



**AGREEMENT**

**BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF  
SOUTH AFRICA**

**AND**

**THE GOVERNMENT OF THE REPUBLIC OF  
CUBA**

**ON**

**ECONOMIC ASSISTANCE**

## PREAMBLE

The Government of the Republic of South Africa and the Government of the Republic of Cuba (hereinafter jointly referred to as the "Parties" and in singular as a "Party");

**DESIRING** to further strengthen and deepen the friendly relations between the Parties;

**COGNISANT** of the significant economic challenges that both countries are facing, as well as the opportunities arising from the diverse bilateral exchanges on the governmental level in the field of economic and business collaboration to promote bilateral trade;

**DETERMINED** to find new approaches and strategies to consolidate, expand and deepen bilateral economic relations fully respecting the principles of national sovereignty and self-determination;

**CONSCIOUS** of the importance granted by the Government of the Republic of Cuba to a higher development of its agriculture as well as the increase of its food production which has encouraged the Government of the Republic of South Africa to willingly contribute to the implementation of the Strategies approved by the Cuban Party in this field;

**DESIROUS** to enhance the bilateral economic relations mainly in the fields of economic collaboration and bilateral trade between the Parties for their mutual benefit;

**HEREBY AGREE** as follows:

## ARTICLE 1

### *DEFINITIONS*

1. In this Agreement, unless the context indicates otherwise –

'RSA' means the Republic of South Africa;

'Cuba' means the Republic of Cuba;

'Lender' means the Republic of South Africa;

'Borrower' means the Republic of Cuba;

'Grantor' means the Republic of South Africa;

**'Grantee'** means the Republic of Cuba;

**'Competent Authorities'** means the authorities mentioned in Article 2 of this Agreement;

**'Facility Agents'** means the operational authorities of this Agreement to be appointed by the Parties;

**'Lender's Facility Agent'** means the Facility Agent appointed by the Lender;

**'Borrower's Facility Agent'** means the Facility Agent appointed by the Borrower;

**'ZAR, RAND or R'** refers to the lawful currency of the Republic of South Africa;

**'SA Goods'** means the goods and Associated Services to be purchased from a South African entity;

**'Associated Services'** means services related to transportation, insurance and installation of SA Goods and other goods as required;

**'Export Contract'** means a contract to be entered into between the Exporter and the Importer in relation to the exporting and importing SA Goods and other goods as defined in this Agreement;

**'Exporter'** means a South African or any other exporter or supplier in relation to the Export Contract;

**'Importer'** means a Cuban importer or buyer in relation to the Export Contract;

**'South African entity'** means all entities recognised under South African law.

2. The Annexes as well as the definitions and terms appearing therein, shall be considered an integral part of this Agreement.

## **ARTICLE 2**

### **COMPETENT AUTHORITIES**

1. The Competent Authorities responsible for the implementation of this Agreement shall be-
  - (a) in the case of the RSA, the Department of Trade and Industry (hereinafter referred to as the dti); and
  - (b) in the case of Cuba, the Ministry of Foreign Trade and Investment (hereinafter referred to as MINCEX).

2. The Competent Authorities shall meet whenever required to assess the implementation of this Agreement and to discuss all matters that may arise thereunder. The Parties shall annually exchange reports on the progress of the implementation of each aspect agreed to in this Agreement.

### **ARTICLE 3**

#### **FACILITY AGENTS**

1. The Parties agree that the Competent Authorities shall appoint Facility Agents.
2. The Parties shall inform each other of the Facility Agent they have appointed through the diplomatic channel.
3. Each Party may change its Facility Agent. That Party shall notify the other Party of its intention to change its Facility Agent through the diplomatic channel.

### **ARTICLE 4**

#### **OBJECTIVE**

The objective of this Agreement is to contribute to the economic development of Cuba and RSA and to promote the economic relations between the Parties in a mutually beneficial manner through the increase and diversification of bilateral trade exchanges.

### **ARTICLE 5**

#### **FUNDING PACKAGE**

RSA shall make a funding package of R 350 million available to Cuba as economic assistance in order to obtain the objective of this Agreement. The funding package shall comprise the following:

1. **FACILITY A:** Grant to Cuba of R 40 million for the purchase of seeds.
  - 1.1 A minimum of R5 million of the Grant amount shall be specifically sourced from the South African market.
  - 1.2 The remaining R 35 million shall be used for the purchase of seeds from any country. This amount or any portion thereof may also be used to purchase any seeds from South Africa and to meet the costs of Associated Services required for the acquisition of the seeds.

- 1.3 The list of seeds to be acquired in the aforementioned Facility as well as other specifications required for their shipping to Cuba shall be stated in Annex 1 of this Agreement.
- 1.4 The funds earmarked under Facility A shall only be disbursed by the Lender's Facility Agent once the Borrower's Facility Agent has submitted the Supporting Documents to the Lender's Facility Agent as defined in Annex 2.
2. **FACILITY B:** Grant to Cuba of R 100 million for the purchase of SA Goods .
  - 2.1 The sum offered in this Facility shall cover the costs of the SA Goods.
  - 2.2 The funds earmarked under Facility B shall only be disbursed by the Lender's Facility Agent once the Borrower's Facility Agent has submitted the Supporting Documents to the Lender's Facility Agent as defined in Annex 2.
3. **FACILITY C:** R 210 million credit line to Cuba for the purchase of SA Goods .
  - 3.1 This credit line shall be structured into two tranches.
  - 3.2 The first tranche, in the amount of R 70 million, shall be made available immediately and must be fully drawn and repaid.
  - 3.3 The second tranche, in the amount of R 140 million, shall only be made available once the first tranche has been paid in full.
  - 3.4 The funds earmarked under Facility C shall only be disbursed by the Lender's Facility Agent once the Borrower's Facility Agent has submitted the Supporting Documents to the Lender's Facility Agent as defined in Annex 2.
  - 3.5 The credit line offered in this Facility shall cover the costs of SA Goods.

## **ARTICLE 6**

### **SCOPE OF APPLICATION**

1. The Facilities B and C described in this Agreement shall be used in the procurement by the Importer of SA Goods identified in market research, trade fairs, business forums and other mechanisms which enable resulting trade operations to be mutually beneficial for both Parties.
2. From the scope of application of this Agreement, the following shall be excluded: armaments, tobacco and beverages with an alcohol content exceeding 24% per cent per vol. Goods which will have an irreversible and negative impact on the environment and which effect cannot be reduced or compensated by adequate measures shall also be excluded.

