

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 אף 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


