The delegation of Tunisia would like to take this opportunity to express its satisfaction to the Committee on Balance-of-Payments Restrictions and its members at being once again among them to engage in the consultation with the CONTRACTING PARTIES.

My delegation would also like to remind the Committee of the spirit of real co-operation which has always guided our work in the past, and to express the hope that this excellent co-operation will continue to be forthcoming.

We would like to place before you a brief summary of the statement by Tunisia submitted to you with a view to the work of this meeting.

Although Tunisia's balance of payments showed a slight surplus, there is a structural deficit in the balance of trade which is steadily increasing as a result of the unfavourable international and economic situation and the considerable resources required for development.

The incidence of the international economic crisis is particularly evident in the terms of trade, which continue to deteriorate, and in the rate of coverage of imports by exports, which has declined over the past few years.

Furthermore, the rise in prices for imports, and particularly for capital goods, has led the authorities to postpone carrying out certain items of investment under the Fifth Development Plan. The growth target (7.5 per cent per year on average for 1977/1981) has therefore been readjusted downwards to 7 per cent.

In turn, efforts to promote exports which should have brought the trade deficit back to a reasonable level are being impeded by the protectionist trends which have appeared during the last few years.
In another direction, the imminent return of migrant workers will have the effect not only of reducing the amount of revenue repatriated by them, indeed of increasing the current deficit, but also of accentuating the problems of employment already aggravated by the slow-down in growth. It is of course important to recall that the main objective of our Five-Year Plan for economic and social development is to achieve full employment.

To overcome the difficulties of external payments, Tunisia could no longer rely on public aid for development which is a regular source of low-cost financing. We have had more and more to resort to the international private financial markets, with stricter conditions which jeopardize our development efforts.

In spite of this balance-of-payments structure, Tunisia is convinced of the importance of developing trade with its partners and of the absolute need to promote international trade, and it is therefore pursuing its efforts, within the limits of its resources, to make its exchange and foreign trade arrangements more flexible. We are therefore proposing to put into practice from 1980 onwards the new Tunisian code of exchange and foreign trade, which is closely modelled on the principles governing the General Agreement on Tariffs and Trade.