## **ARTICLE 7**

### **GENERAL TERMS AND CONDITIONS OF THE FACILITIES**

1. The implementation of the Facilities described in the previous Article, as well as the General Terms and Conditions referred to in this Article, shall be carried out in accordance with Annex 2 hereto.
2. All SA Goods procured under this Agreement shall be purchased from a South African Entity, except for those seeds referred to in Article 6.1.1.2.
3. The SA Goods shall not be obtained from a supplier restricted by the National Treasury of the RSA.
4. Notwithstanding any other provision in this Agreement, any exchange rate risk shall be for the account of Cuba.

## **ARTICLE 8**

### **REVIEW**

1. The Parties may review this Agreement at any time.
2. The Parties may conclude future agreements which could enhance bilateral economic relations.

## **ARTICLE 9**

### **AMENDMENT**

1. This Agreement may be amended by mutual consent of the Parties by an Exchange of Notes through the diplomatic channel.
2. The amendments shall enter into force in terms of the provisions of Article 11.1, of this Agreement.

## **ARTICLE 10**

### **SETTLEMENT OF DISPUTES**

Any dispute arising out of the interpretation, application or implementation of this Agreement shall be settled amicably through consultations or negotiations between the Parties through the diplomatic channel.

ARTICLE 11

ENTRY INTO FORCE, DURATION AND TERMINATION

1. The Parties shall give written notice through the diplomatic channel confirming compliance with their constitutional requirements for the entry into force of the Agreement which shall enter into force on the date of the last notification.
2. This Agreement shall remain in force until all obligations on the Parties and the conditions thereof resulting from it have been fulfilled. However, early termination of this Agreement may be agreed upon by the Parties. Once there is agreement for early termination, this may be confirmed by written notices through the diplomatic channel.

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed and sealed this Agreement in two originals in the English and Spanish languages, all texts being equally authentic.

DONE at PRETORIA.....on this 03..... day of FEBRUARY.....2012



FOR THE GOVERNMENT OF THE  
OF REPUBLIC OF SOUTH AFRICA



FOR THE GOVERNMENT  
THE REPUBLIC OF CUBA

**ACUERDO**

**ENTRE**

**EL GOBIERNO DE LA REPÚBLICA DE SUDÁFRICA**

**Y**

**EL GOBIERNO DE LA REPÚBLICA DE CUBA**

**SOBRE ASISTENCIA ECONÓMICA**



## **PREÁMBULO**

El Gobierno de la República de Sudáfrica y el Gobierno de la República de Cuba (en lo sucesivo denominados conjuntamente las "Partes" y en singular, como una "Parte");

**DESEANDO** fortalecer y profundizar las relaciones amistosas entre las Partes;

**CONCEDORES** de los importantes retos económicos que ambos países enfrentan, así como de las oportunidades que surgen de los diferentes intercambios bilaterales tanto a nivel gubernamental, en el ámbito de la colaboración económica, como empresarial, para impulsar el comercio bilateral;

**DECIDIDOS** a encontrar nuevos enfoques y estrategias para la consolidación, expansión y profundización de las relaciones económicas bilaterales con pleno respeto a los principios de soberanía nacional y de autodeterminación;

**CONSCIENTES** de la importancia que le concede el Gobierno de la República de Cuba a un mayor desarrollo de su agricultura, así como al incremento de su producción de alimentos, lo que ha motivado la disposición del Gobierno de la República de Sudáfrica de contribuir a la ejecución de las Estrategias adoptadas en este campo por la Parte cubana;

**DESEOSOS** de incrementar las relaciones económicas bilaterales, fundamentalmente en los ámbitos de la colaboración económica y el comercio bilateral entre las Partes para su beneficio mutuo;

**ACUERDAN** lo siguiente:

## **ARTÍCULO 1**

### **DEFINICIONES**

1. En este Acuerdo, a menos que el contexto indique lo contrario:

'RSA' se refiere a la República de Sudáfrica;

'Cuba' se refiere a la República de Cuba;

'Prestamista' se refiere a la República de Sudáfrica;

'Prestatario' se refiere a la República de Cuba;

'Donante' se refiere a la República de Sudáfrica;

'Beneficiario' se refiere a la República de Cuba;

'Autoridades Competentes' se refiere a las autoridades mencionadas en el Artículo 2 del presente Acuerdo;

'Agentes Facilitadores' se refiere a las autoridades ejecutoras del presente Acuerdo, designadas por las Partes;

'Agente Facilitador del Prestamista' se refiere al Agente Facilitador designado por el Prestamista;

'Agente Facilitador del Prestatario' se refiere al Agente Facilitador designado por el Prestatario;

'ZAR, RAND o R' se refiere a moneda oficial de la República de Sudáfrica;

'Bienes Sudafricanos' significa los bienes y Servicios Asociados que serán comprados a una entidad sudafricana;

'Servicios Asociados' significa servicios relacionados con la transportación, el seguro y la instalación de Bienes Sudafricanos y otros bienes que se requieran;

'Contrato de Exportación' significa el contrato a establecerse entre el Exportador y el Importador en relación con la exportación e importación de Bienes Sudafricanos y otros bienes, según lo establecido en el presente Acuerdo;

'Exportador' significa un exportador o proveedor sudafricano o de otro país en relación con el Contrato de Exportación;

'Importador' significa un importador o comprador cubano en relación con el Contrato de Exportación;

'Entidad sudafricana' significa toda entidad reconocida en virtud de la Ley sudafricana.

2. Los Anexos, así como las definiciones y términos que aparezcan en los mismos, serán considerados como parte integrante de este Acuerdo.

## ARTÍCULO 2

### AUTORIDADES COMPETENTES

1. Las Autoridades Competentes responsables de la instrumentación del presente Acuerdo serán:
  - a. en el caso de RSA, el Departamento de Comercio e Industria (en lo adelante dti); y

- b. en el caso de Cuba, el Ministerio del Comercio Exterior y la Inversión Extranjera (en lo adelante MINCEX).
2. Las Autoridades Competentes se reunirán cuando se requiera para evaluar la ejecución de este Acuerdo y discutir todas las cuestiones que pueden surgir en virtud del mismo. Anualmente las Partes intercambiarán informes sobre el progreso de la ejecución de cada uno de los aspectos concertados en dicho Acuerdo.

### **ARTÍCULO 3**

#### **AGENTES FACILITADORES**

1. Las Partes acuerdan que cada Autoridad Competente designará a sus Agentes Facilitadores.
2. Las Partes deberán informarse por medio de la vía diplomática los Agentes Facilitadores que designen.
3. Cada Parte podrá sustituir su Agente Facilitador. Dicha Parte deberá notificar por medio de la vía diplomática su intención de sustituir su Agente Facilitador a la otra Parte.

