMENTAL PRINCIPLES APPLICABLE TO DATA PROTECTION

- 1. Personal data undergoing computer processing must be:
- (a) obtained and processed fairly and lawfully;
- (b) kept for explicit and legitimate purposes and not further used in a way incompatible with those purposes;
- (c) appropriate, relevant and not excessive in relation to the purposes for which they are collected;
- (d) accurate and, where necessary, kept up to date;
- (e) kept in a form which permits identification of the person concerned for no longer than is necessary for the procedure for which the data were collected.
- 2. Personal data revealing racial origin, political or religious opinions or other beliefs, and data concerning a person's health or sex life, may not undergo computer processing except where suitable safeguards are provided by national law. These provisions apply also to personal data relating to criminal convictions.
- 3. Appropriate security measures must be taken to ensure that personal data recorded in computer filing systems are protected against unlawful destruction or accidental loss and against unauthorised alteration, disclosure or access.
- 4. Any person must have the right to:

- (a) establish whether personal data relating to him are kept in a computer filing system, the purposes for which they are mainly used and the identity and normal lace of residence or work of the person responsible for the filing system;
- (b) obtain at reasonable intervals, and without excessive delay or expense, confirmation as to the existence of a computer filing system containing personal data relating to him and communication of such data in an intelligible form;
- (c) obtain, as appropriate, the rectification or erasure of such data where they have been processed in violation of the provisions laid down by the national legislation applying the fundamental principles contained in paragraphs 1 and 2 of this Annex;
- (d) have access to legal remedies if no action is taken on a request for communication or, where appropriate, the communication, rectification or erasure referred to in paragraphs (b) and (c) above.
- 5.1. Derogations from the provisions of paragraphs 1, 2 and 4 of this Annex are allowed only in the cases below.
- 5.2. Derogations from the provisions of paragraphs 1, 2 and 4 of this Annex may be allowed where provided for in the legislation of the Contracting Party and where such derogation constitutes a necessary measure in a democratic society and is intended to:
- (a) safeguard national security, public order or a State's financial interests or prevent criminal offences;
- (b) protect the data subjects or the rights and freedoms of others.
- 5.3. In the case of computerised filing systems containing personal data used for statistical purposes or scientific research, the rights referred to in paragraphs 4(b), (c) and (d) of this Annex may be restricted by law where such use is clearly unlikely to constitute an invasion of privacy of the data subjects.
- 6. No provision in this Annex is to be interpreted as restricting or prejudicing a Contracting Party's power to grant data subjects wider protection than that provided for in this Annex.

FINAL ACT

The plenipotentiaries of:

THE KINGDOM OF BELGIUM,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE GRAND DUCHY OF LUXEMBOURG,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE PORTUGUESE REPUBLIC.

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting Parties to the Treaty establishing the EUROPEAN COMMUNITY and the Treaty establishing the EUROPEAN COAL AND STEEL COMMUNITY.

hereinafter referred to as 'the Member States', and

of the EUROPEAN COMMUNITY and the EUROPEAN COAL AND STEEL COMMUNITY,

hereinafter referred to as 'the Community',

of the one part,

and the plenipotentiaries of the REPUBLIC OF TUNISIA hereinafter to as 'Tunisia',

of the other part,

meeting at Brussels on the seventeenth day of July in the year one thousand nine hundred and ninetyfive for the signature of the Agreement establishing an association between the Community and its Member States, of the one part, and the Republic of Tunisia, of the other part, have adopted the following texts:

the Euro-Mediteranean Agreement and the following Protocols:

>TABLE>

The plenipotentiaries of the Member States and of the Community and the plenipotentiaries of Tunisia have adopted the texts of the Joint Declarations listed below and annexed to this Final Act:

Joint Declaration relating to Article 5 of the Agreement

Joint Declaration relating to Article 10 of the Agreement

Joint Declaration relating to Article 39 of the Agreement

Joint Declaration relating to Article 42 of the Agreement

Joint Declaration relating to Article 49 of the Agreement

Joint Declaration relating to Article 50 of the Agreement

Joint Declaration relating to Article 64 of the Agreement

Joint Declaration relating to Article 64(1) of the Agreement

Joint Declaration relating to Article 65 of the Agreement

Joint Declaration relating to Articles 34, 35, 76 and 77 of the Agreement

Joint Declaration relating to textiles

The plenipotentiaries of Tunisia have taken note of the Declaration by the European Community mentioned below and annexed to this Final Act.

