

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

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Group of Negotiations on Services

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COMMUNICATION FROM TUNISIA

**Draft Final Schedule of Tunisia Concerning
Initial Commitments on Trade in Services**

The attached communication is circulated at the request of Tunisia to the members of the Group of Negotiations on Services.

CONDITIONAL OFFER OF TUNISIA CONCERNING INITIAL COMMITMENTS ON TRADE IN SERVICES

I. HORIZONTAL COMMITMENTS APPLICABLE TO ALL SECTORS COVERED BY THE OFFER

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
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Sector or sub-sector		Limitations on market access		Limitations on national treatment
Foreign investment		<p>(3) Investments in services other than financial services are not limited provided they satisfy the conditions for the exercise of such activities in accordance with the regulations.</p> <p>(4) Unbound, except in the following cases: enterprises that are wholly export-oriented may recruit managerial and supervisory staff of foreign nationality, pursuant to the relevant Tunisian legislation.</p>		<p>(3) Foreign participation in services activities that are not wholly export-oriented is subject to approval by the Investment Commission when it exceeds 50 per cent of the equity of the company.</p>
Movement of personnel				<p>(4) Compliance with conditions for entry and stay of foreigners</p> <ul style="list-style-type: none"> - Any foreign natural person wishing to engage in a salaried activity of any kind must have a contract of employment endorsed by the competent authorities.

Modes of Supply:	(1) (3) Cross-border supply Commercial presence	(2) (4) Consumption abroad Presence of natural persons	
Sector or sub-sector	Limitations on market access		
<u>Exercise of commercial activities</u>	<p>(3) and (4) Natural or legal persons who do not possess Tunisian nationality may engage directly or indirectly in a commercial activity only under the conditions established by the relevant Tunisian legislation (Decree Law No. 61-14 of 30 August 1961 and texts governing the various commercial activities).</p> <p>(3) and (4) Foreign natural or legal persons wishing to engage in a trading activity in Tunisia must be in possession of a trader's licence.</p> <p>- Legal persons possess Tunisian nationality when they fulfil the following conditions:</p> <ul style="list-style-type: none"> (a) Be established in accordance with the laws in force and have their registered place of business in Tunisia; (b) At least 50 per cent of their share capital must consist of registered securities held by Tunisian natural or legal persons; (c) A majority of their board of directors or management or supervisory board must be natural or legal persons of Tunisian nationality. 		

Modes of Supply:

(1) Cross-border supply	(2) Consumption abroad
(3) Commercial presence	(4) Presence of natural persons

Sector or sub-sector	Limitations on market access	Limitations on national treatment
<u>Exercise of commercial activities (cont'd)</u>		<p>(d) Their chairman, managing director or management must be natural persons of Tunisian nationality.</p> <p>In the case of public limited companies and where the functions of chairman of the board of directors and those of the managing director are separated, the managing director must have resident's status within the meaning of the exchange regulations.</p> <p>In addition, a company is Tunisian if its registered place of resident's business is in Tunisia and the State or local authorities are direct or indirect shareholders.</p>

Modes of Supply:	(1) Cross-border supply	(2) Consumption abroad	(3) Commercial presence	(4) Presence of natural persons
Sector or sub-sector	Limitations on market access			
	Limitations on national treatment			
<u>Exercise of commercial activities (cont'd)</u>	<p>Natural or legal persons who do not possess Tunisian nationality may not engage in the following activities, in any form whatsoever, unless otherwise permitted by the competent authority: buildings manager, commission agent, broker, commercial agent, consignee, general representative, sales representative, commercial traveller, commercial representative.</p>			
<u>Exchange controls</u>	<p>(1) and (2) Any transaction or commitment that gives or may give rise to a transfer other than those provided for in article one, first paragraph, of the Exchange Code (Exchange Code promulgated by Law No.76-18 of 21 January 1976 as amended by Law No. 93-48 of 3 May 1993), of which the conditions of application are laid down by Decree No. 93-1696 of 16 August 1993, are subject to authorization.</p>			

Modes of Supply:	(1) (3) Cross-border supply Commercial presence	(2) (4) Consumption abroad Presence of natural persons	
Sector or sub-sector	Limitations on market access		Limitations on national treatment
<u>Acquisition of land</u>	(3) and (4) No limitation except for agricultural land, which cannot be the object of appropriation by foreigners		(3) and (4) The acquisition by foreign investors of land or other real estate for the purpose of developing industrial tourist projects and other services is subject to administrative authorization.