### **ARTÍCULO 4**

#### **OBJETIVO**

El objetivo de este Acuerdo es contribuir al desarrollo económico de Cuba y RSA y fomentar las relaciones económicas entre las Partes de manera mutuamente beneficiosa, a través del incremento y diversificación del intercambio comercial bilateral.

### **ARTÍCULO 5**

#### **PAQUETE DE FINANCIAMIENTO**

RSA concederá un paquete de financiamiento por R 350 millones a Cuba como asistencia económica para lograr el objetivo de este Acuerdo. El paquete de financiamiento deberá incluir lo siguiente:

1. **FACILIDAD A:** Donación a Cuba de R 40 millones para la compra de semillas.
  - 1.1 Como mínimo R 5 millones de la cantidad prevista serán destinados para la adquisición de este producto en el mercado sudafricano.
  - 1.2 Los restantes R 35 millones se emplearán en la compra de semillas en cualquier país. Esta suma o cualquier porción de la misma también puede utilizarse para comprar

cualquier semilla en Sudáfrica y para cubrir los costos de los Servicios Asociados necesarios para la adquisición de semillas.

- 1.3 La relación de semillas a adquirir en dicha Facilidad, así como otras especificaciones requeridas para su envío a Cuba, quedarán consignadas en el Anexo 1 del presente Acuerdo.
- 1.4 Los fondos asignados en la Facilidad A sólo podrán ser desembolsados por el Agente Facilitador del Prestamista una vez que el Agente Facilitador del Prestatario haya presentado los Documentos Acreditativos al Agente Facilitador del Prestamista según lo establecido en el Anexo 2.
2. **FACILIDAD B:** Donación a Cuba de R 100 millones para la compra de Bienes Sudafricanos.
  - 2.1 El monto ofrecido en esta Facilidad cubrirá los costos de los Bienes Sudafricanos.
  - 2.2 Los fondos asignados de conformidad con la Facilidad B sólo podrán ser desembolsados por el Agente Facilitador del Prestamista una vez que el Agente Facilitador del Prestatario haya presentado los Documentos Acreditativos al Agente Facilitador del Prestamista según lo establecido en el Anexo 2.
3. **FACILIDAD C:** Línea de crédito para Cuba de R 210 millones para la compra de Bienes Sudafricanos.
  - 3.1 Esta línea de crédito estará estructurada en dos tramos.
  - 3.2 El primer tramo, que asciende a R 70 millones, estará disponible de inmediato a partir de la fecha de entrada en vigor del Acuerdo y deberá ser utilizado y amortizado en su totalidad.
  - 3.3 El segundo tramo, que asciende a R 140 millones, sólo estará disponible una vez que el primer tramo haya sido pagado en su totalidad.
  - 3.4 Los fondos asignados de conformidad con la Facilidad C sólo podrán ser desembolsados por el Agente Facilitador del Prestamista una vez que el Agente Facilitador del Prestatario haya presentado los Documentos Acreditativos al Agente Facilitador del Prestamista según lo establecido en el Anexo 2.
  - 3.5 La línea de crédito en esta Facilidad cubrirá los costos de los Bienes Sudafricanos.

## ARTÍCULO 6

### ÁMBITO DE APLICACIÓN

1. Las Facilidades B y C descritas en el presente Acuerdo serán utilizadas para la adquisición, por el Importador, de Bienes Sudafricanos, identificados en estudios de mercados, ferias comerciales, fórum empresariales y otros mecanismos, que permitan que las operaciones comerciales que se deriven resulten de beneficio mutuo para ambas Partes.
2. Se excluirán del ámbito de aplicación de este Acuerdo: armamentos, tabaco y bebidas cuyo contenido de alcohol sea superior al 24 % por vol.. También se excluirán los bienes que tengan un impacto negativo e irreversible sobre el medio ambiente y cuyo efecto no pueda ser reducido o compensado con medidas adecuadas.

## ARTÍCULO 7

### TÉRMINOS Y CONDICIONES GENERALES DE LAS FACILIDADES

1. La ejecución de las Facilidades descritas en el Artículo 5, así como los Términos y Condiciones Generales referidos en el presente Artículo, deberán llevarse a cabo de conformidad con el Anexo 2 del presente Acuerdo.
2. Los Bienes Sudafricanos que se adquieran en virtud del presente Acuerdo deberán ser comprados a una Entidad sudafricana, exceptuando las semillas a las que se refiere el Artículo 5, apartado 1, inciso 1.2.
3. Los Bienes Sudafricanos no podrán obtenerse de un proveedor restringido por el Tesoro Nacional de RSA.
4. Sin importar cualquier otra disposición del presente Acuerdo, cualquier riesgo relacionado con la tasa de cambio correrá a cargo de Cuba.

## ARTÍCULO 8

### REVISIÓN

1. Las Partes podrán revisar el presente Acuerdo en cualquier momento.
2. Las Partes podrán concertar futuros acuerdos que permitan ampliar las relaciones económicas bilaterales.

## **ARTÍCULO 9**

### **ENMIENDA**

1. El presente Acuerdo podrá ser modificado de mutuo acuerdo entre las Partes mediante un intercambio de notas por la vía diplomática.
2. Las modificaciones entrarán en vigor de acuerdo a lo establecido en el Artículo 11, apartado 1, de este Acuerdo.

## **ARTÍCULO 10**

### **SOLUCIÓN DE CONFLICTOS**

Cualquier conflicto que surja de la interpretación, aplicación o ejecución del presente Acuerdo será resuelto de manera amistosa mediante consultas o negociaciones entre las Partes por la vía diplomática.

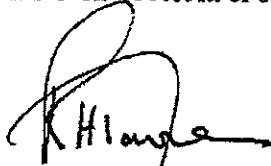
## **ARTÍCULO 11**

### **ENTRADA EN VIGOR, VIGENCIA Y TERMINACIÓN**

1. Las Partes deberán notificar por escrito a través de la vía diplomática el cumplimiento de los procedimientos constitucionales necesarios para la ejecución del presente Acuerdo. El mismo entrará en vigor el día de la última notificación.
2. El presente Acuerdo permanecerá en vigor hasta que las obligaciones de las Partes y las condiciones derivadas del mismo, hayan sido cumplidas. No obstante, las Partes podrán convenir la terminación anticipada del presente Acuerdo. Una vez acordada la terminación anticipada, esta podrá confirmarse mediante un aviso por escrito por la vía diplomática.

EN FE DE LO CUAL, los abajo firmantes, siendo debidamente autorizados por sus Gobiernos respectivos, han firmado y sellado este Acuerdo en dos originales en los idiomas inglés y español, siendo todos los textos igualmente auténticos.

