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II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 16 March 1992

concerning the conclusion of the Framework Agreement for cooperation between the European Economic Community and the Eastern Republic of Uruguay

(92/205/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 113 and 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Whereas, in order to attain its objectives regarding external economic relations, the Community should approve the Framework Agreement for cooperation with the Eastern Republic of Uruguay,

HAS DECIDED AS FOLLOWS:

Article 1

The Framework Agreement for cooperation between the European Economic Community and the Eastern Republic of Uruguay is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Decision.

Article 2

The President of the Council shall give the notification provided for in Article 25 of the Agreement ⁽³⁾.

Article 3

The Commission, assisted by representatives of the Member States, shall represent the Community in the Joint Committee set up by Article 21 of the Agreement.

Article 4

This Decision shall be published in the *Official Journal of the European Communities* and shall enter into force on the day of publication.

Done at Brussels, 16 March 1992.

For the Council

The President

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 228, 3. 9. 1991, p. 20.

⁽²⁾ Opinion delivered on 14 February 1992 (not yet published in the Official Journal).

⁽³⁾ The date of entry into force of the Agreement will be published in the *Official Journal of the European Communities* by the General Secretariat of the Council.

FRAMEWORK AGREEMENT FOR COOPERATION
between the European Economic Community and the Eastern Republic of Uruguay

THE COUNCIL OF THE EUROPEAN COMMUNITIES,
of the one part,

THE GOVERNMENT OF THE EASTERN REPUBLIC OF URUGUAY,
of the other part,

CONSIDERING the traditional links of friendship between the Member States of the European Economic Community, hereinafter referred to as 'the Community', and the Eastern Republic of Uruguay, hereinafter referred to as 'Uruguay',

REAFFIRMING the importance they attach to the principles of the United Nations Charter, democratic values and the observance of human rights,

CONSIDERING that, in recent years, the Community has developed a new strategy for cooperation with Latin America specially geared to tackling the problems of Latin America and of its various regions,

MINDFUL of the fact that the Agreement at present in force between the Community and Uruguay dates back to 1973 and does not provide an appropriate legal framework for developing more extensive, in-depth economic cooperation comprising all the instruments designed for implementing the new strategy,

TAKING ACCOUNT of their mutual interest in establishing new contractual links in order to develop extensive cooperation in areas which are of strategic importance to social and economic progress, and in stepping up and diversifying trade and encouraging the flow of investment,

TAKING ACCOUNT of the two Parties' interest in improving the standard of living and quality of life of their respective populations,

MINDFUL of the particular situation of Uruguay as a developing country which is highly vulnerable to the periodic fluctuations of the international economy and to the influences of its surroundings, and the particular productive and export structure which is one of its features at this stage in its economic development,

RECOGNIZING the two Parties' interest in promoting environmental protection and fully incorporating it in all development policy,

MINDFUL of the importance of securing the participation in cooperation of the individuals and bodies with a direct interest in the matter, particularly economic operators and the bodies which represent them,

TAKING ACCOUNT of their status as Contracting Parties to the General Agreement on Tariffs and Trade (GATT) and of the need to uphold and improve the rules for free and unhampered international trade,

WHEREAS Uruguay is engaged in a regional integration process with Argentina, Brazil and Paraguay and whereas equivalent, comparable cooperation should be developed with this group of countries so as to support their integration process,

HAVING REGARD to the new Community guidelines for cooperation with the Latin America and Asian developing countries,

HAVING REGARD to the Rome Declaration of 20 December 1990 and the Luxembourg Declaration of 27 April 1991 by the Community and its Member States and the Rio Group countries,

HAVE DECIDED to conclude this Agreement and to this end have designated as their plenipotentiaries :

THE COUNCIL of the European Communities :

Piet DANKERT,

The Foreign Minister of the Kingdom of the Netherlands,
President-in-Office of the Council,

Abel MATUTES,

Member of the Commission,

THE EASTERN REPUBLIC OF URUGUAY:

Hector GROS ESPIELL,

The Foreign Minister of the Eastern Republic of Uruguay,

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

*Article 1***Democratic basis for cooperation**

Cooperation ties between the Community and Uruguay and all the provisions of this Agreement are based on respect for the democratic principles and human rights which inspire the domestic and international policies of both the Community and Uruguay.

*Article 2***Development of mutual relations**

The Contracting Parties undertake to promote by every possible means the development of their mutual relations and are resolved to develop their cooperation on trade, investment, finance and technology, among other spheres. To that end the Parties shall take into account the special situation of Uruguay as a developing country and the various arrangements which have been concluded or may be concluded between them.

*Article 3***Economic cooperation**

1. The Contracting Parties, taking into account their mutual interest and long- and medium-term economic objectives, undertake to develop economic cooperation of the widest possible scope. The aims of such cooperation shall be in particular:

- (a) generally to step up and diversify their economic links;
- (b) to contribute to the development of their economies and standards of living;
- (c) to make use of new sources of supply and new markets;
- (d) to encourage the flow of investment and transfer of technology;
- (e) to promote cooperation between economic operators, particularly small and medium-sized enterprises;
- (f) to create new jobs, especially in the most disadvantaged sectors;

- (g) to protect and improve the environment;
- (h) to encourage rural development including an increase in agricultural and food production;
- (i) to support the southern common market (Mercosur) integration process;
- (j) to promote the development of depressed border areas.

2. Without excluding any area from the outset, the Contracting Parties shall determine by common agreement the spheres to be covered by economic cooperation. Cooperation shall centre particularly on the following:

- (a) energy and mining;
- (b) agriculture, fisheries and forestry;
- (c) management of natural resources;
- (d) industry, especially the capital goods and other industries connected with the sectors referred to in (a) and (b) and also support services;
- (e) economic and monetary affairs;
- (f) services including financial, banking and insurance services;
- (g) transport, telecommunications, telematics, tourism and other tertiary industries;
- (h) intellectual and industrial property;
- (i) standards, technical specifications and quality control.

3. Forms of cooperation

In the interests of attaining the objectives of economic cooperation, the Contracting Parties shall endeavour to promote activities including the following:

- (a) a continuous exchange of information, primarily by gaining access to existing databases or by setting up new ones;
- (b) the setting up of joint ventures;
- (c) the conclusion of licensing agreements and agreements on transferring technical know-how, subcontracting and representation;
- (d) cooperation between financial institutions;
- (e) concluding conventions between the Member States of the Community and Uruguay to prevent double taxation;
- (f) visits, meetings and activities for promoting cooperation between representatives of firms and economic organizations, and setting up appropriate machinery and institutions;
- (g) the organization of seminars and business weeks, arranging specialized fairs, exhibitions and symposia;
- (h) the encouragement of businesses from one Contracting Party to take part in fairs and exhibitions in the other;

- (i) the creation of networks of economic operators, particularly industrialists ;
- (j) the promotion of consultancy and technical assistance services, in particular in the sphere of trade promotion and marketing.

Article 4

Agricultural cooperation

1. The Community and Uruguay undertake to establish cooperation on agriculture. The said cooperation will focus in particular on :

- (a) the scope for developing mutual trade flows in agricultural products ;
- (b) health and plant health measures, and the consequences of these measures, which should not hinder trade but should take account of the interests of both Contracting Parties in terms of environmental, plant health and veterinary legislation.

To that end consultations may be held between the appropriate experts of the Contracting Parties.

2. The Community will participate in Uruguay's efforts to diversify its agricultural exports.

Article 5

Industrial cooperation

1. The Contracting Parties agree to promote the widening and diversification of Uruguay's production base in the industrial and service sectors. To that end they shall direct their cooperation activities at small and medium-sized enterprises in particular encourage steps to facilitate access to sources of capital, markets and appropriate technology and shall promote the activities of joint ventures geared particularly to other countries' markets. This cooperation may include the establishment of suitable machinery and institutions.

2. The Contracting Parties agree to examine ways of giving joint impetus to projects aimed at industrial redeployment to facilitate the smooth integration of Uruguay into the southern common market.

Article 6

Cooperation regarding the environment

1. The Contracting Parties undertake to cooperate on the protection and improvement of the environment, with

a view to solving the problems associated with water, soil and air pollution, erosion, desertification and deforestation, over-exploitation of natural resources and urban growth. They shall also encourage the productive conservation of forest and aquatic flora and fauna.

2. To this end, the Contracting Parties shall direct their efforts towards the following in particular :

- (a) the establishment and strengthening of environmental protection structures in the public and private sectors ;
- (b) the development and improvement of laws, standards and technical specifications ;
- (c) research, training and information and alerting public opinion to the issues in question ;
- (d) the execution of studies and projects and the provision of technical assistance ;
- (e) the organization of meetings, seminars, workshops, conferences and visits of civil servants, specialists, engineers, businessmen and others performing functions connected with the environment ;
- (f) the exchange of information and experience concerning major global environmental issues ;
- (g) the development of study and research programmes and projects concerned with disasters and disaster prevention.

3. The Contracting Parties agree to develop cooperation concerning all aspects of water resources, including research into, and application of, technology connected with the management, use and conservation of water resources.

Article 7

Investment

The Contracting Parties agree :

- (a) to promote, so far as their powers, rules and regulations and policies permit, an increase in mutually beneficial investment ;
- (b) to improve the favourable climate for mutual investment between the Community Member States and Uruguay, particularly through agreements for the promotion and protection of such investment based on the principles of non-discrimination and reciprocity.

Article 8**Cooperation on science and technology**

1. In accordance with their mutual interest and the aims of their development strategy, the Contracting Parties undertake to promote cooperation on science and technology, in the interests of helping:

- (a) to make it easier for scientists to take part in exchanges and move back and forth between the Community and Uruguay;
- (b) to establish permanent links between both Parties' scientific and technological communities;
- (c) to foster the transfer of technology;
- (d) to create links between the Parties' research centres in order to solve jointly problems of mutual interest;
- (e) to create opportunities for economic, industrial and trade cooperation;
- (f) to strengthen scientific and technological capacity and stimulate innovation.

2. Without excluding any area from the outset, the Contracting Parties shall together determine the spheres to be covered by economic cooperation. Cooperation shall include in particular the following:

- (a) high-level scientific and technological research, notably in fields such as biotechnology, new materials, microelectronics, data-processing and telecommunications;
- (b) improving research capacity in areas in which it is lacking;
- (c) developing and managing policy on science and technology;
- (d) protecting and improving the environment;
- (e) the efficient use of natural resources;
- (f) regional integration and cooperation in science and technology;
- (g) disseminating information and expertise in science and technology;
- (h) technological development in the spheres of agriculture, agro-industry and marine science;
- (i) links between higher education and research establishments and the productive sector.

3. The Contracting Parties shall facilitate and encourage measures aimed at attaining the objectives of scientific and technological cooperation between them in particular:

- (a) joint research projects between the Parties' research centres and other appropriate institutions;
- (b) training for scientists, particularly in the form of research periods in the research centres of the other Contracting Party;
- (c) the exchange of scientific information, particularly in the form of jointly organized seminars, working

meetings and conferences, bringing together scientists from both Parties.

4. The Contracting Parties undertake to lay down appropriate procedures to bring about the greatest possible degree of participation by their scientists and research centres in cooperation between them.

Article 9**Trade promotion**

The Contracting Parties undertake to develop and diversify trade flows to the highest possible degree, taking into account the economic situation of each of the Parties and granting each other the greatest possible facilities.

Article 10**Most-favoured nation treatment**

The Contracting Parties shall grant each other most-favoured nation treatment in trade, in accordance with the General Agreement on Tariffs and Trade (GATT).

The two Parties reaffirm their willingness to conduct their trade in accordance with the GATT.

Article 11**Temporary admission of goods**

The Contracting Parties undertake to give consideration to granting exemption from duties and taxes for goods temporarily imported into their territory which are covered by the relevant international agreements and are intended for re-export.

Article 12**Trade cooperation**

1. The Contracting Parties agree to examine ways and means of eliminating barriers to trade between them, particularly non-tariff barriers, taking account of the work done in this connection by international organizations. They shall also examine, in a constructive spirit, both bilaterally and multilaterally, any trade difficulties that might arise between them, including those resulting from the application of health, plant health or environmental measures.

