

**INSTITUT MERIEUX AND BOTSWANA VACCINE
INSTITUTE (PTY) LTD
TAX AGREEMENT (RATIFICATION) ACT, 1990**

No. 22



of 1990

**An Act to ratify a Tax Agreement entered into between the Govern-
ment of the Republic of Botswana and Institut Merieux and Botswana
Vaccine Institute (Pty) Ltd.**

Date of Assent: 21st December, 1990.

Date of Commencement: 28th December, 1990.

ENACTED by the Parliament of Botswana

1. This Act may be cited as the Institut Merieux and Botswana Vaccine Institute (Pty) Ltd. Tax Agreement (Ratification) Act, 1990. Short title

2. The Tax Agreement entered into between the Government of the Republic of Botswana, Institut Merieux and Botswana Vaccine Institute (Pty) Ltd. on 16th April, 1986, set out in the Schedule hereto, is hereby ratified. Ratification
of Agreement

SCHEDULE

**FOOT AND MOUTH DISEASE VACCINE PROJECT TAX AGREEMENT
between
THE GOVERNMENT OF THE REPUBLIC OF BOTSWANA
and
INSTITUT MERIEUX
and
BOTSWANA VACCINE INSTITUTE (PROPRIETARY) LIMITED**

This Agreement is made this 16th day of April, 1986 between the Government of the Republic of Botswana (hereinafter referred to as the "Government") represented by the Honourable Minister of Finance and Development Planning of the one part and Institut Merieux a company incorporated under the law of France and having its registered office in Lyon - 17, Rue Bourgelet 69002 Lyon, France represented by DR HUBERT FAVRE and Botswana Vaccine Institute (Proprietary) Limited a company incorporated under the laws of Botswana and having its registered office at Plot 6385 Broadhurst Industrial Estate, Gaborone, Botswana, of the other part.

WHEREAS on the 12th May, 1978 the Government and Institut Merieux entered into an Agreement, known as the Foot and Mouth Disease Vaccine Project Agreement (hereinafter referred to as "the Main Agreement") whereby Institut Merieux agreed to develop in Botswana production and research into and other facilities for the manufacture of foot and mouth disease vaccine;

WHEREAS the Government has established the Botswana Vaccine Institute (Pty) Ltd (hereinafter referred to as BVI) under a subsidiary agreement No. 6 dated 14th September, 1979 to assume all rights and obligations of the Government as set out in the Main Agreement;

AND WHEREAS in terms of Article 8 of the Main Agreement, the Government has agreed to take necessary measures to exempt Institut Merieux and its seconded staff in Botswana and B.V.I. from income tax;

NOW THEREFORE, in furtherance of the said Agreement the Government, Institut Merieux and B.V.I. have agreed as follows:

1. Amounts accruing to Institut Merieux under the Main Agreement shall be exempt from income tax and branch profits tax.
2. Gross income from employment accruing to seconded employees of Institut Merieux (who are not citizens of Botswana) engaged under the Main Agreement shall be exempt from income tax.
3. Institut Merieux is relieved of all obligations under section 56 of the Income Tax Act and the Seventh Schedule to the said Act in respect of amounts paid to its employees which are exempted from income tax in terms of paragraph two.
4. B.V.I. is relieved of all obligations under section 58 and the Ninth Schedule of the Income Tax Act in respect of amounts paid to Institut Merieux being royalties and management or agency fees which are exempt from income tax under paragraph one.
5. This Agreement shall be deemed to have come into effect on the 12th May, 1978.

THUS DONE and signed on behalf of the Government on this 11th day of October, 1985.

WITNESS

1.
K.G. BAREKI

D.N. MAGANG
(Acting Minister of Finance and Development Planning)
for and on behalf of the Government of the Republic of Botswana

2.
L.O. de SILVA

THUS DONE and signed on behalf of B.V.I. at Gaborone on this 24th day of February, 1986.

AS WITNESS

1.
E. NTSIMA

.....
W.G. SHAW,
for Botswana Vaccine Institute.

2.
P. GRATION

THUS DONE and signed by DR. HUBERT FAVRE on this 16th day of April, 1986 in his capacity as Representative of Institut Merieux on the Board of BVI he being duly authorized thereto.

.....
for Institut Merieux
The Common Seal of Institut Merieux
was hereto affixed in the presence of:

THIERY DESCOLLONGES - Director

FRANCOIS GUILLEMIN - Secretary

PASSED by the National Assembly this 13th day of December, 1990.

C.G. MOKOBI,
Clerk of the National Assembly.