DADO en Pretoria el 03 de Febrero de 2012



POR EL GOBIERNO DE  
LA REPÚBLICA DE  
SUDÁFRICA



POR EL GOBIERNO DE  
LA REPÚBLICA DE  
CUBA

## ANNEX NO. 1

### SPECIFICATIONS REQUIRED FOR IMPLEMENTING THE DONATION FOR THE ACQUISITION OF SEEDS OFFERED TO CUBA BY SOUTH AFRICA

#### ARTICLE 1

##### GENERAL CONDITIONS

1. RSA and Cuba have determined to develop cooperation in agriculture, particularly the acquisition of seeds by Cuba by a non-reimbursable funding facility offered by South Africa. This will provide important support for the programme developed by Cuba to achieve food security.
2. This Annex shall establish the procedures required for the importation of the seeds described below and applies only to this agreement.
3. Article 6.1, of this Agreement provides that South Africa shall donate R40 million for the purchase of seeds by Cuba; of these a minimum of R5 million shall be used to purchase seeds in the RSA market, and the remainder of R35 million may be used for the purchase of seeds from any other country including RSA.
4. In accordance with the World Trade Organization Agreement on the Application of Sanitary and Phytosanitary Measures (WTO SPS Agreement), the Parties have the right to take sanitary and phytosanitary (SPS) measures necessary for the protection of human, animal, or plant life or health, provided that such measures are not inconsistent with the provisions of this Agreement. The Parties have to ensure that any SPS measure is applied only to the extent necessary to protect human, animal or plant life or health, and that the measures are based on scientific principles and are not maintained without sufficient scientific evidence, except as provided for in Paragraph 7 of Article 5 of the WTO SPS Agreement.

#### ARTICLE 2

##### DEFINITIONS

1. For this Annex, Parties agreed to use Terms and Definitions as contained in the International Standard for Phytosanitary Measures (ISPM) No.5 (Glossary of Phytosanitary terms, 2009):

**Phytosanitary Certification:** Use of phytosanitary procedures leading to the issue of a Phytosanitary Certificate.

**Additional Declaration:** A statement that is required by an importing country to be entered on a Phytosanitary Certificate and which provides specific additional information on a consignment in relation to regulated pests.



**Consignment:** A quantity of plants, plant products and/or other articles being moved from one country to another, and covered, when required, by a single Phytosanitary Certificate.

**Infestation:** Presence in a commodity of a living pest of the plant or plant product concerned. Infestation includes infection.

**Phytosanitary Permit:** Official document authorizing importation of commodity in accordance with specified phytosanitary import requirements.

**Contaminating Pest:** A pest that is carried by a commodity and, in the case of plants and plant products, does not infest those plants or plant products.

**Quarantined Pest:** A pest of potential economic importance to the area endangered thereby and not yet present there, or present but not widely distributed and being officially controlled.

**Regulated Pest:** A quarantine pest or or regulated non-quarantined pest.

**Commodity:** Type of plant, plant product or other article that is moved for commercial or other purposes.

### ARTICLE 3

#### DESCRIPTION OF SEEDS OF INTEREST FOR CUBA TO BE PURCHASED WITH THE DONATION OFFERED BY RSA

1. The following seeds, with indicated specifications, may be acquired in South Africa:
  - 1) **Onion** (*Allium cepa*) (for short days and adaptable to the tropics, suitable for the latitude and altitude of Cuba).
  - 2) **Sunflower** (*Helianthus annuus*)(for extraction of oil).
2. RSA shall send onion seed samples (1 Kg) of each of the 15 varieties that may be supplied to Cuba with the purpose of having the competent Cuban authority evaluate its effectiveness during the Cuban sowing season (October-April). This is a vital condition for the acquisition of onion seeds from RSA market. A potato seed sample will be sent to Cuba for the same purpose.
3. The following seeds may be acquired in markets of any other country or in RSA market if available and having the specifications indicated herein:
  - 1) **Leek** (*Allium porrum*) variety, with good adaptability to high temperatures and relative humidity, as well as resistance to common leaf diseases for this species (example. *Alternaria* spp.). The variety used in Cuba is the large American flag.
  - 2) **Basil** (*Ocimum basilicum*).
  - 3) **Celery** (*apium graveolens*), the leaf and stem type variety used in Cuba (Ex. *UTA 5270* variety).
  - 4) **Marigold** (*Calendula officinallis*)

- 5) **Cardoon** (*Cynara cardunculus*)
- 6) **Spring Onions** (*Allium fistulosum*), preferably varieties that produce sprouts or multiple stems. Adaptable to heat and resistant to common leaf diseases for this species).
- 7) **Cilantro** (*Coriandrum sativum*)
- 8) **White and Red Cabbage** (*Brassica oleracea* var. *Capitata*), resistant to high temperatures, bacterial diseases and highly resistant to damage caused by the cabbage moth worm, *Plutella xylostella*. Preferably early varieties with good conduct for over-maturity and cold storage.
- 9) **Tarragon** (*Artemisia dracunculoides*)
- 10) **Bean** (*Phaseolus vulgaris*)
- 11) **Green Bean** (*Phaseolus vulgaris*), varieties of low-growing seeds that preferably form groups at harvest. They are destined for fresh consumption and industrial processing. They may be 12-15 cm. long. Pods are a deep green and preferably straight. We can also acquire climbing green beans (French type) to grow in growing houses or in the open.
- 12) **Chinese beans** (*Vigna unguiculata*) varieties popularly used by Asians and East Indians. Grown in Cuba in the warm, wet months (April-October) when it is impossible to produce the *Phaseolus* type beans.....They have pods longer than 30 cm and are grown on stakes.
- 13) **Ginger** (*Zingiber officinale*)
- 14) **Lettuce** (*Lactuca sativa*), the mostly used type with leaves of the *secalinalis* and *longifolia* variety, Roman type, the reference variety is *Black Seeded Simpson*. What is fundamental is its resistance to heat and that it does not flower prematurely or become bitter, that grows well and resistant to fungal diseases.
- 15) **Chamomile** (*Matricaria chamomilla*)
- 16) **Turnip** (*Brassica rapa*).
- 17) **White Cantonese Pak Choy** (*Brassica campestris* subsp. *chinensis*)
- 18) **Potato** (*Solanum tuberosum*)
- 19) **Gherkin** (*Cucumis dipsaceus*) (for industrial use)
- 20) **Cucumber** (*Cucumis sativus*) (undetermined planting for growing houses and open fields)
- 21) **Parsley** (*Petroselinum crispum* (Miller) Nyman ex A.W. Hill and *Petroselinum hortense* Hoffm. (1814)).
- 22) **Pimento** (*Capsicum annum*) (undetermined planting for growing houses and open fields)
- 23) **Radish and White Radish** (*Raphanus sativus* L), varieties adapted to the heat and white in color, 15-30 cm long. ( Ex. *mino summer cross* and *mino spring cross*)
- 24) **Beet** (*Beta vulgaris* subsp. *vulgaris* L.)
- 25) **Sage** (*Salvia officinalis*)

- 26) Tomato (*Lycopersicon esculentum*) (for industrial use, high brix, uniform maturity and resistance or tolerance to geminivirus).
- 27) Tomato (undetermined planting for growing houses or greenhouses)
- 28) Cherry Tomato (undetermined planting for growing houses or greenhouses).
- 29) Thyme (*Thymus vulgaris*)
- 30) Carrot (*Daucus carota*). *sativa* variety. *Chantenay* or *Nantes* type. Adapted to high temperatures, resistant to *Alternaria dauci* and *Alternaria* spp. . Large size.
4. Cuba may acquire other seeds not described in Articles 3.1 and 3.3 in this Annex in the markets of any other country or in the RSA market, if available,.