2. In addition, the Contracting Parties commit themselves, each in accordance with its laws, to a policy aimed at, *inter alia*:

- (a) facilitating trade transactions between them as far as possible ;
- (b) cooperating bilaterally and multilaterally with the aim of solving problems of joint interest, including problems relating to intellectual and industrial property, origin-related designations and commodities, semi-manufactures and finished products ;
- (c) facilitating cooperation between their respective customs services, particularly in respect of vocational training, simplification of procedures and detection of infringements ;
- (d) taking each other's interests into account in relation to access to resources and the processing of these resources ;
- (e) laying the foundations for improving the terms of access for their products to their respective markets ;
- (f) setting up contacts between economic operators in order to diversify and increase the mutual trade flow ;
- (g) examining and making recommendations on trade promotion measures in the interests of stimulating the development of imports and exports ;
- (h) encouraging and supporting trade promotion operations such as seminars, symposia, trade and industrial fairs and exhibitions, trade missions, reciprocal visits, business weeks and other such activities ;
- (i) as far as possible taking into consideration the opinion of the other Contracting Party on measures likely to have an adverse effect on trade between them.

3. To that end, where the competent authorities of the two Parties so determine, the Community may financially support some of the trade promotion activities provided for in this Article, including the carrying out of market studies on Uruguayan products of interest.

Article 13

Cooperation on social development

1. The Contracting Parties shall establish cooperation in the field of social development in order to improve the standard of living and quality of life of the most underprivileged sections of society.
2. Action to achieve this objective may include, *inter alia*, support for the following activities, especially in the form of technical assistance ;
 - (a) management and administration of social services ;
 - (b) vocational training and job-creation programmes ;
 - (c) setting up grassroots organizations and promoting their activities ;

- (d) programmes or projects to improve housing in urban and rural areas ;
- (e) drug abuse control and information campaigns.

Article 14

Cooperation on public health

The Contracting Parties agree to cooperate on public health and to that end undertake to develop joint research, the transfer of technology, the exchange of experience and technical assistance, including in particular measures connected with the following :

- (a) management and administration of the relevant departments ;
- (b) arranging meetings between scientists and the exchange of specialists ;
- (c) developing vocational training programmes ;
- (d) implementing programmes and projects to improve health and welfare in urban and rural areas.

Article 15

Cooperation concerning government service

1. Contracting Parties shall cooperate in contributing to the rationalization and modernization of government service at national, regional and local level.
2. To attain these objectives, the Contracting Parties shall promote, *inter alia*, the following activities :
 - (a) the provision of technical assistance for projects aimed at reforming or improving the operation of government service ;
 - (b) meetings, visits, exchanges, seminars and training courses for civil servants and the staff of public institutions and government departments.

Article 16

Cooperation on information, communication and culture

The Contracting Parties undertake to engage in cooperation activities in the fields of information, communication and culture in order to promote and intensify the links which already exist between the Parties.

These activities shall include, in particular :

- (a) the exchange of information on topics of mutual interest ;
- (b) preparatory studies and technical assistance for the preservation of the cultural heritage ;
- (c) organization of cultural events ;
- (d) cultural and academic exchanges ;
- (e) translation of literary works.

*Article 17***Cooperation on tourism**

The Contracting Parties, each in accordance with its laws, shall promote cooperation on tourism by means of specific measures, including in particular:

- (a) the exchange of officials and experts and also of information and technology;
- (b) the development of activities to stimulate tourist traffic;
- (c) back-up for training in hotel management and administration;
- (d) participation in fairs and exhibitions aimed at encouraging tourist traffic.

*Article 18***Training**

1. Cooperation activities conducted within the framework of the Agreement shall include appropriate training aspects. However, the Contracting Parties shall also agree upon specific training programmes in spheres of mutual interest.

2. Such training action shall first and foremost be aimed at instructors, teachers and staff in positions of responsibility in firms, government departments, public services and other areas of economic and social activity. It may include promoting cooperation agreements between the Parties' establishments, particularly those in the technical scientific and vocational training sectors.

3. Cooperation shall also comprise measures to develop training for supervisory staff holding positions of responsibility in the regional and subregional integration processes.

*Article 19***Regional cooperation and integration**

1. Cooperation between the Contracting Parties may extend to action undertaken within the context of cooperation or integration agreements with third countries in the same region, provided that such action is compatible with those agreements.

2. Without discounting any sphere in advance, the following action shall be given particular consideration:

- (a) cooperation on environmental issues at regional level;
- (b) development of intra-regional trade;
- (c) the strengthening of regional public and private sector institutions and support for common policies and activities;

- (d) regional communications, particularly river transport;
- (e) cooperation on health and plant health matters at regional and subregional levels;
- (f) the transfer of Community experience in integration at regional and subregional levels.

*Article 20***Resources for undertaking cooperation**

In order to facilitate the achievement of the aims set out in this Agreement, the Contracting Parties shall make available, within the limits of their abilities and through their own channels, the appropriate resources, including financial resources.

*Article 21***Joint Cooperation Committee**

1. A Joint Cooperation Committee shall be established, consisting of representatives of the Community and of Uruguay. It shall meet once a year, alternately in Brussels and Montevideo, on a date and with an agenda fixed by mutual agreement. Extraordinary meetings may be convened with the consent of both Parties.

2. The Joint Committee shall ensure the proper functioning of the Agreement and shall examine all issues arising from its application. In fulfilling this role, its main functions will be to:

- (a) consider measures for developing and diversifying trade, in accordance with the objectives of this Agreement;
- (b) exchange views on any points of common interest regarding trade and cooperation, including future measures and the means available for putting them into effect;
- (c) make recommendations for promoting the expansion of trade and for intensified cooperation, taking into account the need to coordinate the measures planned;
- (d) in general terms, recommend solutions aimed at helping to attain the objectives of this Agreement.

3. The Joint Committee may set up specialized subcommittees and working parties to assist it in the performance of its duties.

*Article 22***Other agreements**

1. Without prejudice to the provisions of the Treaties establishing the European Communities, neither this Agreement nor any action taken under it shall in any way affect the powers of the Member States of the Communi-

ties to undertake bilateral activities with Uruguay in the field of economic cooperation or where appropriate to conclude new economic cooperation agreements with Uruguay.

2. Subject to the provisions of the previous paragraph concerning economic cooperation, the provisions of this Agreement shall replace the provisions of the agreements concluded between the Member States of the Communities and Uruguay where such provisions are either incompatible with or identical to the provisions of this Agreement.

Article 23

Territorial application

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty and, on the other, to the territory of the Eastern Republic of Uruguay.

Article 24

Future developments

1. The Contracting Parties may by mutual consent expand this Agreement with a view to increasing the levels of cooperation and supplementing them, each in accordance with its laws, by means of agreements on specific sectors or activities.

2. With respect to the application of this Agreement, either of the Contracting Parties may put forward sugges-

tions for widening the scope of mutual cooperation, taking into account the experience gained in its execution.

Article 25

Entry into force and duration

1. This Agreement shall enter into force on the first day of the month following the date on which the Contracting Parties have notified each other of the completion of the procedures necessary for this purpose.

2. This Agreement is concluded for a period of five years. It shall be renewed on a yearly basis unless one of the Contracting Parties denounces it six months before the date of expiry.

Article 26

Annexes

The Annexes shall form an integral part of this Agreement.

Article 27

Authentic languages

This Agreement is drawn up in duplicate in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese and Spanish languages, each text being equally authentic.

EN FE DE LO CUAL, los plenipotenciarios abajo firmantes suscriben el presente Acuerdo marco.

TIL BEKRÆFTELSE HERAF har undertegnede befuldmægtigede underskrevet denne rammeaftale.

ZU URKUND DESSEN haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Rahmenabkommen gesetzt.

ΕΙΣ ΠΙΣΤΩΣΗ ΤΩΝ ΑΝΩΤΕΡΩ, οι υπογεγραμμένοι πληρεξούσιοι έθεσαν τις υπογραφές τους στη παρούσα συμφωνία-πλαίσιο.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Framework Agreement.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent accord-cadre.

IN FEDE DI CHE, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente accordo quadro.

TEN BLIJKE WAARVAN de ondergetekende gevolmachtigden hun handtekening onder deze Kaderovereenkomst hebben gesteld.

EM FÉ DO QUE, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final do presente acordo-quadro.

Hecho en Bruselas, el cuatro de noviembre de mil novecientos noventa y uno.

Udfærdiget i Bruxelles, den fjerde november nitten hundrede og enoghalvfems.

Geschehen zu Brüssel am vierten November neunzehnhunderteinundneunzig.

Έγινε στις Βρυξέλλες, στις τέσσερις Νοεμβρίου χίλια εννιακόσια ενενήντα ένα.

Done at Brussels on the fourth day of November in the year one thousand nine hundred and ninety-one.

Fait à Bruxelles, le quatre novembre mil neuf cent quatre-vingt-onze.

Fatto a Bruxelles, addì quattro novembre millenovecentonovantuno.

Gedaan te Brussel, de vierde november negentienhonderd eenennegentig.

Feito em Bruxelas, em quatro de Novembro de mil novecentos e noventa e um.

Por el Consejo de las Comunidades Europeas

For Rådet for De Europæiske Fællesskaber

Für den Rat der Europäischen Gemeinschaften

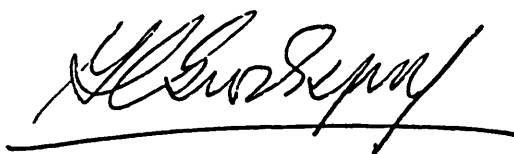
Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων

For the Council of the European Communities

Pour le Conseil des Communautés européennes
Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias



Por el Gobierno de la República Oriental del Uruguay
For regeringen for Den Østlige Republik Uruguay
Für die Regierung der Republik Östlich des Uruguay
Για την κυβέρνηση της Ανατολικής Δημοκρατίας της Ουρουγουάης
For the Government of the Eastern Republic of Uruguay
Pour le gouvernement de la république orientale de l'Uruguay
Per il governo della Repubblica orientale dell'Uruguay
Voor de Regering van de Republiek ten Oosten van de Uruguay
Pelo Governo da República Oriental do Uruguai



*ANNEX I***EXCHANGE OF LETTERS ON MARITIME TRANSPORT***Letter No 1*

Sir,

We should be obliged if you would confirm your Government's agreement to the following :

When the Agreement on cooperation between the European Economic Community and Uruguay was signed, the Parties undertook to address in the appropriate manner issues relating to the operation of maritime transport, particularly where the development of trade might be hindered. Mutually satisfactory solutions will be sought, while the principle of free and fair competition on a commercial basis is observed.

It has likewise been agreed that such issues should also be discussed by the Joint Committee.

Please accept, Sir, the assurance of our highest consideration.

*On behalf of the
Council of the European Communities*

Letter No 2

Sirs,

I have the honour to acknowledge receipt of your letter and to confirm my Government's agreement to the following :

'When the Agreement on cooperation between the European Economic Community and Uruguay was signed, the Parties undertook to address in the appropriate manner issues relating to the operation of maritime transport, particularly where the development of trade might be hindered. Mutually satisfactory solutions will be sought, while the principle of free and fair competition on a commercial basis is observed.

It has likewise been agreed that such issues should also be discussed by the Joint Committee.'

Please accept, Sirs, the assurance of my highest consideration.

*For the Government
of the Eastern Republic of Uruguay*

*ANNEX II***UNILATERAL DECLARATION BY THE COMMUNITY ON THE GSP**

The European Economic Community hereby confirms the importance which it attaches to the generalized system of preferences, set up by resolution 21 (II) of the second United Nations Conference on trade and development.

The European Community is prepared to examine any suggestions put to it by Uruguay in order to enable that country to make the best and widest possible use of the generalized preferences scheme which the Community has implemented in accordance with the abovementioned resolution.

In order to ensure that Uruguayan officials and economic operators are better acquainted with the Community scheme, the Commission will arrange information seminars in Uruguay.

COUNCIL DECISION**of 16 March 1992****on the conclusion of a Protocol on financial and technical cooperation between the European Economic Community and the People's Democratic Republic of Algeria**

(92/206/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 238 thereof,

Having regard to the recommendation from the Commission,

Having regard to the assent of the European Parliament⁽¹⁾,

Whereas the Protocol on financial and technical cooperation between the European Economic Community and the People's Democratic Republic of Algeria should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol on financial and technical cooperation between the European Economic Community and the People's Democratic Republic of Algeria is hereby approved on behalf of the Community.

The text of the Protocol is attached to this Decision.

*Article 2*The President of the Council shall give the notification provided for in Article 22 (1) of the Protocol⁽²⁾.*Article 3*This Decision shall take effect on the day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 March 1992.

*For the Council**The President*

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 39, 17. 2. 1992.⁽²⁾ See page 50 of this Official Journal.

