

# **Agreement to Facilitate and Develop Trade among Arab States, (customs facilitation)**

**The Governments of the Member States of the League of Arab States, on the basis of faith in the national unity of the Arab nation, aware of the vitality of Arab economic integration as a step towards Arab economic unity and essential means to promote development within the framework of the Pan-Arab Arab economy, free, developed a coherent and balanced.**

**And an investigation as provided for in Article II of the Charter of the League of Arab States of the need for close cooperation between the countries of the university in economic and financial affairs, including to facilitate and expand trade in the fields of agriculture, industry and related services. Pursuant to the provisions of Articles VII and VIII of the Treaty of Joint Defense and Economic Cooperation between the countries of the Arab League.**

**According to the Economic Council of the League of Arab States (712), Feb. 22 (February) 1978 a new convention to facilitate trade between the countries of the University keep pace with the evolving economic conditions in the Arab world.**

**Agreed among themselves on the following:  
Introductory Chapter  
Definitions**

## **Article I:**

**For the purposes of this Convention, the words and phrases have the meanings indicated opposite thereto below, unless the context indicates otherwise:**

### **1- Convention:**

**Agreement to Facilitate and Develop Trade among Arab States, held between the countries of the Arab League.**

### **2- Arab States:**

**Member State of the Arab League.**

### **3- State party**

**Arab State for which the Agreement is effective for her.**

### **4- Council**

**Economic Council established under Article (8) of the Treaty of Joint Defense and Economic Cooperation between the countries of the Arab League approved by the University Council in 13.04.1950 and any amendment thereto.**

### **5- Customs duties and taxes of similar effect.**

**Charges imposed by a State Party under the customs tariff on imported goods, as well as other fees and taxes imposed on imported goods are not subject to the products of the State party itself, whatever names these fees and taxes.**

**Not included in this definition, the fees levied for a specific service such as demurrage, storage, transport or loading or unloading.**

### **6- Non-tariff barriers:**

**Measures and actions that may be taken by the State party to control imports of non-regulatory or statistical purposes, these include restrictions on particular quantitative restrictions, monetary and administrative restrictions imposed on imports.**

### **7- The least developed countries:**

**States Parties considered by the Council as well.**

# **Chapter I**

## **Provisions**

### **Article II:**

**This Agreement is designed following**

**1- Liberalization of trade exchange between Arab countries of the fees and various restrictions imposed on it, according to the following rules:**

**A - The total liberation of some Arab goods and products between Member States of fees and various restrictions imposed on the country's products.**

**B - Gradual reduction of fees and various restrictions imposed on certain goods and products traded Arab other.**

**C - To provide protection for the rolling Arab goods and products to face competition from non-Arab goods similar or alternative.**

**D - The identification of goods and products referred to in paragraphs - (a, b, c), in light of the guiding criteria set forth in Article IV or determined by the Council.**

**2- Linkage Coordinator between commodity production and trade in Arab, in various ways, and in particular provision of funding facilities for their production.**

**3- To facilitate the financing of trade exchange between Arab countries and the settlement of payments resulting from this exchange.**

**4- Granting special concessions to services associated with trade between the States Parties.**

**5- Adopting the principle of direct exchange in trade between States Parties.**

**6- Taking into account the development conditions of each of the States Parties to the Convention and in particular the situation of the least developed among them.**

**7- The equitable distribution of benefits and burdens arising from the application of the Convention.**

### **Article III:**

**The principles agreed upon in the agreement a minimum of trade cooperation among States Parties. Each State Party has the right features and granting preferences to any state or other Arab states, through the complexity of agreements, whether bilateral or multilateral.**

### **Article IV:**

**Selection of the Arab goods and products referred to in paragraphs (3) and (5) of Article VI and in Article VII, one or more of the following criteria:**

- 1- That the good occupies a strategic place in the consumption pattern of the needs of the population.**
- 2- That the good substantial and continuous demand.**
- 3- That the value of the commodity produces a significant proportion of the gross product of one of the States Parties.**
- 4- Good occupies an important place in the interrelations within the productive apparatus of one of the States Parties.**
- 5- The growth of trade in the good to the increased acquisition of technological capability and appropriate technology and development.**
- 6- To represent the list of major export interest for one of the States Parties.**
- 7- Item to be important for the development of one of the States Parties and face discriminatory or restrictive measures high in foreign markets.**
- 8- That the growth of trade in the good to strengthening Arab economic integration.**
- 9- That the growth of trade in the good to achieve the national security in general and military security in particular.**
- 10- Any other criteria approved by the Board.**

## **Article V:**

**May not resort to economic sanctions between the States Parties in the trade area regulated by the Agreement, except by a decision of the Economic Council and supreme national reasons.**

## **Chapter :**

### **II**

#### **Substantive Provisions**

## **Article VI:**

**Goods shall be exempted from the following Arab customs duties and taxes of equivalent effect and non-tariff barriers imposed on imports:**

- 1- Agricultural and animal products, both in their primary form or after changes are to make it unfit for consumption.**
- 2- Raw materials and non-metallic mineral, both in their primary form or in a form suitable for processing.**
- 3- Semi-manufactured goods contained in the lists approved by the Council if they enter in the production of industrial goods.**
- 4- Goods produced by Arab joint ventures established in the framework of the League of Arab States or Arab organizations working in the scope.**
- 5- Manufactured goods to be agreed upon according to the lists approved by the Council.**