#### ARTICLE 4

##### PHYTOSANITARY MEASURES FOR THE IMPORTATION OF RSA SEEDS DESTINED FOR CUBA

The phytosanitary authorities of both countries, based on laboratory tests and on the inspection of production sites and entry points as the case may be, shall bear in mind the following aspects:

1. Seeds coming from the RSA market must have higher than 95 percent germination. Their other quality parameters such as humidity, purity, etc., shall be checked as established by the International Seed Testing Association (ISTA).
2. Seeds shall be free of soil and other alien waste at introduction. They shall be contained in new containers, duly identified and the packing shall be free of pests and soil. The package and the wooden packing shall comply with ISPM No. 15 (Guidelines for regulating wood packaging material in International trade, 2009).
3. Seeds referred to in this Annex must be free from quarantined pests, so that they fulfill phytosanitary requirements established by Cuba for safe importation.
4. Seeds shall come from growing areas submitted to regular inspection by officials accredited to do so by the competent RSA phytosanitary authority, after having been sampled and tested in the laboratory, finding them free of the pests regulated by Cuba.
5. Tests shall be done by the South African National Plant Protection Organization's (NPPOZA) diagnostic laboratory in order to determine the phytosanitary conditions of the seeds for export. The phytosanitary authorities of Cuba and RSA may carry out inspections in origin of seeds acquired in RSA with the support of the RSA government, on the basis of the relevant Phytosanitary Permit, issued by the phytosanitary authority of Cuba.
6. The RSA phytosanitary authority shall issue the Phytosanitary Certificate in compliance with ISPM No.12 (Guidelines for phytosanitary certificates, 2001) for each consignment and according to the import requirements as issued in the

phytosanitary permit in force, issued by the Cuban phytosanitary authority. Export of seed consignment to Cuba shall be accompanied by the original Phytosanitary Certificate.

7. The Phytosanitary Certificate must be issued by an official authorized to do so by the RSA phytosanitary authority. The seeds shall comply with the phytosanitary import requirements of Cuba.
8. The Phytosanitary Certificate must carry the following phrase as an Additional Declaration: "The product covered by this Certificate complies with the Phytosanitary Import Requirements of the Republic of Cuba, according to Permit \_\_\_\_\_"<sup>1</sup>. Should there be more than one lot, these must be shown on the phytosanitary certificate issued. This permit shall expire at the end of the authorized period or when the import requirements stated therein are not fulfilled.
9. In the event of having been submitted to disinfection or fumigation, seeds coming from RSA must arrive covered by the corresponding "Fumigation Certificate" on which the date of treatment, product used, dose and exposure time are specified.
10. The Phytosanitary Certificate or other documents required by the Cuban importer shall be requested by the South African exporter from the RSA competent authority and delivered to the Cuban importer.
11. Seed consignments originating in RSA arriving at Entry Points in Cuba shall be submitted for inspection by sampling and laboratory tests to determine the phytosanitary condition and compliance with the import requirements established by the Cuba phytosanitary authority. Results of the laboratory analysis and experimental evaluation will be sent to RSA through diplomatic channels.
12. Should the presence of quarantined pests be detected in seeds at the phytosanitary inspections done on their arrival in Cuba, measures shall be taken to guarantee their decontamination. Should this not be done, the seeds will be re-exported or destroyed.

## **ARTICLE 5**

### **REQUIREMENTS TO BE FOLLOWED FOR THE IMPLEMENTATION OF THE DONATION FOR THE PURCHASE OF SEEDS OFFERED TO CUBA BY RSA**

1. For practical purposes of the donation for the purchase of seeds offered to Cuba by RSA, the supplier, regardless of their nationality, and the Cuban importer shall sign an Export Contract.
2. The exporter shall ensure that the contracted seeds be shipped, by sea or by air, within 14 days following the issuance by the competent RSA authority of the corresponding phytosanitary certificates.

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<sup>1</sup> This number will change every time the corresponding Phytosanitary Permit is issued.

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3. The exporter and the importer, in agreement and compliance with their respective obligations, must duly collaborate and act in the most efficient manner for both Parties.

## ANNEX 2:

### OPERATIONAL FACILITY ARRANGEMENT

This Annex enables the Facility Agents as referred to in clause 7 hereto and Article 3 of the Agreement and appointed by the Parties to implement the Economic Assistance Package.

#### 1. RECITALS

- a) This Annex contains the general terms and conditions for the implementation of the Facilities A, B and C that RSA offers to Cuba.
- b) The Parties agree to act in good faith in respect of this Annex.

#### 2. DEFINITIONS AND INTERPRETATION

The terms used but not defined in this Annex are used as defined in the Agreement, unless the context otherwise requires. In respect of this Annex, the expressions set out below have the following meanings:

**"Business Day"** means a day which is not a bank holiday, a holiday for financial institutions, a public holiday or a weekend in RSA or Cuba or other relevant country;

**"Contract Value"** means the total value of the Export Contract, exclusive of South African Value Added Tax ("VAT") thereon (if any);

**"Fund Reserve Request"** means the fund reserve request in the form set out in Schedule 1 (Form of Fund Reserve Request);

**"Disbursement Request"** means the disbursement request in the form set out in Schedule 2 (*Form of Disbursement Request*);

**"Relevant Costs"** means the aggregate of the purchase price of SA Goods plus shipping, freight, insurance and administrative fees in respect of the conclusion of each Export Contract;

**"SA Content"** means the Contract Value shall have a minimum of at least 50% of a combination of the following elements:

- a. The costs of raw materials and goods manufactured or produced in RSA, and Associated Services thereto obtained from the South African Exporter minus the value of any material, goods or major components of manufactured goods which have been imported from sources outside RSA;
- b. Wages, salaries and other remuneration paid by the South African Exporter in South Africa to its employees and such portions of wages, salaries and other remuneration payable to the South African Exporter in South Africa;

- c. Insurance and freight charges paid in respect of an Export Contract administered by an entity in South Africa;
- d. Finance charges paid to any financial institution normally operating in South Africa;
- e. Fees and charges paid for any other services performed in South Africa on the South African Exporter's behalf by a South African resident organisation; and
- f. Fees and profits accruing to the South African Exporter.