PROTOCOL**on financial and technical cooperation between the European Economic Community
and the People's Democratic Republic of Algeria**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,
of the one part, and

THE PRESIDENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA,
of the other part,

REAFFIRMING their resolve to implement, under the renewed Mediterranean policy of the Community, cooperation which will contribute to the economic and social development of Algeria and promote the strengthening of relations between the Community and Algeria,

ANXIOUS to pursue to this end the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the People's Democratic Republic of Algeria,

HAVE DECIDED to conclude this Protocol and to this end have designated as their Plenipotentiaries :

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

Joseph WEYLAND,
Ambassador Extraordinary and Plenipotentiary,
Permanent Representative of Luxembourg,
Chairman of the Permanent Representatives Committee ;

Juan PRAT,
Director-General responsible for North/South relations of the Commission of the European Communities ;

THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA :

Noureddine KERROUM,
Ambassador Extraordinary and Plenipotentiary ;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS :

Article 1

Within the framework of the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the People's Democratic Republic of Algeria, the Community shall participate, on the terms set out in this Protocol, in the financing of measures intended to contribute to the economic and social development of Algeria.

- (a) ECU 280 million in the form of loans from the European Investment Bank, hereinafter referred to as 'the Bank', made from its own resources ;
- (b) ECU 52 million from the Community's budgetary resources, in the form of grants ;
- (c) ECU 18 million from the Community's budgetary resources, in the form of contributions to risk capital formation.

Article 2

1. For the purposes specified in Article 1 and for a period expiring on 31 October 1996, an aggregate amount of ECU 350 million may be committed as follows :

2. The risk capital referred to in paragraph 1 (c) shall contribute to the cooperation objectives and operations defined in Article 3, in particular those indicated in the second indent of paragraph 2 of that Article.

It shall be used primarily to make equity capital or the like available to Algerian private undertakings, public undertakings and undertakings with State participation, in particular those with which natural or legal persons who are nationals of a Community Member State are associated. It may be used under the same conditions to finance specific studies for the preparation and development of such undertakings' projects and to assist such undertakings in their starting-up period.

It shall be granted and administered by the Bank and may take the form of:

- (a) subordinated loans, where repayment and payment of any interest will not be made until other bank claims have been settled;
- (b) conditional loans, where repayment or duration will depend on the fulfilment of conditions specified at the time when the loan is granted;
- (c) acquisition of temporary minority holdings on behalf of the Community in the capital of undertakings established in Algeria;
- (d) finance for the acquisition of holdings, in the form of conditional loans granted to Algeria or, with the Algerian Government's agreement, to Algerian undertakings, either directly or through the intermediary of Algerian financial institutions.

Article 3

1. The total amount fixed in Article 2 shall be used primarily for the financing or part-financing of cooperation projects or operations aimed at:

- developing and diversifying agricultural production so as to reduce Algeria's food dependence, and efforts to diversify agricultural production and exports with a view to increasing the complementarity of the different Mediterranean regions,
- strengthening the economic links between the Community and Algeria in their mutual interest by developing cooperation in the fields of industry, training and research, technology, commerce and other services,
- environmental protection.

Economic infrastructure and industrial development which are complementary to the above cooperation projects or operations may also be financed.

2. Of the eligible projects and operations, priority shall be given to those having the following aims:

- in the agricultural sector, developing the production of agricultural products in short supply, particularly

food crops, *inter alia* in the framework of multiannual programmes and operations in the context of the national food strategy. For maximum effectiveness, concentration of resources in specific sectors shall be sought,

- in the industrial and service sectors, promotion of joint ventures between operators from the Community Member States and Algerian operators, direct contacts, exchange of information, promotion of investment, contribution of private capital, and support for small and medium-sized enterprises, including craft businesses, in order to promote employment,
- in the field of science and technology, expansion of Algeria's training and research capability and establishment or development of links between Algerian and European private and public training and research institutions,
- in the trade sector, diversification and promotion of exports and organization of contacts between Algerian operators and operators from the Community Member States,
- in the environment sector, support for the definition and implementation of the policy to be followed by Algeria, particularly through the training of experts, technical assistance and a contribution to investments; in view of the impact of demographic growth, support can be provided, at Algeria's request, for the demographic policy and for family planning programmes,
- in the priority areas referred to above, practical training schemes linked to projects or operations in enterprises and research institutions.

3. The Community's financial contributions shall be used to cover internal and external costs necessarily incurred in carrying out approved projects or schemes (including costs in respect of studies, consulting engineers and technical assistance). In exceptional and duly justified cases they may be used degressively to cover current administrative, maintenance or operational expenditure incurred in the starting-up period of projects.

Article 4

1. A Community contribution of ECU 300 million shall be provided for in the form of grants for the Mediterranean countries for a period ending on 31 October 1996, in order to finance projects in support of the economic reforms undertaken as part of a structural adjustment programme.

The eligibility of the Mediterranean countries concerned for this aid will be determined on the basis of the following criteria:

- the countries must carry out reform programmes approved by the Bretton Woods institutions, or implement programmes recognized as similar, in concert with those institutions, in line with the extent and effectiveness of the reforms at macro-economic level, although not necessarily financially backed by them,
 - account will be taken of the following factors : the economic situation of the country, with particular reference to its level of indebtedness and debt service burden, balance of payments situation and the availability of foreign currency, budgetary situation, monetary situation, per capita GDP, social situation and, in particular, level of unemployment.
2. Projects of the following two types may be financed in accordance with paragraph 1 :
- structural adjustment support in the form of sectoral or general import programmes designed to contribute to the use and strengthening of production capacity.
Counterpart funds generated by the import programmes will be used to finance measures provided for in the State's priority programme of public expenditure which are aimed at attenuating, in particular by employment creation, the negative social repercussions of structural adjustment, especially for disadvantaged groups,
 - technical assistance linked to structural adjustment support programmes at macro-economic level and in sectors affected by structural adjustment.
3. A limited proportion of the grant aid provided for in this Protocol may be used to support structural adjustment under the same conditions of eligibility as set out in paragraph 1.
4. Where the relevant provisions of this Article are being applied, the necessary implementation procedures will be determined in an exchange of letters between the two Parties.

Article 5

1. Capital projects shall be eligible for financing either by loans from the Bank, or by risk capital, or by grants, or by a combination of these means.
2. Technical and economic cooperation shall normally be financed by grants.

Article 6

1. The amounts to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol.
2. Any funds not committed at the end of the period referred to in Article 2 (1) shall be used until exhausted. In such cases, the funds shall be used in accordance with

the same arrangements as those laid down in this Protocol.

Article 7

1. Loans granted by the Bank from its own resources shall be made in accordance with the arrangements, conditions and procedures laid down in its statute. They shall, as regards their duration, be subject to terms established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank procures its resources. The interest rate shall be determined in accordance with the Bank's practice at the time of signature of each loan contract.
2. The terms and arrangements for contributions to risk capital formation shall be determined on a case-by-case basis.
3. Aid from the Community's budget resources, other than that intended for risk capital operations, shall be granted and administered by the Commission.
4. The funds referred to in Article 2 may be granted through the intermediary of the State or appropriate Algerian bodies, on condition that they allocate the amounts to the recipients on terms decided, by agreement with the Community, on the basis of the economic and financial characteristics of the projects and operations for which they are intended.

Article 8

Aid contributed by the Community for the execution of certain projects may, with the agreement of Algeria, take the form of cofinancing in which, in particular, credit and development bodies and institutions of Algeria, of Member States or of third States or international finance organizations would take part.

Article 9

The following shall be eligible for financial and technical cooperation :

- (a) in general :
 - the Algerian State ;
- (b) with the agreement of the Algerian Government, for projects or operations approved by it :
 - official Algerian development agencies,
 - private agencies working in Algeria for economic and social development,
 - undertakings carrying on their activities in accordance with industrial and business management methods and set up as legal persons within the meaning of Article 13,

- groups of producers who are nationals of Algeria and, exceptionally, where no such groups exist, the producers themselves,
- scholarship holders and trainees sent by Algeria under the training schemes referred to in Article 3.

Article 10

1. With a view to making optimum use of the instruments and means provided for in the Protocol and achieving the objectives laid down in Article 3, the Community and Algeria shall, taking information provided by Algeria as a basis, examine :

- the priority development objectives adopted at national level,
- the sector or sectors on which the Community contribution will be focussed, taking account in particular of the contributions of other providers of funds on a bilateral or multilateral basis and other Community instruments, including food aid,
- the measures and schemes best suited to achieving the sectoral objectives referred to in the second indent or, where such schemes are not sufficiently well defined, the broad objectives of the programmes for supporting the policies defined by the country in respect of those sectors.

2. On this basis the Community and Algeria shall, by mutual agreement, draw up an indicative programme committing both parties and determining the specific objectives of financial and technical cooperation, the priority sectors for intervention and the action programmes envisaged.

3. The indicative programme may be reviewed by mutual agreement to take account of any changes in Algeria's economic situation or in the objectives and priorities laid down by its development plan.

4. The Community and Algeria shall continue their exchanges of views within the appropriate bodies and shall, at least once during the period of implementation of the Protocol and at the latest before the end of the third year following the entry into force of the Protocol, make an assessment of the implementation of the indicative programme.

Article 11

1. Within the framework laid down in accordance with Article 10, the Algerian State or, with the agreement of its Government, the other possible beneficiaries referred to in Article 9 shall submit their requests for financial aid to the Community.

2. The Community shall appraise the requests for financing in collaboration with the competent Algerian authorities and other beneficiaries, in accordance with the

objectives referred to in Article 10, and shall inform them of the decisions taken on such requests.

Article 12

1. The execution, management and maintenance of schemes that are the subject of financing under this Protocol shall be the responsibility of Algeria or of the other beneficiaries referred to in Article 9 of this Protocol.

The Community shall make sure that this financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

2. The projects and action programmes shall be the subject of appropriate evaluation, the outcome of which shall be communicated to both parties, which shall take appropriate measures by mutual agreement.

3. Certain rules for administering the financial aid granted by the Community shall be the subject of an exchange of letters or a framework agreement between the Commission and Algeria upon conclusion of this Protocol.

Article 13

1. All natural and legal persons falling within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of Algeria may participate on equal terms in tendering procedures and other procedures for the award of contracts likely to be financed. Any such legal person, formed in accordance with the law of a Member State of the European Economic Community or with that of Algeria, must have its registered office, its administrative head office or its principal establishment in the territories in which the Treaty establishing the European Economic Community is applied or in Algeria; however, where only its registered office is in the said territories or in Algeria, the activities of such legal person must be effectively and continuously linked with the economy of those territories or of Algeria.

2. In agreement with Algeria and with the aim of encouraging regional cooperation, natural and legal persons who are nationals of developing countries associated with the Community through overall cooperation or association agreements may be authorized by the Community, on a case-by-case basis, to participate in the operations referred to in paragraph 1 which are financed by the Community. The eligibility of the natural or legal persons shall be assessed on the same terms as those set out in paragraph 1, *mutatis mutandis*.

Article 14

To promote participation by Algerian undertakings in the performance of contracts and to ensure the rapid and effective implementation of projects and operations financed from resources administered by the Commission :

1. an accelerated procedure for issuing invitations to tender, involving shorter time limits for the submission of tenders, may be used by Algeria in agreement with the Commission where it is a question of works contracts which, because of their scale, are mainly of interest to Algerian undertakings.

The organization of this accelerated procedure shall not rule out the possibility of issuing an international invitation to tender where it appears that the nature of the works to be carried out or the usefulness of widening participation justifies recourse to international competition ;

2. where urgency of the situation is established or where the nature, small scale or particular characteristics of certain works or supplies so warrant, Algeria may, in agreement with the Commission, authorize, as an exception, the placing of contracts after restricted invitations to tender, the conclusion of contracts by direct agreement and the performance of contracts through public works departments.

The procedures referred to in points 1 and 2 above may be used for operations whose estimated cost is less than ECU 4 million.

Article 15

1. Algeria shall apply to contracts awarded for the execution of projects or schemes financed by the Community tax and customs arrangements no less favourable than those applied *vis-à-vis* the most favoured State or international development organization.
2. The content of the arrangements referred to in paragraph 1 shall be the subject of an exchange of letters between the Parties.

Article 16

Algeria shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of transactions concluded under this Protocol are exempted from any national or local tax or levy.

Article 17

Where a loan is accorded to a beneficiary other than the Algerian State, the provision of a guarantee by the latter or of other adequate guarantees shall be required by the Bank as a condition of the grant of the loan.