II. SECTORAL COMMITMENTS

Modes of Supply: (1) Cross-border supply (2) Consumption abroad
(3) Commercial presence (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
Hotels	6411	1 2 3	Unbound* None None. Prior authorization of the Ministry of Tourism** Horizontal measures apply	Unbound* None None. Prior authorization of the Ministry of Tourism** Horizontal measures apply
		4		
Restaurants (excluding unclassified restaurants)	6421	1 2 3	Unbound* None None. Prior authorization of the Ministry of Tourism** Horizontal measures apply	Unbound* None None. Prior authorization of the Ministry of Tourism** Horizontal measures apply
		4		

*Unbound for technical reasons.
**Administrative formality.

Modes of Supply: (1) Cross-border supply
 (3) Commercial presence (2) Consumption abroad
 (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
Travel agencies	7471	1 2 3 4	Unbound None Unbound Unbound	Unbound None Unbound Unbound
Direct insurance	8121 8129	1	- Insurance of risks situated in Tunisia with resident insurance enterprises (Insurance Code, Article 44) - Insurance in Tunisia of air, sea and land transport of goods for import (Article 30, Law No. 8088 of 31 December 1980) 2 - None for natural and legal persons resident abroad	Unbound Unbound

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Direct insurance</u> (cont'd)		3	<p>(a) Commercial presence of foreign supplier in the form of a subsidiary company:</p> <ul style="list-style-type: none"> - Set up in accordance with Tunisian Law; - As a public limited company or mutual society; - Minimum capital requirements; - Compliance with horizontal limitations on the exercise of commercial activities by foreigners; 	Unbound

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Direct insurance</u> (cont'd)			<ul style="list-style-type: none"> - Approval of the Ministry of Finance (b) Commercial presence of the foreign supplier in the form of a branch office: <ul style="list-style-type: none"> - work with non-residents 	<p>Unbound</p>
<u>Reinsurance and retrocession</u>	81299	4	See horizontal limitations	Unbound

Modes of Supply: (1) Cross-border supply
 (2) Consumption abroad
 (3) Commercial presence
 (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
Reinsurance and retrocession (cont'd)		2 3	See horizontal limitations - Approval prior to acceptance of reinsurance operations. - Appointment of a responsible officer accepted by the Ministry of Finance.	Unbound
<u>Insurance intermediation</u> (a) <u>Insurance agents for life insurance</u>	81401	1 2 3 4	Tunisian nationality required (Insurance Code, Article 73) See horizontal limitations Tunisian nationality required (Insurance Code, Article 73). Approval of the Ministry of Finance See horizontal limitations	Unbound Unbound Unbound Unbound

Modes of Supply: (1) Cross-border supply
 (3) Commercial presence (2) Consumption abroad
 (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
(b) Insurance broking		1	None except horizontal limitations	Unbound
		2	See horizontal limitations	Unbound
		3	Tunisian nationality required	Unbound
		4	Approval of the Ministry of Finance	Unbound
Other auxiliary services: (claim assessment)	81403	1	Tunisian nationality required (Decree No. 92-2260 of 31 December 1992)	Unbound
		2	See horizontal limitations	Unbound
		3	Tunisian nationality required (Decree No. 92-2260 of 31 December 1992)	Unbound
		4	See horizontal limitations	Unbound
Financial services other than insurance	811	1 and 2	None except horizontal limitations	Unbound
		3	(1) "resident" bank <u>(Law No. 67-51 of 7 December 1967)</u> - Approval of the Ministry of Finance	None

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Financial services other than insurance (cont'd)</u>			<ul style="list-style-type: none"> - Limited company under Tunisian law or any other legal status accepted in the authorization - Minimum capital requirement <p>(2)</p> <p>"Non-resident" bank (Law No. 85-108 of 6 December 1985)</p> <ul style="list-style-type: none"> - Foreign banks, branches or agencies of foreign banks whose registered place of business is abroad - Public limited company under Tunisian law - Approval of the Ministry of Finance 	

Modes of Supply: (1) Cross-border supply
 (2) Consumption abroad
 (3) Commercial presence
 (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Financial services other than insurance (cont'd)</u>		(3) <u>Financial leasing companies</u>	<ul style="list-style-type: none"> - Approval of the Ministry of Finance; - Resident public limited companies under Tunisian law; - Financial leasing companies may be set up under Law No. 85-108 of 6 December 1985 for the promotion of banking and finance institutions working essentially with non-residents. 	<ul style="list-style-type: none"> None Unbound

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector		CPC code	Mode of supply	Limitations on market access
<u>Financial leasing services</u>		81120	1 2 3	Unbound Unbound None, within the limits and conditions established by Tunisian law and regulations. (3) <u>Investment companies</u> - Authorization of the Ministry of Finance - Resident public limited companies under Tunisian law established under one of the following two categories: (a) Closed-ended investment company with a minimum capital requirement