**"Supporting Documents"** means such documents evidencing Relevant Costs as provided by Borrower's Facility Agent to Lender's Facility Agent which shall include:

- Each Fund Reserve Request;
- Each Disbursement Request;
- 3 (three) quotations from the suppliers with motivation from the Cuban Importer providing the rationale for the quote chosen. Where there is only 1 (one) supplier of a product a motivation to that effect;
- Original invoice(s);
- Unconditional contract between Importer and Exporter;
- Exporter's declaration of SA Content; and
- One original bill of lading.

### **3. DRAWDOWN PROCEDURES FOR THE GRANTS AND LOANS**

The drawdown procedures applicable to Facilities A, B and C are as follows:

- a) The Lender's Facility Agent shall only be obliged to disburse the grants under Facility A and B and loans under Facility C to the Exporter provided that the following draw down procedures and conditions have been fulfilled:
  - 3.1.1 The Borrower's Facility Agent shall present a Fund Reserve Request to the Lender's Facility Agent in favour of the SA Exporter, as provided for in Schedule 1, taking into account the three quotations as received on a CIF basis (according to INCOTERMS 2010) and indicating the preferred quote;
  - 3.1.2 The Lender's Facility Agent will provisionally make the allocation based on the specific Fund Reserve Request provided. The Lender's Facility Agent shall not make any disbursement based on this allocation;
  - 3.1.3 The Lender's Facility Agent shall have the right to perform random enquiries to the SA Exporter with respect to the SA Content per Fund Reserve Request submitted. Should the Lender's Facility Agent decide to inspect the Fund Reserve Request submitted, it shall within 2 (two) Business Days of receipt advise the Borrower's Facility Agent of its intention to perform the inspection;
  - 3.1.4 The Lender's Facility Agent will then issue a non-committal allocation of funds letter to the SA Exporter with a copy to the Borrower's Facility Agent, with no commitment for the Fund Reserve Request received, enabling the Cuban Importer to conclude the contract with the South African Exporter;
  - 3.1.5 The funds will be allocated for a period of 30 (thirty) Business Days;
  - 3.1.6 Once the Importer submits the Export Contract signed under acceptable conditions to the Borrower's Facility Agent, it shall issue a Certificate to the Exporter with a copy to the Importer and to the Lender's Facility Agent, confirming that the payment of the obligations corresponding to the abovementioned contract shall be made subject to the fulfilment of the conditions set out in it, using the reserved funds, according to Schedule No. 2;
  - 3.1.7 The Borrower's Facility Agent shall authorize the disbursement of the funds reserved on the submission of the Disbursement Request subject to the fulfilment of the conditions provided for in the Export Contract relating to the execution of the payment;



- 3.1.8 The Lender's Facility Agent shall make the payment within 5 (five) business days of the receipt of the Disbursement Request provided that the Supporting Documents submitted are complete and acceptable. In the event that any of the Supporting Documents are incomplete or incorrect, the Lender's Facility Agent shall advise the Borrower's Facility Agent accordingly;
- 3.1.9 The Cuban Importer and/or the South African Exporter will be requested to provide the correct Supporting Documents. The funds reserved for this contract will continue pending the submission of the outstanding documents;
- 3.1.10 The Borrower's Facility Agent shall within 10 Business Days of receipt thereof submit the original Bill of Lading to the Lender's Facility Agent;
- 3.1.11 In the event that the Supporting Documents are not received within the specified time frame, then the allocated funds shall be released and made available for another Fund Reserve Request, unless an extension of the reservation is requested by the Borrower's Facility Agent;
- 3.1.12 The Lender's Facility Agent may withdraw an allocation for the Exporter provided that the Borrower's Facility Agent has requested such cancellation in writing and confirms that there is no obligation to the South African Exporter;
- 3.1.13 The proposed date for the disbursement of the grant or loan shall be a Business Day within the Availability Period;
- 3.1.14 The amount of such disbursement request(s) shall be a minimum of R2.5 million (two and a half million rand) unless the available balance is less than R2.5 million, in which event the disbursement request(s) may be less than or equal to the current available balance;
- 3.1.15 All approved draw downs shall be paid to the nominated Exporter in respect of Disbursement Request(s).
  - b) The payments shall be made directly to the Exporter based on the Supporting Documents that have been submitted to the Lender's Facility Agent by the Borrower's Facility Agent. The Lender's Facility Agent is not responsible for the adequacy and/or completeness of any information (whether oral or written) supplied by the Borrower's Facility Agent.
- 3.3 The Parties agree that the Fund Reserve Request may be initially submitted electronically. The original Fund Reserve Request shall be delivered together with the original disbursement request by the Borrower's Facility Agent to the Lender's Facility Agent.

3.4 All payments to the Exporter shall be made in RAND as reflected in the Disbursement Request, except that payments for Component B of Facility A will be made in RAND or Euro.

3.5 The applicable exchange rate will be as contained in the Export Contract.

#### **4. STATEMENTS OF ACCOUNT**

- a) The Lender's Facility Agent shall provide a statement of account in RAND to the Borrower's Facility Agent in respect of each Facility on a monthly basis reflecting the following details:
  - 4.a.1. In respect of Facility A and B, the balance available together with the amounts and dates of the previous disbursements including the details of the supplier;
  - 4.a.2. In respect of Facility C, the outstanding balance, including interest due to the Lender together with the amounts and dates of previous disbursement and repayments.
- b) The statements of account shall reflect any allocation that has been made to management fees.
- c) The Borrower's Facility Agent shall open in its books, accounts for their register and control of the operations under each Facility. Once the Lender's Facility Agent's statement of account has been received, the Borrower's Facility Agent shall confirm its acceptance or state any discrepancy. The accounts shall be closed at the conclusion of the obligations contained in this arrangement.

#### **5. MANAGEMENT FEES**

- 5.1 The Management Fees payable in respect of the facilities will be settled from the interest that will be payable by the Borrower's Facility Agent in respect of Facility C. The Management Fees shall not exceed the respective interest rates payable in respect of Facility C.
- 5.2 In the event that the Borrower's Facility Agent fails to pay the interest in the established term and this affects the collection of the Management fees by the Lender's Facility Agent, the Lender's Facility Agent shall notify the Borrower's Facility Agent about it immediately, who shall fulfill its obligation within 30 days. If this is not accomplished in this period, the Lender's Facility Agent shall be allowed to set off the outstanding management fees from the undrawn portion.