Article 18

Throughout the duration of the loans and risk capital operations provided for in Article 2, Algeria shall undertake to :

- (a) place at the disposal of the beneficiaries or their guarantors the currency necessary for the payment of interest and commission and amortization of loans and risk-capital aid granted for the implementation of aid measures on its territory ;
- (b) make available to the Bank the currency necessary for the transfer of all sums received by it in national currency which represent the net revenue and proceeds from transactions involving the acquisition by the Community of holdings in the capital of undertakings.

Article 19

The results of financial and technical cooperation may be examined within the Cooperation Council. The latter shall establish, where appropriate, the general guidelines for such cooperation.

Article 20

One year before the expiry of this Protocol, the Contracting Parties shall examine what arrangements could be made for financial and technical cooperation during a possible further period.

Article 21

This Protocol shall be annexed to the Cooperation Agreement between the European Economic Community and the People's Democratic Republic of Algeria.

Article 22

1. This Protocol shall be subject to approval in accordance with the Contracting Parties' own procedures, and the Parties shall notify one another that the procedures necessary to this end have been completed.
2. This Protocol shall enter into force on the first day of the second month following the date on which the notifications provided for in paragraph 1 have been given.

Article 23

This Protocol is drawn up in two copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and Arabic languages, each of these texts being equally authentic.

EN FE DE LO CUAL, los plenipotenciarios abajo firmantes suscriben el presente Protocolo.

TIL BEKRÆFTELSE HERAF har undertegnede befuldmægtigede underskrevet denne protokol.

ZU URKUND DESSEN haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Protokoll gesetzt.

ΕΙΣ ΠΙΣΤΩΣΗ ΤΩΝ ΑΝΩΤΕΡΩ, οι υπογεγραμμένοι πληρεξούσιοι έθεσαν τις υπογραφές τους στο παρόν πρωτόκολλο.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Protocol.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent protocole.

IN FEDE DI CHE, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente protocollo.

TEN BLIJKE WAARVAN de ondergetekende gevolmachtigden hun handtekening onder dit Protocol hebben gesteld.

EM FÉ DO QUE, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final do presente protocolo.

واشأتا لما تقدم . وضع المدونان الموقر
توقيعهم اسفل البروتوكول الحالي .

Hecho en Bruselas, el veinte de junio de mil novecientos noventa y uno.

Udfærdiget i Bruxelles, den tyvende juni nitten hundrede og enoghalvfems.

Geschehen zu Brüssel am zwanzigsten Juni neunzehnhunderteinundneunzig.

Έγινε στις Βρυξέλλες, στις είκοσι Ιουνίου χίλια εννιακόσια ενενήντα ένα.

Done at Brussels on the twentieth day of June in the year one thousand nine hundred and ninety-one.

Fait à Bruxelles, le vingt juin mil neuf cent quatre-vingt-onze.

Fatto a Bruxelles, addì venti giugno millenovecentonovantuno.

Gedaan te Brussel, de twintigste juni negentienhonderd eenennegentig.

Feito em Bruxelas, em vinte de Junho de mil novecentos e noventa e um.

حرر في بروكسل في العشرين من شهر جوان
عام الف وتسعمائة واحد وتسعون .

Por el Consejo de las Comunidades Europeas

For Rådet for De Europæiske Fællesskaber

Für den Rat der Europäischen Gemeinschaften

Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων

For the Council of the European Communities

Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias

عن مجلس المجموعات الأوروبية

Por la República Argelina Democrática y Popular
For Den Demokratiske Folkerepublik Algeriet
Für die Demokratische Volksrepublik Algerien
Για τη Δημοκρατική και Λαϊκή Δημοκρατία της Αλγερίας
For the People's Democratic Republic of Algeria
Pour la République algérienne démocratique et populaire
Per la Repubblica democratica popolare di Algeria
Voor de Democratische Volksrepubliek Algerije
Pela República Democrática e Popular Argelina

عن الجمهورية الجزائرية الديمقراطية الشعبية

COUNCIL DECISION

of 16 March 1992

**on the conclusion of a Protocol on financial and technical cooperation between
the European Economic Community and the Arab Republic of Egypt**

(92/207/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 238 thereof,

Having regard to the recommendation from the Commission,

Having regard to the assent of the European Parliament⁽¹⁾,

Whereas the Protocol on financial and technical cooperation between the European Economic Community and the Arab Republic of Egypt should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol on financial and technical cooperation between the European Economic Community and the Arab Republic of Egypt is hereby approved on behalf of the Community.

The text of the Protocol is attached to this Decision.

*Article 2*The President of the Council shall give the notification provided for in Article 22 (1) of the Protocol⁽²⁾.*Article 3*This Decision shall take effect on the day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 March 1992.

*For the Council**The President*

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 39, 17. 2. 1992.⁽²⁾ See page 50 of this Official Journal.

PROTOCOL
on financial and technical cooperation between the European Economic Community
and the Arab Republic of Egypt

THE COUNCIL OF THE EUROPEAN COMMUNITIES,
of the one part, and

THE PRESIDENT OF THE ARAB REPUBLIC OF EGYPT,
of the other part,

REAFFIRMING their resolve to implement, under the renewed Mediterranean policy of the Community, cooperation which will contribute to the economic and social development of Egypt and promote the strengthening of relations between the Community and Egypt,

ANXIOUS to pursue to this end the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt,

HAVE DECIDED to conclude this Protocol and to this end have designated as their Plenipotentiaries :

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

Joseph WEYLAND,
Ambassador Extraordinary and Plenipotentiary,
Permanent Representative of Luxembourg,
Chairman of the Permanent Representatives Committee ;

Juan PRAT,
Director-General responsible for North/South relations of the Commission of the European Communities ;

THE ARAB REPUBLIC OF EGYPT :

Hussein ELKAMEL,
Ambassador Extraordinary and Plenipotentiary ;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS :

Article 1

Within the framework of the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt, the Community shall participate, on the terms set out in this Protocol, in the financing of measures intended to contribute to the economic and social development of Egypt.

Article 2

1. For the purposes specified in Article 1 and for a period expiring on 31 October 1996, an aggregate amount of ECU 568 million may be committed as follows :

- (a) ECU 310 million in the form of loans from the European Investment Bank, hereinafter referred to as 'the Bank', made from its own resources ;
- (b) ECU 242 million from the Community's budgetary resources, in the form of grants ;
- (c) ECU 16 million from the Community's budgetary resources, in the form of contributions to risk capital formation.

2. The loans referred to in paragraph 1 (a), with the exception of those intended for financing the oil sector, shall carry a 2 % interest rate subsidy financed by means of the funds referred to in paragraph 1 (b).

3. The risk capital referred to in paragraph 1 (c) shall contribute to the co-operation objectives and operations defined in Article 3, in particular those indicated in the second indent of paragraph 2 of that Article.

It shall be used primarily to make equity capital or the like available to Egyptian private undertakings, public undertakings and undertakings with State participation, in particular those with which natural or legal persons who are nationals of a Community Member State are associated. It may be used under the same conditions to finance specific studies for the preparation and development of such undertakings' projects and to assist such undertakings in their starting-up period.

It shall be granted and administered by the Bank and may take the form of:

- (a) subordinated loans, where repayment and payment of any interest will not be made until other bank claims have been settled;
- (b) conditional loans, where repayment or duration will depend on the fulfilment of conditions specified at the time when the loan is granted;
- (c) acquisition of temporary minority holdings on behalf of the Community in the capital of undertakings established in Egypt;
- (d) finance for the acquisition of holdings, in the form of conditional loans granted to Egypt or, with the Egyptian Government's agreement, to Egyptian undertakings, either directly or through the intermediary of Egyptian financial institutions.

Article 3

1. The total amount fixed in Article 2 shall be used primarily for the financing or part-financing of cooperation projects or operations aimed at:

- developing and diversifying agricultural production so as to reduce Egypt's food dependence, and efforts to diversify agricultural production and exports with a view to increasing the complementarity of the different Mediterranean regions,
- strengthening the economic links between the Community and Egypt in their mutual interest by developing cooperation in the fields of industry, training and research, technology, commerce and other services,
- environmental protection.

Economic infrastructure and industrial development which are complementary to the above cooperation projects or operations may also be financed.

2. Of the eligible projects and operations, priority shall be given to those having the following aims:

- in the agricultural sector, developing the production of agricultural products in short supply, particularly food crops, *inter alia* in the framework of multiannual programmes and operations in the context of the national food strategy. For maximum effectiveness, concentration of resources in specific sectors shall be sought,
- in the industrial and service sectors, promotion of joint ventures between operators from the Community Member States and Egyptian operators, direct contacts, exchange of information, promotion of investment, contribution of private capital, and support for small and medium-sized enterprises, including craft businesses, in order to promote employment,
- in the field of science and technology, expansion of Egypt's training and research capability and establishment or development of links between Egyptian and European private and public training and research institutions,
- in the trade sector, diversification and promotion of exports and organization of contacts between Egyptian operators and operators from the Community Member States,
- in the environment sector, support for the definition and implementation of the policy to be followed by Egypt, particularly through the training of experts, technical assistance and a contribution to investments; in view of the impact of demographic growth, support can be provided, at Egypt's request, for the demographic policy and for family planning programmes,
- in the priority areas referred to above, practical training schemes linked to projects or operations in enterprises and research institutions.

3. The Community's financial contributions shall be used to cover internal and external costs necessarily incurred in carrying out approved projects or schemes (including costs in respect of studies, consulting engineers and technical assistance). In exceptional and duly justified cases they may be used degressively to cover current administrative, maintenance or operational expenditure incurred in the starting-up period of projects.

Article 4

1. A Community contribution of ECU 300 million shall be provided for in the form of grants for the Mediterranean countries for a period ending on 31 October 1996, in order to finance projects in support of the economic reforms undertaken as part of a structural adjustment programme.

The eligibility of the Mediterranean countries concerned for this aid will be determined on the basis of the following criteria:

- the countries must carry out reform programmes approved by the Bretton Woods institutions, or implement programmes recognized as similar, in concert with those institutions, in line with the extent and effectiveness of the reforms at macro-economic level, although not necessarily financially backed by them,
 - account will be taken of the following factors: the economic situation of the country, with particular reference to its level of indebtedness and debt service burden, balance of payments situation and the availability of foreign currency, budgetary situation, monetary situation, per capita GDP, social situation and, in particular, level of unemployment.
2. Projects of the following two types may be financed in accordance with paragraph 1:
- structural adjustment support in the form of sectoral or general import programmes designed to contribute to the use and strengthening of production capacity.
Counterpart funds generated by the import programmes will be used to finance measures provided for in the State's priority programme of public expenditure which are aimed at attenuating, in particular by employment creation, the negative social repercussions of structural adjustment, especially for disadvantaged groups,
 - technical assistance linked to structural adjustment support programmes at macro-economic level and in sectors affected by structural adjustment.
3. A limited proportion of the grant aid provided for in this Protocol may be used to support structural adjustment under the same conditions of eligibility as set out in paragraph 1.
4. Where the relevant provisions of this Article are being applied, the necessary implementation procedures will be determined in an exchange of letters between the two Parties.

Article 5

1. Capital projects shall be eligible for financing either by loans from the Bank, combined with interest rate subsidies on the terms set out in Article 2 (2), or by risk capital, or by grants, or by a combination means.
2. Technical and economic cooperation shall normally be financed by grants.

Article 6

1. The amounts to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol.
2. Any funds not committed at the end of the period referred to in Article 2 (1) shall be used until exhausted. In such cases, the funds shall be used in accordance with

the same arrangements as those laid down in this Protocol.

Article 7

1. Loans granted by the Bank from its own resources shall be made in accordance with the arrangements, conditions and procedures laid down in its statute. They shall, as regards their duration, be subject to terms established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank procures its resources. The interest rate shall be determined in accordance with the Bank's practice at the time of signature of each loan contract, subject to the interest rate subsidy referred to in Article 2 (2).
2. The terms and arrangements for contributions to risk capital formation shall be determined on a case-by-case basis.
3. Aid from the Community's budget resources, other than that in the form of interest rate subsidies for loans from the Bank or that intended for risk capital operations, shall be granted and administered by the Commission.
4. The funds referred to in Article 2 may be granted through the intermediary of the State or appropriate Egyptian bodies, on condition that they allocate the amounts to the recipients on terms decided, by agreement with the Community, on the basis of the economic and financial characteristics of the projects and operations for which they are intended.

Article 8

Aid contributed by the Community for the execution of certain projects may, with the agreement of Egypt, take the form of cofinancing in which, in particular, credit and development bodies and institutions of Egypt, of Member States or of third States or international finance organizations would take part.