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Financial leasing services</u> (cont'd)			<p>(b) Open-ended investment company with a minimum capital requirement:</p> <ul style="list-style-type: none"> - Investment companies may be set up under Law No. 85-108 of 6 December 1985 for the promotion of banking and finance institutions working essentially with non-residents. <p>(4) <u>Stock-market intermediaries</u></p>	<p>Unbound</p> <p>Unbound</p>
			<ul style="list-style-type: none"> - Must be approved by the Stock Exchange Board and be Tunisian natural or legal persons or Tunisian banks 	

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Financial leasing services</u> (cont'd)		4.	- Non-resident financial institutions may freely recruit foreign supervisory staff	For resident financial institutions, the chairman and managing director of a bank established under Tunisian law must be a Tunisian national; if the function of chairman of the board of directors and that of managing director are separated, one of these positions must be filled by a Tunisian national. The Chairman and managing director or the managing director of a bank established under Tunisian law must have resident's status within the meaning of the exchange regulations.

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Financial leasing services</u> (cont'd)			However, a special exemption may be granted by the Central Bank. No one may simultaneously manage, run or have authority to commit two banks, a bank and a financial institution, or a bank and an insurance company.	
Inter-bank (wholesale) <u>deposit services</u>	81115	1 2	Unbound None, for subsidiaries and branches of Tunisian banks established abroad and for Tunisian natural persons residing abroad. However, residents are subject to authorization.	Unbound

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
Inter-bank (wholesale) <u>deposit services</u> (cont'd)		3	<p>None, but non-resident institutions established in Tunisia are authorized to receive funds from residents. Such funds must not exceed:</p> <ul style="list-style-type: none"> - For each non-resident institution established in Tunisia, the subscribed amount of its participation, out of its own foreign-currency shareholders' equity, in the capital of resident enterprises. - For all non-resident institutions established in Tunisia as a whole, the ceiling of 1.5 per cent of the deposits of deposit banks. 	<p>None for resident institutions</p> <p>UNBOUND</p>
		4		UNBOUND

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Other bank deposit services</u>	81116	1 2 3	Unbound None, but residents are subject to authorization None, but non-resident institutions established in Tunisia are authorized to receive funds from residents. Such funds must not exceed: - For each non-resident institution established in Tunisia, the subscribed amount of its participation, from its own foreign-currency shareholders' equity, in the capital of resident enterprises;	Unbound Unbound None for resident institutions

Modes of Supply: (1) Cross-border supply (2) Consumption abroad
(3) Commercial presence (4) Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Other bank deposit services</u> (cont'd)			- For all non-resident institutions established in Tunisia as a whole, the ceiling of 1.5 per cent of the deposits of deposit banks	
		4	UNBOUND	UNBOUND
<u>Mortgage loan services</u>	81131	1 2 3	Unbound Unbound None, but non-resident institutions established in Tunisia are subject to authorization	Unbound Unbound None for resident institutions
		4	UNBOUND	UNBOUND
<u>Personal instalment loan services and credit card services</u>	81132 81133	1 2 3	Unbound Unbound None for resident institutions	Unbound Unbound None for resident institutions
		4	UNBOUND	UNBOUND
<u>Unit trust services</u>	81191	1 2 3 4	UNBOUND Unbound None UNBOUND	None None None UNBOUND

Modes of Supply:

(1)	Cross-border supply	(2)	Consumption abroad
(3)	Commercial presence	(4)	Presence of natural persons

Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Property unit trust services</u>	81192	1 2 3 4	UNBOUND Unbound Unbound UNBOUND	None None None UNBOUND
<u>Intermediation services</u>	81199	1 2 3	UNBOUND Unbound None, but stock market intermediaries must be natural or legal persons of Tunisian nationality or Tunisian banks	None None None
		4	Unbound	Unbound
<u>Securities broking services</u>	81321	1 2 3	UNBOUND Unbound None, except horizontal limitations	Unbound Unbound Unbound
<u>Portfolio management services</u>	81323	1 2 3	UNBOUND Unbound None, except horizontal limitations	None None Unbound
		4	Unbound	Unbound

Modes of Supply:	(1) (3)	Cross-border supply Commercial presence	(2) (4)	Consumption abroad Presence of natural persons
Sector or sub-sector	CPC code	Mode of supply	Limitations on market access	Limitations on national treatment
<u>Loan broking services</u>	81331	1 2 3 4	None Unbound None, except horizontal limitations Unbound	None None None Unbound
<u>Financial consultancy services (excluding exchange offices)</u>	81332	1 2 3 4	None None None, except horizontal limitations None	None None None None

III. DEFINITION OF TERMS USED

None:

Unbound:

UNBOUND:
No commitment whatsoever.

Commitment without limitation, but Tunisia may apply the limitations listed under horizontal measures.
Commitment accompanied by limitation on market access for national treatment.