## **6. PURCHASE OF SA GOODS AND INDEMNITY**

- a) The legality, validity and effectiveness or enforceability of the Export Contract relating to the purchase of SA Goods or any arrangement between the Exporter and Importer in connection with SA Goods will be the responsibility of the Importer and Exporter, and should be specified in the Export Contract.
- b) The Parties and their relevant Facility Agents shall exercise due care and diligence in the performance of their duties in terms of this Agreement.

## **7. APPOINTMENT OF THE FACILITY AGENTS**

Each Party shall appoint a Facility Agent within 10 (ten) business days of the signature hereof to ensure the implementation of this Agreement.

## **8. EVENTS OF DEFAULT**

An event of default occurs when any of the following takes place:

- a) Using any of the Facilities provided for purposes other than stipulated;
- b) Non-repayment of Facility C owed by the Borrower to the Lender; or
- c) Any act of bad faith on the part of Facility Agents.

## **9. AMICABLE RESOLUTION**

9.1 In the event of default, the procedures set out in Article 10 of the Agreement shall apply.

9.2 In such event, the Lender may suspend new disbursements pending resolution.

## **10. MONITORING**

The Parties are entitled to monitor or verify the application of any amount granted pursuant to this Annex. The Facility Agents shall exchange Statements of Account regularly. The Parties shall exchange reports annually in accordance with Article 2.2 of the Agreement.

## **11. SPECIFIC CONDITIONS IN RESPECT OF FACILITY A: SEED GRANT**

### **11.1 PURPOSE**

- 11.1.1 The Grantee shall use the grant solely for purchasing seeds as stipulated in Annex I (Seed Specifications).

11.1.2 The grant shall be disbursed in two components, namely Component A and Component B.

11.1.3 Component A shall consist of a minimum of R 5 million (five million Rand) and shall be used to purchase seeds from South African Exporters.

11.1.4 Component B shall consist of maximum of R35 million (thirty five million) for the purchase of seeds from any country. Component B can be used to purchase any seeds from RSA if needed.

## **11.2 AVAILABILITY PERIOD**

The availability period shall be for a period of 24 (twenty four) months from the date of entry into force of the Agreement.

## **11.3 REPAYMENT**

There is no obligation on the Grantee to repay Facility A

## **12. SPECIFIC CONDITIONS IN RESPECT OF FACILITY B: SOLIDARITY GRANT**

### **12.1 PURPOSE**

The Grantee shall apply all amounts of the Solidarity Grant provided by Grantor solely for the purpose of financing purchase of SA Goods.

### **12.2 AVAILABILITY PERIOD**

The availability period shall be for a period of 24 (twenty four) months from the date of entry into force of the Agreement.

### **12.3 REPAYMENT**

There is no obligation on the Grantee to repay Facility B.

## **13. SPECIFIC CONDITIONS IN RESPECT OF FACILITY C: LINES OF CREDIT**

### **13.1 PURPOSE**

13.1.1 The Lender agrees to make a loan available to the Borrower in the aggregate amount of ZAR210,000,000 (the "Loan").

13.1.2 The Loan shall be disbursed in two tranches, namely Tranche A and Tranche B.

13.1.3 Tranche A (in the aggregate amount of R70 million (seventy million Rand) shall be made available to the Borrower immediately after entry into force of the Agreement and Tranche B (in the aggregate amount of R140 million (one hundred and forty million Rand) shall be made available to the Borrower after the Loan in Tranche A has been fully disbursed and the Loan (capital amount and interest thereto) has been fully repaid by the Borrower to the Lender.

### **13.2 AVAILABILITY PERIOD**

The availability period shall be as follows:

*Tranche A*

A period of 12 (twelve) months from date of entry into force of the Agreement.

*Tranche B*

A period of 24 (twenty four) months from the fulfilment of suspensive conditions contained in Clause 15.1.1

### **13.3 REPAYMENT**

The repayments in respect of Tranche A shall be as follows:

13.3.1 The Loan shall be repaid within 1 (one) year following the expiry of the Availability Period of Tranche A, in equal quarterly capital payments following the expiry of the Availability Period of Tranche A.

The repayments in respect of Tranche B shall be as follows:

13.3.2 The Loan shall be repaid within 5 (five) years following the expiry of the Availability Period of Tranche B, in equal semi-annually capital payments following the expiry of the Availability Period of Tranche B.

13.3.3 Payment of interest shall made as follows:

Tranche A: quarterly

Tranche B: semi-annually

Interest will be calculated on the outstanding balance of each disbursement from day to day on the basis of a year of 365 days, compounded monthly on the last day of every month.

13.3.4 The capital and interest payments will be made as follows:

Tranche A: On the 31<sup>st</sup> of March, 30<sup>th</sup> of June, 30<sup>th</sup> of September, and 31<sup>st</sup> of December.

Tranche B: On the 30<sup>th</sup> of June and the 31<sup>st</sup> of December.

Should the payment date be on a day other than a Business Day, payment will be effected on the next Business Day.

13.3.5 The Borrower's Facility Agent shall effect the repayment in RAND.

13.3.6 The Lender's Facility Agent shall advise the Borrower's Facility Agent by means of a letter of the banking details where the repayments shall be made.

## **14 INTEREST RATE**

The interest rate that is applicable shall be as follows:

14.1 Tranche A: 3% (three percent) per annum;

14.2 Tranche B: 4% (four percent) per annum.

## **15 SUSPENSIVE CONDITIONS TO TRANCHE B**

15.1 Tranche B shall be available when the following conditions have been fulfilled:

15.1.1 That Tranche A, together with the interest will have been paid in full to the Lender's Facility Agent.

**SCHEDULE 1: FORM OF FUNDS RESERVE REQUEST**

**Facility [•] [NOTES: [details of facility and facility amount, e.g. FACILITY C:  
Tranche A OR B (ZAR70,000,000)]**

[Letterhead of the Borrower]

To: The Lender's Facility Agent  
South Africa  
[•] [NB: Address]

Date [•]

Dear Sir/Madam

FUNDS RESERVE REQUEST NO: [•].....

**Request for reservation of the funds under the Facility Agreement (the "Facility Agreement"), dated [•] 2011 and made between the Government of the Republic of Cuba, as Borrower/Grantee and the Government of the Republic of South Africa, as Lender/Grantor thereto**

We refer to the Facility Agreement and the Terms used herein shall have the meaning given to them in the Facility Agreement.

We hereby apply for the reservation in terms of the Agreement in the amount of [Rxxx] (words) to the supplier reflected herein below.