Article 9

The following shall be eligible for financial and technical cooperation:

- (a) in general:
 - the Egyptian State;
- (b) with the agreement of the Egyptian Government, for projects or operations approved by it:
 - official Egyptian development agencies,
 - private agencies working in Egypt for economic and social development,
 - undertakings carrying on their activities in accordance with industrial and business management methods and set up as legal persons within the meaning of Article 13,

- groups of producers who are nationals of Egypt and, exceptionally, where no such groups exist, the producers themselves,
- scholarship holders and trainees sent by Egypt under the training schemes referred to in Article 3.

Article 10

1. With a view to making optimum use of the instruments and means provided for in the Protocol and achieving the objectives laid down in Article 3, the Community and Egypt shall, taking information provided by Egypt as a basis, examine :

- the priority development objectives adopted at national level,
- the sector or sectors on which the Community contribution will be focussed, taking account in particular of the contributions of other providers of funds on a bilateral or multilateral basis and other Community instruments, including food aid,
- the measures and schemes best suited to achieving the sectoral objectives referred to in the second indent or, where such schemes are not sufficiently well defined, the broad objectives of the programmes for supporting the policies defined by the country in respect of those sectors.

2. On this basis the Community and Egypt shall, by mutual agreement, draw up an indicative programme committing both parties and determining the specific objectives of financial and technical cooperation, the priority sectors for intervention and the action programmes envisaged.

3. The indicative programme may be reviewed by mutual agreement to take account of any changes in Egypt's economic situation or in the objectives and priorities laid down by its development plan.

4. The Community and Egypt shall continue their exchanges of views within the appropriate bodies and shall, at least once during the period of implementation of the Protocol and at the latest before the end of the third year following the entry into force of the Protocol, make an assessment of the implementation of the indicative programme.

Article 11

1. Within the framework laid down in accordance with Article 10, the Egyptian State or, with the agreement of its Government, the other possible beneficiaries referred to in Article 9 shall submit their requests for financial aid to the Community.

2. The Community shall appraise the requests for financing in collaboration with the competent Egyptian authorities and other beneficiaries, in accordance with the

objectives referred to in Article 10, and shall inform them of the decisions taken on such requests.

Article 12

1. The execution, management and maintenance of schemes that are the subject of financing under this Protocol shall be the responsibility of Egypt or of the other beneficiaries referred to in Article 9 of this Protocol.

The Community shall make sure that this financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

2. The projects and action programmes shall be the subject of appropriate evaluation, the outcome of which shall be communicated to both parties, which shall take appropriate measures by mutual agreement.

3. Certain rules for administering the financial aid granted by the Community shall be the subject of an exchange of letters or a framework agreement between the Commission and Egypt upon conclusion of this Protocol.

Article 13

1. All natural and legal persons falling within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of Egypt may participate on equal terms in tendering procedures and other procedures for the award of contracts likely to be financed. Any such legal person, formed in accordance with the law of a Member State of the European Economic Community or with that of Egypt must have its registered office, its administrative head office or its principal establishment in the territories in which the Treaty establishing the European Economic Community is applied or in Egypt ; however, where only its registered office is in the said territories or in Egypt, the activities of such legal person must be effectively and continuously linked with the economy of those territories or of Egypt.

2. In agreement with Egypt and with the aim of encouraging regional cooperation, natural and legal persons who are nationals of developing countries associated with the Community through overall cooperation or association agreements may be authorized by the Community, on a case-by-case basis, to participate in the operations referred to in paragraph 1 which are financed by the Community. The eligibility of the natural or legal persons shall be assessed on the same terms as those set out in paragraph 1, *mutatis mutandis*.

Article 14

To promote participation by Egyptian undertakings in the performance of contracts and to ensure the rapid and effective implementation of projects and operations financed from resources administered by the Commission :

1. an accelerated procedure for issuing invitations to tender, involving shorter time limits for the submission of tenders, may be used by Egypt in agreement with the Commission where it is a question of works contracts which, because of their scale, are mainly of interest to Egyptian undertakings.

The organization of this accelerated procedure shall not rule out the possibility of issuing an international invitation to tender where it appears that the nature of the works to be carried out or the usefulness of widening participation justifies recourse to international competition;

2. where urgency of the situation is established or where the nature, small scale or particular characteristics of certain works or supplies so warrant, Egypt may, in agreement with the Commission, authorize, as an exception, the placing of contracts after restricted invitations to tender, the conclusion of contracts by direct agreement and the performance of contracts through public works departments.

The procedures referred to in points 1 and 2 above may be used for operations whose estimated cost is less than ECU 4 million.

Article 15

1. Egypt shall apply to contracts awarded for the execution of projects or schemes financed by the Community tax and customs arrangements no less favourable than those applied *vis-à-vis* the most favoured State or international development organization.
2. The content of the arrangements referred to in paragraph 1 shall be the subject of an exchange of letters between the Parties.

Article 16

Egypt shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of transactions concluded under this Protocol are exempted from any national or local tax or levy.

Article 17

Where a loan is accorded to a beneficiary other than the Egyptian State, the provision of a guarantee by the latter or of other adequate guarantees shall be required by the Bank as a condition of the grant of the loan.

Article 18

Throughout the duration of the loans and risk capital operations provided for in Article 2, Egypt shall undertake to:

- (a) place at the disposal of the beneficiaries or their guarantors the currency necessary for the payment of interest and commission and amortization of loans and risk-capital aid granted for the implementation of aid measures on its territory;
- (b) make available to the Bank the currency necessary for the transfer of all sums received by it in national currency which represent the net revenue and proceeds from transactions involving the acquisition by the Community of holdings in the capital of undertakings.

Article 19

The results of financial and technical cooperation may be examined within the Cooperation Council. The latter shall establish, where appropriate, the general guidelines for such cooperation.

Article 20

One year before the expiry of this Protocol, the Contracting Parties shall examine what arrangements could be made for financial and technical cooperation during a possible further period.

Article 21

This Protocol shall be annexed to the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt.

Article 22

1. This Protocol shall be subject to approval in accordance with the Contracting Parties' own procedures, and the Parties shall notify one another that the procedures necessary to this end have been completed.
2. This Protocol shall enter into force on the first day of the second month following the date on which the notifications provided for in paragraph 1 have been given.

Article 23

This Protocol is drawn up in two copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and Arabic languages, each of these texts being equally authentic.

EN FE DE LO CUAL, los plenipotenciarios abajo firmantes suscriben el presente Protocolo.

TIL BEKRÆFTELSE HERAF har undertegnede befuldmægtigede underskrevet denne protokol.

ZU URKUND DESSEN haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Protokoll gesetzt.

ΕΙΣ ΠΙΣΤΩΣΗ ΤΩΝ ΑΝΩΤΕΡΩ, οι υπογεγραμμένοι πληρεξούσιοι έθεσαν τις υπογραφές τους στο παρόν πρωτόκολλο.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Protocol.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent protocole.

IN FEDE DI CHE, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente protocollo.

TEN BLIJKE WAARVAN de ondergetekende gevolmachtigden hun handtekening onder dit Protocol hebben gesteld.

EM FÉ DO QUE, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final do presente protocolo.

واثباتا لما تقدم . وضع المندوبون المفوضون
توقيعهم اقل هذا البروتوكول .

Hecho en Bruselas, el veintiséis de junio de mil novecientos noventa y uno.

Udfærdiget i Bruxelles, den seksogtyvende juni nitten hundrede og enoghalvfems.

Geschehen zu Brüssel am sechsundzwanzigsten Juni neunzehnhunderteinundneunzig.

Έγινε στις Βρυξέλλες, στις είκοσι έξι Ιουνίου χίλια εννιακόσια ενενήντα ένα.

Done at Brussels on the twenty-sixth day of June in the year one thousand nine hundred and ninety-one.

Fait à Bruxelles, le vingt-six juin mil neuf cent quatre-vingt-onze.

Fatto a Bruxelles, addì ventisei giugno millenovecentonovantuno.

Gedaan te Brussel, de zesentwintigste juni negentienhonderd eenennegentig.

Feito em Bruxelas, em vinte e seis de Junho de mil novecentos e noventa e um.

حرر في بروكسل ، في السادس والعشرين من شهر
يونيو عام الف وتسعمائة وواحد وتسعون .

Por el Consejo de las Comunidades Europeas
For Rådet for De Europæiske Fællesskaber
Für den Rat der Europäischen Gemeinschaften
Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων
For the Council of the European Communities
Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias

عن مجلس المجموعات الأوروبية

Por la República Árabe de Egipto
For Den Arabiske Republik Egypten
Für die Arabische Republik Ägypten
Για την Αραβική Δημοκρατία της Αιγύπτου
For the Arab Republic of Egypt
Pour la république arabe d'Égypte
Per la Repubblica araba d'Egitto
Voor de Arabische Republiek Egypte
Pela República Árabe do Egipto

عن جمهورية مصر العربية

COUNCIL DECISION**of 16 March 1992****on the conclusion of a Protocol on financial and technical cooperation between the European Economic Community and the Hashemite Kingdom of Jordan****(92/208/EEC)**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 238 thereof,

Having regard to the recommendation from the Commission,

Having regard to the assent of the European Parliament⁽¹⁾,

Whereas the Protocol on financial and technical cooperation between the European Economic Community and the Hashemite Kingdom of Jordan should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol on financial and technical cooperation between the European Economic Community and the Hashemite Kingdom of Jordan is hereby approved on behalf of the Community.

The text of the Protocol is attached to this Decision.

*Article 2*The President of the Council shall give the notification provided for in Article 22 (1) of the Protocol⁽²⁾.*Article 3*This Decision shall take effect on the day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 March 1992.

*For the Council**The President*

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 39, 17. 2. 1992.⁽²⁾ See page 50 of this Official Journal.

PROTOCOL**on financial and technical cooperation between the European Economic Community
and the Hashemite Kingdom of Jordan**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE HASHEMITE KINGDOM OF JORDAN,

of the other part,

REAFFIRMING their resolve to implement, under the renewed Mediterranean policy of the Community, cooperation which will contribute to the economic and social development of Jordan and promote the strengthening of relations between the Community and Jordan,

ANXIOUS to pursue to this end the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Hashemite Kingdom of Jordan,

HAVE DECIDED to conclude this Protocol and to this end have designated as their Plenipotentiaries :

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

Joseph WEYLAND,

Ambassador Extraordinary and Plenipotentiary,

Permanent Representative of Luxembourg,

Chairman of the Permanent Representatives Committee ;

Juan PRAT,

Director-General responsible for North/South relations of the Commission of the European Communities ;

HIS MAJESTY THE KING OF THE HASHEMITE KINGDOM OF JORDAN :

Tatal AL HASSAN,

Ambassador Extraordinary and Plenipotentiary ;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS :

Article 1

Within the framework of the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Hashemite Kingdom of Jordan, the Community shall participate, on the terms set out in this Protocol, in the financing of measures intended to contribute to the economic and social development of Jordan.

- (a) ECU 80 million in the form of loans from the European Investment Bank, hereinafter referred to as 'the Bank', made from its own resources ;
- (b) ECU 44 million from the Community's budgetary resources, in the form of grants ;
- (c) ECU 2 million from the Community's budgetary resources, in the form of contributions to risk capital formation.

Article 2

1. For the purposes specified in Article 1 and for a period expiring on 31 October 1996, an aggregate amount of ECU 126 million may be committed as follows :

2. The loans referred to in paragraph 1 (a), with the exception of those intended for financing the oil sector, shall carry a 2 % interest rate subsidy financed by means of the funds referred to in paragraph 1 (b).

3. The risk capital referred to in paragraph 1 (c) shall contribute to the co-operation objectives and operations defined in Article 3, in particular those indicated in the second indent of paragraph 2 of that Article.

It shall be used primarily to make equity capital or the like available to Jordanian private undertakings, public undertakings and undertakings with State participation, in particular those with which natural or legal persons who are nationals of a Community Member State are associated. It may be used under the same conditions to finance specific studies for the preparation and development of such undertakings' projects and to assist such undertakings in their starting-up period.

It shall be granted and administered by the Bank and may take the form of:

- (a) subordinated loans, where repayment and payment of any interest will not be made until other bank claims have been settled;
- (b) conditional loans, where repayment or duration will depend on the fulfilment of conditions specified at the time when the loan is granted;
- (c) acquisition of temporary minority holdings on behalf of the Community in the capital of undertakings established in Jordan;
- (d) finance for the acquisition of holdings, in the form of conditional loans granted to Jordan or, with the Jordanian Government's agreement, to Jordanian undertakings, either directly or through the intermediary of Jordanian financial institutions.

