



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



D00083

ID

Distr.
LIMITED

ID/IG.35/4
23 April 1969

ENGLISH
Original: FRENCH

United Nations Industrial Development Organization

Investment Promotion Conference
for Tunisian Industry

Tunis, 28 - 30 May 1969

PROCEDURE FOR THE ESTABLISHMENT OF UNDERTAKINGS IN TUNISIA

presented by

the Government of Tunisia

1/ The views and opinions expressed in this paper are those of the Government and do not necessarily reflect the views of the secretariat of UNIDO.

id.69-1350

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.

PROCEDURE FOR THE ESTABLISHMENT OF UNDERTAKINGS IN TUNISIA

Every businessman wishing to establish an undertaking in Tunisia is required to proceed in the following manner.

Approval of establishment

He will apply to the Secretariat of State for Planning and the National Economy for approval of the undertaking subject to his description of its objects.

As part of the planning policy, and in order to avoid imbalance between the various sectors of the economy and the country's various geographical regions, a legislative decree dated 3 April 1962 subjected the establishment, extension, conversion or transfer of an industrial undertaking to approval by the Secretariat of State for Planning and the National Economy. Without such approval it is impossible to obtain a licence or to operate the undertaking within the law.

An application for the approval of an industrial undertaking is made to the Directorate of Industry, and of a hotel undertaking to the Commissariat-General of Tourism and Spas.

Applications for a first approval should contain a statement concerning the objects, capital and director of the undertaking, and its investments and how they are financed; also a profitability study.

Applications for approval are examined by a special commission constituted by a Secretariat order of 6 April 1962. Approval is not given immediately, for the Commission needs some time to reach its decision. The approval is given by order and notified to the head of the undertaking. Without it a licence cannot be obtained and the undertaking cannot carry on business legally.

Approval of investment

The applicant will deposit an application for preliminary authorization with the Central Bank of Tunisia and, if foreign money is being invested, with the Exchange Control Department (Services des Finances Extérieures).

The Central Bank will instruct him in the procedure for transfer of dividends and invested capital.

The head of an undertaking who does not fulfil this formality is in breach of the monetary laws and disqualified absolutely for transfer of profits or capital.

The application must contain all details of the proposed investment, in particular its nature, amount, financing plan and currency, and the place of residence of the investor.

The preliminary approval may, however, be accompanied by an agreement for the transfer of profits or even of the capital on termination of the investment.

Applications for fiscal incentives (letters of establishment) will then be sent to the Directorate of Credit, and for financial incentives (letters of guarantee and approval) to the Secretariat.

They should be accompanied by a file in seven copies containing -

A detailed economic study of the particular branch of activity

A provisional study of the financial implications, including information concerning -

The undertaking in general

Its managers and staff

Its production resources

Its investment and financial proposals

A market survey

A profitability study.

After the preliminary approval

A company establishing its headquarters in Tunisia should without fail acquaint itself with Tunisian law in order to avoid mistakes due to wording influenced by foreign law so that it shall not be obliged later to amend articles of association conflicting with the law of the land.

It is essential in founding a company to comply with the Tunisian Commercial Code.

A company setting up an agency in Tunisia must have its articles of association translated into Arabic and French and produce a resolution of its board of directors ordering the agency to be opened in Tunisia and appointing a managing office responsible for it to the board.

Issue of business licence (patento)

Application for a business licence should be made as soon as possible. It consists of a declaration on forms supplied by the Revenue Department (Administration fiscale).

It is issued without charge but entails payment of a trading duty and a profits tax.

Entry on the trade register

This is made on an application lodged with the registry of the court of first instance of the place of the future headquarters.

It is necessary to present the receipt for the business licence fee, complete and deposits two copies (six for a company) of a form provided by the department, stamped before deposit (the present stamp duty is 0.5 dinars).

Eight days must then elapse, after which a duly-certified copy of the form is delivered.

This is called a "Declaration for registration", and is headed by two reference numbers, those of the serial and the subject registers. The latter number must be quoted at the head of every letter and form issued by the undertaking.

Membership of the National Social Security Fund

This is required by the Act of 14 November 1960 and must be secured in the month following the engagement of the first paid employee. The decision whether to admit or not is notified within two months of the final completion of the file.

An entrance fee of five dinars must be paid, after which detailed quarterly returns must be made and contributions subscribed on the total amount of wages paid, at the rate of 15 per cent by the undertaking and 5 per cent by the employee, deducted at source, since the employer is liable to pay the whole contribution).

Disclosure of existence to indirect taxation office

Before any business is done, notice of the opening of the undertaking must be given to the Indirect Taxation Office (Contributions indirectes) and its turnover and purchase ledgers inspected and signed.

Accounts must be indexed and initialled in the court registry, and the number in the trade registry must be shown.

Bank or postal-cheque accounts must be opened, the power of attorney deposited and a cash-book and day-book kept

Deposit of declaration with Labour Exchange

A declaration of establishment must be deposited with the Labour Exchange (Bureau public de placement) of the Inspectorate of Labour, in three copies.

- N.B. (1) These short instructions relate only to the series of formalities preceding or accompanying the establishment of an undertaking, and do not include the legal and administrative formalities required for the constitution of a company of any kind.
- (2) Contrary to a widely-held opinion, an alien is perfectly free to start a business with completely foreign capital and partners. He need have no Tunisian partners.

TABLE

of all the social taxes
payable by undertakings generally
(Percentage of wages paid)

Compiled from the opinions and experience of
several unions affiliated to the UTICA
(Tunisian Union of Industries, Trades
and Handicrafts)

Vocational training tax (FPF)	2 per cent
Contribution to National Social Security Fund (CNSS)	15 per cent
Paid holidays, including single superannuation grant	4.5 per cent
Days of unemployment with pay	2 per cent
CNSS: paid holidays, days of unemployment, and 50 per cent of the cost of working clothes, payable by the employer	1.30 per cent
Stamps and paysheets	.55 per cent
Medicine at work	2 per cent
Working clothes	2 per cent
Insurance according to trade category	<u>8.5 per cent</u>
TOTAL	37.85 per cent

NOTE:

The levy for medicine at work is payable by every undertaking employing more than forty wage earners.

The amount of the insurance against accidents at work varies between 2 per cent and 12 per cent of the wages according to the nature of the work.

In general, the social taxes payable by undertakings in Tunisia vary between 35 per cent and 40 per cent.

- - - - -





19 . 1 . 72