

No. 17563

**SWITZERLAND
and
TUNISIA**

**Agreement on the opening of a transfer credit (line of credit)
(with protocol of application). Signed at Tunis on 3 July
1976**

Authentic text: French.

Registered by Switzerland on 15 February 1979.

**SUISSE
et
TUNISIE**

**Accord concernant l'ouverture d'un crédit de transfert (ligne
de crédit) [avec protocole d'application]. Signé à Tunis
le 3 juillet 1976**

Texte authentique : français.

Enregistré par la Suisse le 15 février 1979.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE SWISS CONFEDERATION AND THE GOVERNMENT OF THE REPUBLIC OF TUNISIA ON THE OPENING OF A TRANSFER CREDIT (LINE OF CREDIT)

In an endeavour to facilitate the purchase, by the Tunisian economy, of Swiss capital goods for the economic development of Tunisia, the Government of the Swiss Confederation and the Government of the Republic of Tunisia have agreed as follows:

Article 1. The total value of Swiss supplies of capital goods which may be included in this Agreement shall be forty-four million, four hundred and forty thousand (44,440,000) Swiss francs. The provisions of this Agreement shall only apply to supplies of capital goods of Swiss origin which are intended for the realization of Tunisian civil development projects and for which, by their nature, a long period of amortization is justified.

Article 2. The inclusion of any supply within the scope of this Agreement will be subject to the prior approval of the competent authorities of both countries.

Article 3. The terms set out in the Protocol of Application annexed to this Agreement shall apply to every supply contract covered by the credit.

Article 4. The two Governments shall facilitate, within the limits of their legal competence, the conclusion and implementation of supply contracts under this Agreement.

Article 5. For the partial financing of the supplies of capital goods within the meaning of article 1 of this Agreement and article 1 of the Protocol of Application, the Swiss Government shall grant to the Government of Tunisia a transfer credit of 10 million Swiss francs provided that an agreement has been reached between the Government of Tunisia and a consortium of Swiss banks on the granting of an additional transfer credit of 30 million Swiss francs.

Article 6. The transfer credits of the Swiss Government and of the consortium of Swiss banks will be at the disposal of the Government of Tunisia in accordance with the provisions set out in the Protocol of Application referred to in article 3.

Article 7. 1. The Government of Tunisia undertakes:

(a) *To reimburse each amount drawn on the transfer credit of the Swiss Government within 15 years, as from the day of its utilization.* No reimbursements will be made within the first 10 years of this period of time. The reimbursements will be made in equal half-yearly instalments spread over the remaining 5 years, the first instalment falling due 6 months and the last instalment 60 months after the period of grace of 10 years.

¹ Came into force on 28 January 1977, the date on which the two Governments notified each other that the constitutional requirements had been met, in accordance with article 11.

(b) *To reimburse each amount drawn on the transfer credit of the consortium of Swiss banks within 10 years, as from the day of its utilization.* No reimbursements will be made within the first three years of this period of time. The reimbursements will be made in equal half-yearly instalments spread over the remaining 7 years, the first instalment falling due 6 months and the last instalment 84 months after the period of grace of 3 years.

(c) *To pay at the end of each calendar half-year the interests due on the outstanding amounts of the transfer credit of the consortium of Swiss banks.* There shall be no interest on the transfer credit of the Swiss Government.

2. The Government of Tunisia reserves the right to reimburse in advance, in full or in part, the amounts drawn on the transfer credits granted by the Swiss Government and by the consortium of Swiss banks.

Article 8. The payments of interest on the transfer credit of the consortium of Swiss banks and the reimbursements of principal of both transfer credits shall be made in effectively free Swiss francs.

Article 9. The utilization of the transfer credit and all withdrawals and reimbursements to be made under this Agreement are understood to be free from all forms of taxes and dues and shall not be subject to the restrictive provisions of the laws or legal measures in force in Tunisia.

Article 10. The Tunisian Central Bank and the Crédit suisse shall determine, by mutual agreement, the technical arrangements for the uses of the credit and the reimbursements to be made under this Agreement and the Protocol of Application.

Article 11. This Agreement shall come into force on the day when the two Governments will have notified each other that the constitutional requirements for the entry into force of the Agreement have been met.

DONE at Tunis, on 3 July 1976, in two originals in French, both texts being equally authentic.

For the Government
of the Swiss Confederation:

KLAUS JACOBI

For the Government
of the Republic of Tunisia:

HAMED AMMAR

PROTOCOL OF APPLICATION

The Agreement on the opening of a transfer credit concluded between the Government of the Swiss Confederation and the Government of the Republic of Tunisia is supplemented by the following Protocol:

1. The two Governments agree that the standard terms set out below shall apply to all supply contracts governed by the Agreement:

(a) Total value within the meaning of article 1 of the Agreement shall mean free on board (FOB) a European port.

(b) The Trade Office in Tunisia shall pay on behalf of the Tunisian buyer to the Swiss supplier, in effectively free Swiss francs, 10 per cent of the total

value of the supply contract after having received the prior approval of the competent authorities of both countries in accordance with article 2 of the Intergovernmental Agreement.

The remaining 90 per cent of the total value of the contract shall be set against the transfer credit in accordance with the terms of the supply contracts.

Each withdrawal shall be made at the rate of one quarter from the transfer credit of the Swiss Confederation and three quarters from the transfer credit of the consortium of Swiss banks.

(c) The period for reimbursement and the accrual of interests shall begin from the date of each withdrawal.

2. In agreeing to include a specified supply in the Agreement, the competent authorities of both countries undertake to grant all the authorizations which may be necessary to execute the contract concerned.

3. The competent authorities, mentioned in article 2 of the Agreement, shall be the Federal Division of Commerce, on the Swiss side, and the Department of Foreign Economic Relations of the Ministry of the Economy, on the Tunisian side.

4. Either authority may propose to the other, through the Swiss Embassy in Tunis, that a specific supply of Swiss capital goods be included in the Agreement. This proposal, together with the affirmative reply of the other authority, shall be considered as constituting the approval referred to in article 2 of the Agreement.

5. All applications for the inclusion of supply contracts in the Agreement shall be submitted within three years after its coming into force to the competent Swiss authority mentioned in paragraph 3 above. The invoice value of any supply contract shall not be less than 30,000 Swiss francs.

6. (a) All payments of interest and reimbursements of capital of both transfer credits shall be made to the *Crédit suisse*, acting on behalf of the Swiss Government and of the consortium of Swiss banks.

(b) The *Crédit suisse* shall keep the accounts to be opened in the name of the Government of Tunisia for the execution of the Agreement and shall carry on all correspondence in connection with the application of this Agreement.

(c) All notifications by the Swiss lenders in connection with the Agreement shall be deemed to have been duly given if addressed to the Central Bank of Tunisia, Tunis.

(d) All notifications and remittances by the Government of Tunisia shall be deemed to have been duly given if made to the *Crédit suisse*, Zurich.

DONE at Tunis, on 3 July 1976, in two originals, in French, both texts being equally authentic.

For the Government
of the Swiss Confederation:

KLAUS JACOBI

For the Government
of the Republic of Tunisia:

HAMED AMMAR