Declaration relating to Article 29 of the Agreement.

The plenipotentiaries of the Member States and of the Community have taken note of the Declaration by Tunisia mentioned below and annexed to this Final Act:

Declaration on safeguarding Tunisia's interests.

Declaration concerning Article 69 of the Agreement.

Hecho en Bruselas, el diecisiete de julio de mil novecientos noventa y cinco.

Udfærdiget i Bruxelles den syttende juli nitten hundrede og fem og halvfems.

Geschehen zu Brüssel am siebzehnten Juli neunzehnhundertfünfundneunzig.

, ãéíå óôéò ÂñõîÝëëåò, óôéò äÝêá åöôÜ Éïõëßïõ ÷ßëéá åííéáêüóéá åíåíÞíôá ðÝíôå.

Done at Brussels on the seventeenth day of July in the year one thousand nine hundred and ninety-five.

Fait à Bruxelles, le dix-sept juillet mil neuf cent quatre-vingt-quinze.

Fatto a Bruxelles, addì diciassette luglio millenovecentonovantacinque.

Gedaan te Brussel, de zeventiende juli negentienhonderd vijfennegentig.

Feito em Bruxelas, em dezassete de Julho de mil novecentos e noventa e cinco.

Tehty Brysselissä seitsemäntenätoista päivänä heinäkuuta vuonna tuhatyhdeksänsataayhdeksänkymmentäviisi.

Som skedde i Bryssel den sjuttonde juli nittonhundranittiofem.

>REFERENCE TO A GRAPHIC>

Pour le Royaume de Belgique

Voor het Koninkrijk België

Für das Königreich Belgien

>REFERENCE TO A GRAPHIC>

Cette signature engage également la Communauté française, la Communauté flamande, la Communauté germanophone, la Région wallonne, la Région flamande et la Région de Bruxelles-Capitale.

Deze handtekening verbindt eveneens de Vlaamse Gemeenschap, de Franse Gemeenschap, de Duitstalige Gemeenschap, het Vlaamse Gewest, het Waalse Gewest en het Brusselse Hoofdstedelijke Gewest.

Diese Unterschrift verbindet zugleich die Deutschsprachige Gemeinschaft, die Flämische Gemeinschaft, die Französische Gemeinschaft, die Wallonische Region, die Flämische Region und die Region Brüssel-Hauptstadt.

På Kongeriget Danmarks vegne

>REFERENCE TO A GRAPHIC>

Für die Bundesrepublik Deutschland

>REFERENCE TO A GRAPHIC>

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>REFERENCE TO A GRAPHIC>

Por el Reino de España

>REFERENCE TO A GRAPHIC>

Pour la République française

>REFERENCE TO A GRAPHIC>

Thar ceann na hÉireann

For Ireland

>REFERENCE TO A GRAPHIC>

Per la Repubblica italiana

>REFERENCE TO A GRAPHIC>

Pour le Grand-Duché de Luxembourg

>REFERENCE TO A GRAPHIC>

Voor het Koninkrijk der Nederlanden

>REFERENCE TO A GRAPHIC>

Für die Republik Österreich

>REFERENCE TO A GRAPHIC>

Pela República Portuguesa

>REFERENCE TO A GRAPHIC>

Suomen tasavallan puolesta

>REFERENCE TO A GRAPHIC>

För Konungariket Sverige

>REFERENCE TO A GRAPHIC>

For the United Kingdom of Great Britain and Northern Ireland

>REFERENCE TO A GRAPHIC>

Por las Comunidades Europeas

For De Europæiske Fællesskaber

Für die Europäischen Gemeinschaften

Ãéá ôéò ÅõñùðáúêÝò Êïéíüôçôåò

For the European Communities

Pour les Communautés européennes

Per le Comunità europee

Voor de Europese Gemeenschappen

Pelas Comunidades Europeias

Euroopan yhteisöjen puolesta

På Europeiska gemenskapernas vägnar

>REFERENCE TO A GRAPHIC>

>REFERENCE TO A GRAPHIC>

JOINT DECLARATIONS

Joint declaration relating to Article 5 of the Agreement

- 1. The Parties hereby agree that political dialogue at ministerial level should take place at least once a year.
- 2. The Parties consider that political dialogue should be established between the European Parliament and the Tunisian Chamber of Deputies.