Article 3

1. The total amount fixed in Article 2 shall be used primarily for the financing or part-financing of cooperation projects or operations aimed at:

- developing and diversifying agricultural production so as to reduce Jordan's food dependence, and efforts to diversify agricultural production and exports with a view to increasing the complementarity of the different Mediterranean regions,
- strengthening the economic links between the Community and Jordan in their mutual interest by developing cooperation in the fields of industry, training and research, technology, commerce and other services,
- environmental protection.

Economic infrastructure and industrial development which are complementary to the above cooperation projects or operations may also be financed.

2. Of the eligible projects and operations, priority shall be given to those having the following aims:

- in the agricultural sector, developing the production of agricultural products in short supply, particularly food crops, *inter alia* in the framework of multiannual programmes and operations in the context of the national food strategy. For maximum effectiveness, concentration of resources in specific sectors shall be sought,
- in the industrial and service sectors, promotion of joint ventures between operators from the Community Member States and Jordanian operators, direct contacts, exchange of information, promotion of investment, contribution of private capital, and support for small and medium-sized enterprises, including craft businesses, in order to promote employment,
- in the field of science and technology, expansion of Jordan's training and research capability and establishment or development of links between Jordanian and European private and public training and research institutions,
- in the trade sector, diversification and promotion of exports and organization of contacts between Jordanian operators and operators from the Community Member States,
- in the environment sector, support for the definition and implementation of the policy to be followed by Jordan, particularly through the training of experts, technical assistance and a contribution to investments; in view of the impact of demographic growth, support can be provided, at Jordan's request, for the demographic policy and for family planning programmes,
- in the priority areas referred to above, practical training schemes linked to projects or operations in enterprises and research institutions.

3. The Community's financial contributions shall be used to cover internal and external costs necessarily incurred in carrying out approved projects or schemes (including costs in respect of studies, consulting engineers and technical assistance). In exceptional and duly justified cases they may be used degressively to cover current administrative, maintenance or operational expenditure incurred in the starting-up period of projects.

Article 4

1. A Community contribution of ECU 300 million shall be provided for in the form of grants for the Mediterranean countries for a period ending on 31 October 1996, in order to finance projects in support of the economic reforms undertaken as part of a structural adjustment programme.

The eligibility of the Mediterranean countries concerned for this aid will be determined on the basis of the following criteria:

- the countries must carry out reform programmes approved by the Bretton Woods institutions, or implement programmes recognized as similar, in concert with those institutions, in line with the extent and effectiveness of the reforms at macro-economic level, although not necessarily financially backed by them,
 - account will be taken of the following factors: the economic situation of the country, with particular reference to its level of indebtedness and debt service burden, balance of payments situation and the availability of foreign currency, budgetary situation, monetary situation, per capita GDP, social situation and, in particular, level of unemployment.
2. Projects of the following two types may be financed in accordance with paragraph 1:
- structural adjustment support in the form of sectoral or general import programmes designed to contribute to the use and strengthening of production capacity.
Counterpart funds generated by the import programmes will be used to finance measures provided for in the State's priority programme of public expenditure which are aimed at attenuating, in particular by employment creation, the negative social repercussions of structural adjustment, especially for disadvantaged groups,
 - technical assistance linked to structural adjustment support programmes at macro-economic level and in sectors affected by structural adjustment.
3. A limited proportion of the grant aid provided for in this Protocol may be used to support structural adjustment under the same conditions of eligibility as set out in paragraph 1.
4. Where the relevant provisions of this Article are being applied, the necessary implementation procedures will be determined in an exchange of letters between the two Parties.

Article 5

1. Capital projects shall be eligible for financing either by loans from the Bank, combined with interest rate subsidies on the terms set out in Article 2 (2), or by risk capital, or by grants, or by a combination means.
2. Technical and economic cooperation shall normally be financed by grants.

Article 6

1. The amounts to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol.
2. Any funds not committed at the end of the period referred to in Article 2 (1) shall be used until exhausted. In such cases, the funds shall be used in accordance with

the same arrangements as those laid down in this Protocol.

Article 7

1. Loans granted by the Bank from its own resources shall be made in accordance with the arrangements, conditions and procedures laid down in its statute. They shall, as regards their duration, be subject to terms established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank procures its resources. The interest rate shall be determined in accordance with the Bank's practice at the time of signature of each loan contract, subject to the interest rate subsidy referred to in Article 2 (2).
2. The terms and arrangements for contributions to risk capital formation shall be determined on a case-by-case basis.
3. Aid from the Community's budget resources, other than that in the form of interest rate subsidies for loans from the Bank or that intended for risk capital operations, shall be granted and administered by the Commission.
4. The funds referred to in Article 2 may be granted through the intermediary of the State or appropriate Jordanian bodies, on condition that they allocate the amounts to the recipients on terms decided, by agreement with the Community, on the basis of the economic and financial characteristics of the projects and operations for which they are intended.

Article 8

Aid contributed by the Community for the execution of certain projects may, with the agreement of Jordan, take the form of cofinancing in which, in particular, credit and development bodies and institutions of Jordan, of Member States or of third States or international finance organizations would take part.

Article 9

The following shall be eligible for financial and technical cooperation:

- (a) in general:
 - the Jordanian State;
- (b) with the agreement of the Jordanian Government, for projects or operations approved by it:
 - official Jordanian development agencies,
 - private agencies working in Jordan for economic and social development,
 - undertakings carrying on their activities in accordance with industrial and business management methods and set up as legal persons within the meaning of Article 13,

- groups of producers who are nationals of Jordan and, exceptionally, where no such groups exist, the producers themselves,
- scholarship holders and trainees sent by Jordan under the training schemes referred to in Article 3.

Article 10

1. With a view to making optimum use of the instruments and means provided for in the Protocol and achieving the objectives laid down in Article 3, the Community and Jordan shall, taking information provided by Jordan as a basis, examine :

- the priority development objectives adopted at national level,
- the sector or sectors on which the Community contribution will be focussed, taking account in particular of the contributions of other providers of funds on a bilateral or multilateral basis and other Community instruments, including food aid,
- the measures and schemes best suited to achieving the sectoral objectives referred to in the second indent or, where such schemes are not sufficiently well defined, the broad objectives of the programmes for supporting the policies defined by the country in respect of those sectors.

2. On this basis the Community and Jordan shall, by mutual agreement, draw up an indicative programme committing both parties and determining the specific objectives of financial and technical cooperation, the priority sectors for intervention and the action programmes envisaged.

3. The indicative programme may be reviewed by mutual agreement to take account of any changes in Jordan's economic situation or in the objectives and priorities laid down by its development plan.

4. The Community and Jordan shall continue their exchanges of views within the appropriate bodies and shall, at least once during the period of implementation of the Protocol and at the latest before the end of the third year following the entry into force of the Protocol, make an assessment of the implementation of the indicative programme.

Article 11

1. Within the framework laid down in accordance with Article 10, the Jordanian State or, with the agreement of its Government, the other possible beneficiaries referred to in Article 9 shall submit their requests for financial aid to the Community.

2. The Community shall appraise the requests for financing in collaboration with the competent Jordanian authorities and other beneficiaries, in accordance with the

objectives referred to in Article 10, and shall inform them of the decisions taken on such requests.

Article 12

1. The execution, management and maintenance of schemes that are the subject of financing under this Protocol shall be the responsibility of Jordan or of the other beneficiaries referred to in Article 9 of this Protocol.

The Community shall make sure that this financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

2. The projects and action programmes shall be the subject of appropriate evaluation, the outcome of which shall be communicated to both parties, which shall take appropriate measures by mutual agreement.

3. Certain rules for administering the financial aid granted by the Community shall be the subject of an exchange of letters or a framework agreement between the Commission and Jordan upon conclusion of this Protocol.

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1. All natural and legal persons falling within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of Jordan may participate on equal terms in tendering procedures and other procedures for the award of contracts likely to be financed. Any such legal person, formed in accordance with the law of a Member State of the European Economic Community or with that of Jordan must have its registered office, its administrative head office or its principal establishment in the territories in which the Treaty establishing the European Economic Community is applied or in Jordan; however, where only its registered office is in the said territories or in Jordan, the activities of such legal person must be effectively and continuously linked with the economy of those territories or of Jordan.

2. In agreement with Jordan and with the aim of encouraging regional cooperation, natural and legal persons who are nationals of developing countries associated with the Community through overall cooperation or association agreements may be authorized by the Community, on a case-by-case basis, to participate in the operations referred to in paragraph 1 which are financed by the Community. The eligibility of the natural or legal persons shall be assessed on the same terms as those set out in paragraph 1, *mutatis mutandis*.

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Geschehen zu Brüssel am sechsundzwanzigsten Juni neunzehnhunderteinundneunzig.

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Done at Brussels on the twenty-sixth day of June in the year one thousand nine hundred and ninety-one.

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حزيران عام الف وتسعمائة وواحد وتسعون .

Por el Consejo de las Comunidades Europeas
For Rådet for De Europæiske Fællesskaber
Für den Rat der Europäischen Gemeinschaften
Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων
For the Council of the European Communities
Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee

Voor de Raad van de Europese Gemeenschappen

Pelo Conselho das Comunidades Europeias

عن مجلس المجموعات الأوروبية

Por Su Majestad el Rey del Reino Hachemita de Jordania,

For Hans Majestæt Kongen af Det Hashemitiske Kongerige Jordan

Für Seine Majestät den König des Haschemitischen Königreichs Jordanien,

Για την Αυτού Μεγαλειότητα τον Βασιλέα του Χασεμτικού Βασιλείου της Ιορδανίας,

For His Majesty the King of the Hashemite Kingdom of Jordan,

Pour sa Majesté le roi du royaume hachémite de Jordanie,

Per Sua Maestà il Re del Regno hascemita di Giordania

Voor Zijne Majesteit de Koning van het Hasjemitische Koninkrijk Jordanië

Pela Sua Majestade o Rei do Reino Hachemita da Jordânia,

عن جلالة ملك المملكة الاردنية الهاشمية

COUNCIL DECISION**of 16 March 1992****on the conclusion of a Protocol on financial and technical cooperation between
the European Economic Community and the Lebanese Republic****(92/209/EEC)**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 238 thereof,

Having regard to the recommendation from the Commission,

Having regard to the assent of the European Parliament⁽¹⁾,

Whereas the Protocol on financial and technical cooperation between the European Economic Community and the Lebanese Republic should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol on financial and technical cooperation between the European Economic Community and the Lebanese Republic is hereby approved on behalf of the Community.

The text of the Protocol is attached to this Decision.

*Article 2*The President of the Council shall give the notification provided for in Article 22 (1) of the Protocol⁽²⁾.*Article 3*This Decision shall take effect on the day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 March 1992.

*For the Council**The President*

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 39, 17. 2. 1992.⁽²⁾ See page 51 of this Official Journal.

PROTOCOL**on financial and technical cooperation between the European Economic Community
and the Lebanese Republic**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE LEBANESE REPUBLIC,

of the other part,

REAFFIRMING their resolve to implement, under the renewed Mediterranean policy of the Community, cooperation which will contribute to the economic and social development of Lebanon and promote the strengthening of relations between the Community and Lebanon,

ANXIOUS to pursue to this end the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Lebanese Republic,

HAVE DECIDED to conclude this Protocol and to this end have designated as their Plenipotentiaries :

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

P.C. NIEMAN,

Ambassador Extraordinary and Plenipotentiary,
Permanent Representative of the Netherlands,
Chairman of the Permanent Representatives Committee ;

Juan PRAT,

Director-General responsible for North/South relations of the Commission of the European Communities ;

THE PRESIDENT OF THE LEBANESE REPUBLIC :

Dr Saïd AL-ASSAAD,

Ambassador Extraordinary and Plenipotentiary ;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS :

Article 1

Within the framework of the financial and technical cooperation provided for in the Cooperation Agreement between the European Economic Community and the Lebanese Republic, the Community shall participate, on the terms set out in this Protocol, in the financing of measures intended to contribute to the economic and social development of Lebanon.

Article 2

1. For the purposes specified in Article 1 and for a period expiring on 31 October 1996, an aggregate amount of ECU 69 million may be committed as follows :

- (a) ECU 45 million in the form of loans from the European Investment Bank, hereinafter referred to as 'the Bank', made from its own resources ;
- (b) ECU 22 million from the Community's budgetary resources, in the form of grants ;
- (c) ECU 2 million from the Community's budgetary resources, in the form of contributions to risk capital formation.