In terms of the Agreement:

- 1) we attach herewith the 3 (three) quotations from the suppliers with motivation from the Cuban Importer providing the rationale for the quote chosen. Where there is only 1 (one) supplier of a product a motivation to that effect; and
- 2) attached herewith the exporter's declaration of SA content.

We furthermore confirm that:

1. the Borrower's Facility Agent acknowledged that the Lender's Facility Agent is not obliged to make payment under this Fund Reserve Request

**For and on behalf of the Borrower**

**By:**

**Name:**

**By:**

**Name:**



CERTIFICATE

No. \_\_\_\_

This is to certify that the contract No. \_\_\_\_\_ signed between (Exporter) and (Importer) on \_\_\_\_\_ for an amount of ZAR \_\_\_\_\_, fall within the coverage of the Agreement on Economic Assistance between the Government of the Republic of South Africa and the Government of the Republic of Cuba, signed on \_\_\_\_\_.

Taking into consideration our Fund Reserve Request No. \_\_, we confirm that a Disbursement Request to the Lender's Facility Agent shall be submitted, upon receipt of all the required documents duly complied for the execution of the payment, as established in the Export Contract.

We hereby declare that this Certificate is issued in accordance with the terms stipulated in Annex 2 of the Agreement on Economic Assistance between the Government of the Republic of South Africa and the Government of the Republic of Cuba, signed on \_\_\_\_\_.

Signed on behalf of the \_\_\_\_\_.

Position: \_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

Place and date of signature: Havana, Cuba, on \_\_\_\_\_, 20\_\_

**SCHEDULE 3**

**FORM OF DISBURSEMENT REQUEST**

**Facility [•] [NOTES: [details of facility and facility amount, e.g. FACILITY C:  
Tranche A (ZAR70,000,000)]**

[Letterhead of the Borrower]

To: The Lender's Facility Agent  
South Africa  
[•] [NB: Address]

Date [•]

Dear Sir/Madam

DISBURSEMENT REQUEST NO: [•].....

**Request for approval of payment under the Facility Agreement (the "Facility Agreement"), dated [•] 2011 and made between the Government of the Republic of Cuba, as Borrower/Grantee and the Government of the Republic of South Africa, as Lender/Grantor thereto**

We refer to the Facility Agreement and the Terms used herein shall have the meaning given to them in the Facility Agreement.

We hereby apply for the payment in terms of the Agreement in the amount of [Rxxx] (words) to the supplier reflected herein below.

In terms of the Agreement, we declare that the terms and conditions of the Agreement under which we request this payment are in accordance with the terms and conditions of this request.

1.                   RAND  
                      Disbursement  
                      Amount:
  
2.                   Exchange  
                      rate  
                      applicable (if  
                      required) and

- foreign  
currency  
amount
3. Name of  
Bank and  
banking  
details
  4. Delivery  
Date:
  5. Repayment  
Date:
  6. Dated of  
Payment:
  7. Name of  
Supplier:

We furthermore confirm that:

1. The Cuban importer has confirmed that it has fulfilled all obligations related to the payment;
2. This Request is in compliance with the Export Contract;
3. The Export Contract remains in full force and effect as at the date hereof; and
4. The Disbursement Request is accompanied by all necessary Supporting Documents, which include the original invoice, the unconditional contract agreed between the Importer and the Exporter;

For and on behalf of the Borrower

By:

Name:

By:

Name:

**SCHEDULE 4**

**SOUTH AFRICAN CONTENT DECLARATION**

**Facility [•] [NOTES: details of facility and facility amount]**

(Exporter's letterhead)

To: The Lender's Facility Agent  
South Africa  
[NB: Address]

Dear Sir

**Facility Agreement (the "Facility Agreement"), dated [•] 2011 and made between the Government of the Republic of Cuba, as Borrower/Grantee and the Government of the Republic of South Africa, as Lender/Grantor**

**SOUTH AFRICAN CONTENT DECLARATION NUMBER:**

We refer to the Agreement and Operational Facility Arrangement. Terms used herein shall have the meaning given to them in the Agreement and Operational Facility Arrangement. This declaration is made in respect of the Fund Reserve Request.

As [•] (Notes: capacity) of \_\_\_\_\_ (Name of Exporter), being duly authorised hereto, I declare and confirm that:

- 1 the total value of Goods to be supplied to the Cuban Importers in respect of the Export Contracts is ZAR \_\_\_\_\_;
- 2 ZAR \_\_\_\_\_ represents the value of Goods to be delivered to the Cuban Importers with South African Content;
- 3 the balance of the amount referred to in paragraph 1 above, namely ZAR \_\_\_\_\_, represent Goods to be delivered to the Cuban Importer without South African Content;
- 4 the South African Content is not less than \_\_\_\_\_% of the value of the Goods referred to in paragraph 2;
- 5 the Non-South African Content is not more than \_\_\_\_\_% of the value of the deliveries referred to in paragraph 3;
- 6 the total South African Content of the Goods referred to in paragraph 1 is not less than \_\_\_\_\_%;

- 7 the cumulative South African Content of the Goods to be delivered to date and the Goods to be delivered in terms of the Export Contracts shall be no less than 50% of the Contracts Value;
- 8 the information given in paragraph 4 shall be based on the certificates of origin, records and all relevant documents to be provided by the South African Export Contractors; and
- 9 the information given in paragraphs 4 and 5 and, accordingly, paragraph 6 shall be based on:
  - certificates of origin and/or letters confirming the percentage of South African Content of the Goods to be delivered by the South African Export Contractor who will supply Goods valued in terms of the Export Contracts and which letters have been issued by the directors of such contractors and/or suppliers;
- (a) certificates of origin and/or letters confirming the percentage of South African Content of the Goods to be delivered by South African Export Contractors under the Export Contract and which letters have been issued by the directors of such contractors and/or relevant authority.

In my opinion, based on my examination of the aforementioned certificates of origin and letters, records and documents, the amount stated in paragraph 6 fairly represents the minimum South African Content of all Goods to be delivered during the period ending \_\_\_\_\_ in terms of the Export Contracts.

Please submit this declaration and the attached schedule containing a summary of the procurement costs together with invoices and/or other documentary evidence of expenditure to **Lender's Facility Agent** for its approval, without any liability on you part to verify the correctness of the contents hereof or the attached summary.

Yours faithfully

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For and on behalf of

**[INSERT NAME OF EXPORTER]**

IN WITNESS whereof the Parties hereto have caused this Agreement to be duly executed on the date first written above.

**THE EXPORTER**

\_\_\_\_\_  
By: .....  
Name Printed: .....  
Title: .....

By: .....  
Name Printed: .....  
Title: .....