Joint declaration relating to Article 10 of the Agreement

The Parties hereby agree to establish jointly the separate specification by Tunisia of an agricultural component in the import duties in force on goods originating in the Community before the entry into force of the Agreement in respect of the products appearing in list 2 in Annex 2 to the Agreement.

This principle will also apply to the products appearing in list 3 in Annex 2 to the Agreement before elimination of the industrial component begins.

Should Tunisia raise the duties in force on 1 January 1995 for the products mentioned above owing to the agricultural component, it will accord the Community a 25 % reduction on the increase in duties.

Joint declaration relating to Article 39 of the Agreement

Under the Agreement, the Parties agree that intellectual, industrial and commercial property comprises, in particular, copyright, including copyright in computer programs, and neighbouring rights, commercial trademarks and geographical descriptions including designation of origin, industrial designs and models, patents, configuration plans (topographies) of integrated circuits, protection of undisclosed information and protection against unfair competition in accordance with Article 10(a) of the Paris Convention for the Protection of Industrial Property in the 1967 Act of Stockholm (Paris Union).

Joint declaration relating to Article 42 of the Agreement

The Parties reaffirm the importance they attach to decentralised cooperation programmes as an additional means of promoting exchange of experience and transfer of knowledge in the Mediterranean region and between the European Community and its partners.

Joint declaration relating to Article 49 of the Agreement

The Parties recognize the need to modernise the Tunisian productive sector in order to adapt it better to the realities of the international and European economy.

The Community will give its support to Tunisia in implementing a support programme in the industrial sectors to benefit from restructuring and updating in order to cope with difficulties which may stem from the liberalisation of trade and in particular the dismantling of tariffs.

Joint declaration relating to Article 50 of the Agreement

The Contracting Parties attach importance to boosting the flow of direct investment to Tunisia.

They agree to expand Tunisia's access to Community investment promotion instruments in accordance with the relevant Community provisions.

Joint declaration relating to Article 64 of the Agreement

Without prejudice to the conditions and procedures applicable in each Member State, the Parties will examine the matter of access to a Member State's labour market of the spouse and children, legally resident under family reunification arrangements, of Tunisian workers legally employed on the territory of a Member State, except for seasonal workers, those on secondment or on placement, for the duration of the worker's authorised stay.

Joint declaration relating to Article 64(1) of the Agreement

With regard to the absence of discrimination as regards redundancy, Article 64(1) may not be invoked to obtain renewal of a residence permit. The granting, renewal or refusal of a residence permit shall be governed by the legislation of each Member State and the bilateral agreements and conventions in force between Tunisia and the Member State.

Joint declaration relating to Article 65 of the Agreement

It is understood that the term 'members of their family` shall be defined according to the national legislation of the host country concerned.

Joint declaration relating to Articles 34, 35, 76 and 77 of the Agreement

If, during the progressive implementation of the Agreement, Tunisia experiences serious balance of payments difficulties, Tunisia and the Community may hold consultations to work out the best ways and means of helping Tunisia cope with these difficulties.

Such consultations will take place in conjunction with the International Monetary Fund.

Joint declaration relating to textiles

It is understood that the arrangements for textile products will be the subject of a special protocol, to be concluded by 31 December 1995, on the basis of the provisions of the arrangement in force in 1996.

DECLARATION BY THE COMMUNITY

Declaration relating to Article 29 of the Agreement

If Tunisia concludes agreements with other Mediterranean countries with a view to establishing free trade, the Community is willing to consider cumulation of origin in its trade with those countries.

DECLARATIONS BY TUNISIA

Declaration on safeguarding Tunisia's interests

Tunisia wishes its interests be taken into account where any concessions and advantages are granted to other Mediterranean non-member countries under future agreements concluded between those countries and the Community.

Declaration concerning Article 69 of the Agreement

- Considering family reunification as a basic right of Tunisian workers residing abroad,
- bearing in mind that this right is a key factor in maintaining the balance of the family and guaranteeing success at school and the children's social and occupational integration,
- notwithstanding the bilateral agreements concluded between Tunisia and certain Member States of the European Union,

Tunisia wishes the question of family reunification to be the subject of in-depth discussions with the Community with a view to easing and improving the conditions for family reunification.