2. The risk capital referred to in paragraph 1 (c) shall contribute to the co-operation objectives and operations defined in Article 3, in particular those indicated in the second indent of paragraph 2 of that Article.

It shall be used primarily to make equity capital or the like available to Lebanese private undertakings, public undertakings and undertakings with State participation, in particular those with which natural or legal persons who are nationals of a Community Member State are associated. It may be used under the same conditions to finance specific studies for the preparation and development of such undertakings' projects and to assist such undertakings in their starting-up period.

It shall be granted and administered by the Bank and may take the form of:

- (a) subordinated loans, where repayment and payment of any interest will not be made until other bank claims have been settled;
- (b) conditional loans, where repayment or duration will depend on the fulfilment of conditions specified at the time when the loan is granted;
- (c) acquisition of temporary minority holdings on behalf of the Community in the capital of undertakings established in Lebanon;
- (d) finance for the acquisition of holdings, in the form of conditional loans granted to Lebanon or, with the Lebanese Government's agreement, to Lebanese undertakings, either directly or through the intermediary of Lebanese financial institutions.

Article 3

1. The total amount fixed in Article 2 shall be used primarily for the financing or part-financing of cooperation projects or operations aimed at:

- developing and diversifying agricultural production so as to reduce Lebanon's food dependence, and efforts to diversify agricultural production and exports with a view to increasing the complementarity of the different Mediterranean regions,
- strengthening the economic links between the Community and Lebanon in their mutual interest by developing cooperation in the fields of industry, training and research, technology, commerce and other services,
- environmental protection.

Economic infrastructure and industrial development which are complementary to the above cooperation projects or operations may also be financed.

2. Of the eligible projects and operations, priority shall be given to those having the following aims:

- in the agricultural sector, developing the production of agricultural products in short supply, particularly food crops, *inter alia* in the framework of multian-

nual programmes and operations in the context of the national food strategy. For maximum effectiveness, concentration of resources in specific sectors shall be sought,

- in the industrial and service sectors, promotion of joint ventures between operators from the Community Member States and Lebanese operators, direct contacts, exchange of information, promotion of investment, contribution of private capital, and support for small and medium-sized enterprises, including craft businesses, in order to promote employment,
- in the field of science and technology, expansion of Lebanon's training and research capability and establishment or development of links between Lebanese and European private and public training and research institutions,
- in the trade sector, diversification and promotion of exports and organization of contacts between Lebanese operators and operators from the Community Member States,
- in the environment sector, support for the definition and implementation of the policy to be followed by Lebanon, particularly through the training of experts, technical assistance and a contribution to investments; in view of the impact of demographic growth, support can be provided, at Lebanon's request, for the demographic policy and for family planning programmes,
- in the priority areas referred to above, practical training schemes linked to projects or operations in enterprises and research institutions.

3. The Community's financial contributions shall be used to cover internal and external costs necessarily incurred in carrying out approved projects or schemes (including costs in respect of studies, consulting engineers and technical assistance). In exceptional and duly justified cases they may be used degressively to cover current administrative, maintenance or operational expenditure incurred in the starting-up period of projects.

Article 4

1. A Community contribution of ECU 300 million shall be provided for in the form of grants for the Mediterranean countries for a period ending on 31 October 1996, in order to finance projects in support of the economic reforms undertaken as part of a structural adjustment programme.

The eligibility of the Mediterranean countries concerned for this aid will be determined on the basis of the following criteria:

- the countries must carry out reform programmes approved by the Bretton Woods institutions, or implement programmes recognized as similar, in concert with those institutions, in line with the extent and effectiveness of the reforms at macro-economic level, although not necessarily financially backed by them,
 - account will be taken of the following factors: the economic situation of the country, with particular reference to its level of indebtedness and debt service burden, balance of payments situation and the availability of foreign currency, budgetary situation, monetary situation, per capita GDP, social situation and, in particular, level of unemployment.
2. Projects of the following two types may be financed in accordance with paragraph 1:
- structural adjustment support in the form of sectoral or general import programmes designed to contribute to the use and strengthening of production capacity.
Counterpart funds generated by the import programmes will be used to finance measures provided for in the State's priority programme of public expenditure which are aimed at attenuating, in particular by employment creation, the negative social repercussions of structural adjustment, especially for disadvantaged groups,
 - technical assistance linked to structural adjustment support programmes at macro-economic level and in sectors affected by structural adjustment.
3. A limited proportion of the grant aid provided for in this Protocol may be used to support structural adjustment under the same conditions of eligibility as set out in paragraph 1.
4. Where the relevant provisions of this Article are being applied, the necessary implementation procedures will be determined in an exchange of letters between the two Parties.

Article 5

1. Capital projects shall be eligible for financing either by loans from the Bank, or by risk capital, or by grants, or by a combination means.
2. Technical and economic cooperation shall normally be financed by grants.

Article 6

1. The amounts to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol.
2. Any funds not committed at the end of the period referred to in Article 2 (1) shall be used until exhausted. In such cases, the funds shall be used in accordance with

the same arrangements as those laid down in this Protocol.

Article 7

1. Loans granted by the Bank from its own resources shall be made in accordance with the arrangements, conditions and procedures laid down in its statute. They shall, as regards their duration, be subject to terms established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank procures its resources. The interest rate shall be determined in accordance with the Bank's practice at the time of signature of each loan contract.
2. The terms and arrangements for contributions to risk capital formation shall be determined on a case-by-case basis.
3. Aid from the Community's budget resources, other than that intended for risk capital operations, shall be granted and administered by the Commission.
4. The funds referred to in Article 2 may be granted through the intermediary of the State or appropriate Lebanese bodies, on condition that they allocate the amounts to the recipients on terms decided, by agreement with the Community, on the basis of the economic and financial characteristics of the projects and operations for which they are intended.

Article 8

Aid contributed by the Community for the execution of certain projects may, with the agreement of Lebanon, take the form of cofinancing in which, in particular, credit and development bodies and institutions of Lebanon, of Member States or of third States or international finance organizations would take part.

Article 9

The following shall be eligible for financial and technical cooperation:

- (a) in general:
 - the Lebanese State;
- (b) with the agreement of the Lebanese Government, for projects or operations approved by it:
 - official Lebanese development agencies,
 - private agencies working in Lebanon for economic and social development,
 - undertakings carrying on their activities in accordance with industrial and business management methods and set up as legal persons within the meaning of Article 13,

- groups of producers who are nationals of Lebanon and, exceptionally, where no such groups exist, the producers themselves,
- scholarship holders and trainees sent by Lebanon under the training schemes referred to in Article 3.

Article 10

1. With a view to making optimum use of the instruments and means provided for in the Protocol and achieving the objectives laid down in Article 3, the Community and Lebanon shall, taking information provided by Lebanon as a basis, examine :

- the priority development objectives adopted at national level,
- the sector or sectors on which the Community contribution will be focussed, taking account in particular of the contributions of other providers of funds on a bilateral or multilateral basis and other Community instruments, including food aid,
- the measures and schemes best suited to achieving the sectoral objectives referred to in the second indent or, where such schemes are not sufficiently well defined, the broad objectives of the programmes for supporting the policies defined by the country in respect of those sectors.

2. On this basis the Community and Lebanon shall, by mutual agreement, draw up an indicative programme committing both parties and determining the specific objectives of financial and technical cooperation, the priority sectors for intervention and the action programmes envisaged.

3. The indicative programme may be reviewed by mutual agreement to take account of any changes in Lebanon's economic situation or in the objectives and priorities laid down by its development plan.

4. The Community and Lebanon shall continue their exchanges of views within the appropriate bodies and shall, at least once during the period of implementation of the Protocol and at the latest before the end of the third year following the entry into force of the Protocol, make an assessment of the implementation of the indicative programme.

Article 11

1. Within the framework laid down in accordance with Article 10, the Lebanese State or, with the agreement of its Government, the other possible beneficiaries referred to in Article 9 shall submit their requests for financial aid to the Community.

2. The Community shall appraise the requests for financing in collaboration with the competent Lebanese authorities and other beneficiaries, in accordance with the

objectives referred to in Article 10, and shall inform them of the decisions taken on such requests.

Article 12

1. The execution, management and maintenance of schemes that are the subject of financing under this Protocol shall be the responsibility of Lebanon or of the other beneficiaries referred to in Article 9 of this Protocol.

The Community shall make sure that this financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

2. The projects and action programmes shall be the subject of appropriate evaluation, the outcome of which shall be communicated to both parties, which shall take appropriate measures by mutual agreement.

3. Certain rules for administering the financial aid granted by the Community shall be the subject of an exchange of letters or a framework agreement between the Commission and Lebanon upon conclusion of this Protocol.

Article 13

1. All natural and legal persons falling within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of Lebanon may participate on equal terms in tendering procedures and other procedures for the award of contracts likely to be financed. Any such legal person, formed in accordance with the law of a Member State of the European Economic Community or with that of Lebanon must have its registered office, its administrative head office or its principal establishment in the territories in which the Treaty establishing the European Economic Community is applied or in Lebanon ; however, where only its registered office is in the said territories or in Lebanon, the activities of such legal person must be effectively and continuously linked with the economy of those territories or of Lebanon.

2. In agreement with Lebanon and with the aim of encouraging regional cooperation, natural and legal persons who are nationals of developing countries associated with the Community through overall cooperation or association agreements may be authorized by the Community, on a case-by-case basis, to participate in the operations referred to in paragraph 1 which are financed by the Community. The eligibility of the natural or legal persons shall be assessed on the same terms as those set out in paragraph 1, *mutatis mutandis*.

Article 14

To promote participation by Lebanese undertakings in the performance of contracts and to ensure the rapid and effective implementation of projects and operations financed from resources administered by the Commission :

1. an accelerated procedure for issuing invitations to tender, involving shorter time limits for the submission of tenders, may be used by Lebanon in agreement with the Commission where it is a question of works contracts which, because of their scale, are mainly of interest to Lebanese undertakings.

The organization of this accelerated procedure shall not rule out the possibility of issuing an international invitation to tender where it appears that the nature of the works to be carried out or the usefulness of widening participation justifies recourse to international competition;

2. where urgency of the situation is established or where the nature, small scale or particular characteristics of certain works or supplies so warrant, Lebanon may, in agreement with the Commission, authorize, as an exception, the placing of contracts after restricted invitations to tender, the conclusion of contracts by direct agreement and the performance of contracts through public works departments.

The procedures referred to in points 1 and 2 above may be used for operations whose estimated cost is less than ECU 4 million.

Article 15

1. Lebanon shall apply to contracts awarded for the execution of projects or schemes financed by the Community tax and customs arrangements no less favourable than those applied *vis-à-vis* the most favoured State or international development organization.

2. The content of the arrangements referred to in paragraph 1 shall be the subject of an exchange of letters between the Parties.

Article 16

Lebanon shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of transactions concluded under this Protocol are exempted from any national or local tax or levy.

Article 17

Where a loan is accorded to a beneficiary other than the Lebanese State, the provision of a guarantee by the latter or of other adequate guarantees shall be required by the Bank as a condition of the grant of the loan.

Article 18

Throughout the duration of the loans and risk capital operations provided for in Article 2, Lebanon shall undertake to:

- (a) place at the disposal of the beneficiaries or their guarantors the currency necessary for the payment of interest and commission and amortization of loans and risk-capital aid granted for the implementation of aid measures on its territory;
- (b) make available to the Bank the currency necessary for the transfer of all sums received by it in national currency which represent the net revenue and proceeds from transactions involving the acquisition by the Community of holdings in the capital of undertakings.

Article 19

The results of financial and technical cooperation may be examined within the Cooperation Council. The latter shall establish, where appropriate, the general guidelines for such cooperation.

Article 20

One year before the expiry of this Protocol, the Contracting Parties shall examine what arrangements could be made for financial and technical cooperation during a possible further period.

Article 21

This Protocol shall be annexed to the Cooperation Agreement between the European Economic Community and the Lebanese Republic.

Article 22

1. This Protocol shall be subject to approval in accordance with the Contracting Parties' own procedures, and the Parties shall notify one another that the procedures necessary to this end have been completed.

2. This Protocol shall enter into force on the first day of the second month following the date on which the notifications provided for in paragraph 1 have been given.

Article 23

This Protocol is drawn up in two copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and Arabic languages, each of these texts being equally authentic.

EN FE DE LO CUAL, los plenipotenciarios abajo firmantes suscriben el presente Protocolo.

TIL BEKRÆFTELSE HERAF har undertegnede befuldmægtigede underskrevet denne protokol.

ZU URKUND DESSEN haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Protokoll gesetzt.

ΕΙΣ ΠΙΣΤΩΣΗ ΤΩΝ ΑΝΩΤΕΡΩ, οι υπογεγραμμένοι πληρεξούσιοι έθεσαν τις υπογραφές τους στο παρόν πρωτόκολλο.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Protocol.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent protocole.

IN FEDE DI CHE, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente protocollo.

TEN BLIJKE WAARVAN de ondergetekende gevolmachtigden hun handtekening onder dit Protocol hebben gesteld.

EM FÉ DO QUE, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final do presente protocolo.

واثباتا لما تقدم ، وضع المنـدوبون المفوضون
توقيعهم اسفل هذا البروتوكول .

Hecho en Bruselas, el dieciocho de septiembre de mil novecientos noventa y uno.

Udfærdiget i Bruxelles, den attende september nitten hundrede og enoghalvfems.

Geschehen zu Brüssel am achtzehnten September neunzehnhunderteinundneunzig.

Έγινε στις Βρυξέλλες, στις δέκα οκτώ Σεπτεμβρίου χίλια εννιακόσια ενενήντα ένα.

Done at Brussels on the eighteenth day of September in the year one thousand nine hundred and ninety-one.

Fait à Bruxelles, le dix-huit septembre mil neuf cent quatre-vingt-onze.

Fatto a Bruxelles, addì diciotto settembre millenovecentonovantuno.

Gedaan te Brussel, de achttiende september negentienhonderd eenennegentig.

Feito em Bruxelas, em dezoito de Setembro de mil novecentos e noventa e um.

حرر في بروكسل ، في الثامن عشر من شهر ايلول عام
الف وتسعمائة وواحد وتسعون .

Por el Consejo de las Comunidades Europeas

For Rådet for De Europæiske Fællesskaber

Für den Rat der Europäischen Gemeinschaften

Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων

For the Council of the European Communities

Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias

~~_____~~ P. P. Newman

Por el Presidente de la República Libanesa
For præsidenten for Republikken Libanon
Für den Präsidenten der Libanesischen Republik
Για τον Πρόεδρο της Δημοκρατίας του Λιβάνου
For the President of the Lebanese Republic
Pour le président de la République libanaise
Per il Presidente della Repubblica libanese
Voor de President van de Libanese Republiek
Pelo Presidente da República Libanesa



COUNCIL DECISION**of 16 March 1992****on the conclusion of the Protocol relating to financial cooperation between the
European Economic Community and the State of Israel****(92/210/EEC)**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 238 thereof,

Having regard to the recommendation from the Commission,

Having regard to the assent of the European Parliament ⁽¹⁾,

Whereas the Protocol relating to financial cooperation between the European Economic Community and the State of Israel should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol relating to financial cooperation between the European Economic Community and the State of Israel is hereby approved on behalf of the Community.

The text of the Protocol is attached to this Decision.

*Article 2*The President of the Council shall give the notification provided for in Article 13 (1) of the Protocol ⁽²⁾.*Article 3*This Decision shall take effect on the day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 March 1992.

*For the Council**The President*

Jorge BRAGA DE MACEDO

⁽¹⁾ OJ No C 39, 17. 2. 1992.⁽²⁾ See page 51 of this Official Journal.

PROTOCOL**relating to financial cooperation between the European Economic Community and the State of Israel**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part,

THE PRESIDENT OF THE STATE OF ISRAEL,

of the other part,

REAFFIRMING their resolve to implement, under the renewed Mediterranean policy of the Community, cooperation which will contribute to the economic development of Israel and promote the strengthening of relations between the Community and Israel,

ANXIOUS to pursue to this end the financial cooperation provided for in the Agreement between the European Economic Community and the State of Israel, signed on 11 May 1975,

HAVE DECIDED to conclude this Protocol and to this end have designated as their plenipotentiaries :

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

Joseph WEYLAND,

Ambassador Extraordinary and Plenipotentiary,

Permanent Representative of Luxembourg,

Chairman of the Permanent Representatives Committee ;

Juan PRAT,

Director-General responsible for North/South relations of the Commission of the European Communities ;

THE STATE OF ISRAEL :

Avraham PRIMOR,

Ambassador Extraordinary and Plenipotentiary ;

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS :

Article 1

The Community shall participate, within the framework of financial cooperation, in the financing of projects designed to contribute to the economic development of Israel.

committed, for a period expiring on 31 October 1996, in the form of loans granted in accordance with the conditions, detailed rules and procedures laid down by the Bank's statute.

Article 2

1. For the purposes specified in Article 1, the Community will ask the European Investment Bank (hereinafter referred to as 'the Bank') to make available to Israel funds of up to ECU 82 million. This amount may be

2. Capital projects helping to increase productivity and to achieve complementarity between the Contracting Parties' economies and promoting, in particular, the industrialization of Israel, which have been submitted to the Bank by the State of Israel or, with the latter's agreement, by public or private undertakings having their seat or a place of business in Israel, shall be eligible for financing.

3. (a) Examination of the eligibility of the projects and the granting of loans shall be undertaken in accordance with the detailed rules, conditions and procedures laid down by the Bank's statute.
- (b) The loans shall, as regards their duration, be subject to terms established on the basis of the economic and financial characteristics of the projects for which these loans are intended, also taking into account the conditions obtaining on the capital markets on which the Bank procures its resources.
- (c) The interest rate shall be determined in accordance with the Bank's practice at the time of signature of each loan contract.

Article 3

Any funds not committed at the end of the period referred to in Article 2 (1) shall be used until exhausted. In that case, the funds shall be used in accordance with the same arrangements as those laid down in this Protocol.

Article 4

Aid contributed by the Bank for the execution of projects may, with the agreement of Israel, take the form of cofinancing.

Article 5

The execution, management and maintenance of schemes which are the subject of financing under this Protocol shall be the responsibility of Israel or the other beneficiaries referred to in Article 2.

The Bank shall ensure that its financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

Article 6

1. Israel shall apply to contracts awarded for the execution of projects financed by the Bank tax and customs arrangements no less favourable than those applied *vis-à-vis* the most favoured nation or the most favoured international development organization.
2. Israel shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of loans granted under this Protocol are exempted from any national or local taxes or levies.

Article 7

Where a loan is granted to a beneficiary other than the State of Israel, the provision of a guarantee by the latter or other sufficient guarantees shall be required by the Bank as a condition of the grant of the loan.

Article 8

All natural and legal persons coming within the scope of the Treaty establishing the European Economic Community and all natural and legal persons of Israel may participate on equal terms in tendering procedures and other procedures for the award of contracts likely to be financed. Such legal persons, formed in accordance with the law of a Member State of the European Economic Community or with that of Israel, must have their registered offices, their administrative head offices or their principal establishments in the territories in which the Treaty establishing the European Economic Community is applied or in Israel; however, where only their registered offices are in those territories or in Israel, the activities of such legal persons must be effectively and continuously linked with the economy of those territories or of Israel.

Article 9

Throughout the duration of the loans granted pursuant to this Protocol, Israel shall undertake to make available to debtors enjoying such loans and guarantors of the loans the currency necessary for the payment of interest and commission and the repayment of capital.

Article 10

The results of financial cooperation may be examined within the Cooperation Council.

Article 11

One year before this Protocol expires, the Contracting Parties shall examine what arrangements could be made for financial cooperation during a possible further period.

Article 12

This Protocol shall form an integral part of the Agreement between the European Economic Community and the State of Israel, signed on 11 May 1975.

Article 13

1. This Protocol shall be subject to approval in accordance with the Contracting Parties' own procedures; the Contracting Parties shall notify each other when the procedures necessary to this end have been completed.
2. This Protocol shall enter into force on the first day of the second month following the date on which the notifications provided for in paragraph 1 have been given.

Article 14

This Protocol shall be drawn up in two original copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and Hebrew languages, each of these texts being equally authentic.

EN FE DE LO CUAL, los plenipotenciarios abajo firmantes suscriben el presente Protocolo.

TIL BEKRÆFTELSE HERAF har undertegnede befuldmægtigede underskrevet denne protokol.

ZU URKUND DESSEN haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Protokoll gesetzt.

ΕΙΣ ΠΙΣΤΩΣΗ ΤΩΝ ΑΝΩΤΕΡΩ, οι υπογεγραμμένοι πληρεξούσιοι έθεσαν τις υπογραφές τους στο παρόν πρωτόκολλο.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Protocol.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent protocole.

IN FEDE DI CHE, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente protocollo.

TEN BLIJKE WAARVAN de ondergetekende gevolmachtigden hun handtekening onder dit Protocol hebben gesteld.

EM FÉ DO QUE, os plenipotenciários abaixo assinados apuseram as suas assinaturas no final do presente protocolo.

ולראיה חתמו מיופיי-הכח החתומים מטה על פרוטוקול זה.

Hecho en Bruselas, el doce de junio de mil novecientos noventa y uno.

Udfærdiget i Bruxelles, den tolvte juni nitten hundrede og enoghalvfems.

Geschehen zu Brüssel am zwölften Juni neunzehnhunderteinundneunzig.

Έγινε στις Βρυξέλλες, στις δώδεκα Ιουνίου χίλια εννιακόσια ενενήντα ένα.

Done at Brussels on the twelfth day of June in the year one thousand nine hundred and ninety-one.

Fait à Bruxelles, le douze juin mil neuf cent quatre-vingt-onze.

Fatto a Bruxelles, addì dodici giugno millenovecentonovantuno.

Gedaan te Brussel, de twaalfde juni negentienhonderd eenennegentig.

Feito em Bruxelas, em doze de Junho de mil novecentos e noventa e um.

נעשה בכריסל בל' בסיון התשנ"א שהוא השנים עשר ביוני אלף תשע מאות תשעים ואחת.

Por el Consejo de las Comunidades Europeas

For Rådet for De Europæiske Fællesskaber

Für den Rat der Europäischen Gemeinschaften

Για το Συμβούλιο των Ευρωπαϊκών Κοινοτήτων

For the Council of the European Communities

Pour le Conseil des Communautés européennes

Per il Consiglio delle Comunità europee
Voor de Raad van de Europese Gemeenschappen
Pelo Conselho das Comunidades Europeias
הקהילה הכלכלית האירופאית



Por el Estado de Israel
For Israel
Für den Staat Israel
Για το Κράτος του Ισραήλ
For the State of Israel
Pour l'État d'Israël
Per lo Stato d'Israele
Voor de Staat Israël
Pelo Estado de Israel
מדינת ישראל



Information concerning the date of entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the People's Democratic Republic of Algeria ⁽¹⁾

The exchange of instruments of notification of completion of the procedures necessary for the entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the People's Democratic Republic of Algeria (signed in Brussels on 20 June 1991) having taking place on 18 March 1992, this Protocol will enter into force in accordance with Article 22 thereof of 1 May 1992.

Information concerning the date of entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Arab Republic of Egypt ⁽²⁾

The exchange of instruments of notification of completion of the procedures necessary for the entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Arab Republic of Egypt (signed in Brussels on 20 June 1991) having taking place on 27 March 1992, this Protocol will enter into force in accordance with Article 22 thereof of 1 May 1992.

Information concerning the date of entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Hashemite Kingdom of Jordan ⁽³⁾

The exchange of instruments of notification of completion of the procedures necessary for the entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Hashemite Kingdom of Jordan (signed in Brussels on 26 June 1991) having taking place on 27 March 1992, this Protocol will enter into force in accordance with Article 22 thereof of 1 May 1992.

⁽¹⁾ See page 13 of this Official Journal.

⁽²⁾ See page 21 of this Official Journal.

⁽³⁾ See page 29 of this Official Journal.

Information concerning the date of entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Lebanese Republic ⁽¹⁾

The exchange of instruments of notification of completion of the procedures necessary for the entry into force of the Protocol on financial and technical cooperation between the European Economic Community and the Lebanese Republic (signed in Brussels on 18 September 1991) having taking place on 23 March 1992, this Protocol will enter into force in accordance with Article 22 thereof of 1 May 1992.

Information concerning the date of entry into force of the Protocol on financial cooperation between the European Economic Community and the State of Israel ⁽²⁾

The exchange of instruments of notification of completion of the procedures necessary for the entry into force of the Protocol on financial cooperation between the European Economic Community and the State of Israel (signed in Brussels on 12 June 1991) having taking place on 20 March 1992, this Protocol will enter into force in accordance with Article 13 thereof of 1 May 1992.

⁽¹⁾ See page 37 of this Official Journal.

⁽²⁾ See page 45 of this Official Journal.