## **Article VII:**

- 1- To be negotiated between the parties concerned on the gradual reduction of customs duties and taxes of equivalent effect imposed on Arab goods imported in the percentages and methods according to the lists approved Alihaalcil.**

**2- Relative reduction shall be gradual and limited period of time the end of which all customs duties and taxes of equivalent effect imposed on trade among the States Parties.**

**3- Without prejudice to the provisions of paragraphs 1 and 2 of this article, the products of the States Parties, which the Council decides that it is less developed, preferential treatment in accordance with the standards and limits established.**

**4- Any State Party may grant any additional features of the State or other Arab countries under bilateral agreements or multilateral, whether or not it is a party to this Convention.**

**5- May not give the State Party any preferential treatment to non-Arab state than those granted to States Parties.**

## **Article VIII:**

**1- To be negotiated between the parties concerned for the purpose of imposing a minimum standard and appropriate customs duties and taxes and restrictions of a similar effect on goods imported from non-Arab countries and be competitive or alternative to Arab goods and issue this decision of the Council, as the Council shall be increased gradually from time to time in consultation with the aforementioned countries.**

**2- States Parties decide a comparative advantage for Arab commodities in the face of non-Arab competition or alternative and priority will be given in the application of government procurement. The Council shall determine the Status Report of comparative advantage and in accordance with the circumstances of each country or group of States Parties taking into account the particular report the comparative advantage of Arab commodities related to food security or national security in general.**

**3- The Council may adopt any other measures beyond the limits referred to in this article, and to**

**address cases of dumping and discriminatory policies that may be taken by non-Arab countries.**

**4- If the products of the States Parties do not cover the needs of the domestic market of the States Parties of import, the latter shall be entitled to import large quantities of similar products to pay off the deficit with respect to the restrictions prescribed in accordance with the provisions of this article.**

### **Article IX:**

**1- Item is required to consider the Arabic for the purposes of this Convention to meet the rules of origin determined by the Board and not less than the value added as a result of its production in the State party on 40 percent of the final value of the commodity at the completion of production. And reduce this ratio to 20 per cent minimum for Arab assembly industries. The Council has a timetable to gradually increase these percentages.**

**2- Any State Party may request the Council to lower the percentage referred to in paragraph (1) of this Article, if the product of a strategic nature, or of particular importance for the country party product, and the approval of the Council be limited to a period of time.**

### **Article X:**

**1- States Parties shall promote, through its monetary policy and banking, including trade and facilitate the provision of necessary funding and expand its base on preferential and concessional.**

**2- puts Arab Monetary Fund in accordance with its Articles of Agreement the appropriate system to facilitate the settlement of payments resulting from the exchange of trade between States Parties and to provide cost proposals for the policy bank, which serves the same purpose to the central banks and Arab monetary institutions in accordance with the directives of the Council.**

**3- Urges financial institutions to a joint Arab accordance with their regulations to promote trade exchanges between States Parties facilitate and provide the necessary funding and expand their base in accordance with the preferential and concessional terms.**

**4- Urged the Arab Institution for Investment Guarantee and Arab institutions competent to provide necessary guarantees for trade exchange between the States Parties in accordance with preferential terms, according to their own systems.**

## **Chapter**

### **III:**

**In supervising the implementation of the Convention**

### **Article XI:**

**1- The Council shall supervise the implementation of the Convention, it shall:**

**A) Develop and publish collective lists of goods exempted from duties and taxes of similar effect and customs restrictions.**

**B) Developing and issuing collective lists of goods enjoying a reduction in fees and taxes of similar effect and customs restrictions.**

**C) Develop and publish lists of non-Arab competition or alternative to Arab goods.**

**D) Determine the rules and conditions under which gradual reduction of duties and taxes of similar effect and customs restrictions.**

**E) Identification of the States Parties to the least developed for the purposes of this Convention.**

**F) Consider complaints of States Parties, including the special problems encountered discrimination in trade transactions with other countries.**

**2- The Board shall issue its decisions with regard to the provisions of this Convention with the consent of two-thirds majority of Member States.**



**3-The Board may form committees delegated some of its powers referred to in this Agreement.**

## **Article XII:**

**The Directorate-General for Economic Affairs of the Secretariat of the League of Arab States to prepare an annual report presented to the Council on the progress of trade between the States Parties to the Convention and the difficulties facing the application and means of dealing with proposals to address it.**

## **Chapter IV**

### **Settlement of Disputes**

## **Article XIII:**

**Disputes arising from the application of this Convention to the Board for adjudication and may be referred to a committee or sub-committees delegated some of his powers, as it has to be applied on which the dispute settlement provisions contained in Chapter VI of the Unified Agreement for the Investment of Arab Capitals in Arab countries and its supplement, and the Council shall determine in each case method of settling the conflict.**

## **Chapter V Final Provisions**

## **Article XIV:**

**May not re-export of goods and products that are being exchanged in accordance with this Convention to any country other than the Party, except with the consent of the country of origin.**

## **Article XV:**

**Any State Party may request the imposition of certain fees and taxes of equivalent effect or quantitative restrictions, administrative or retention of the post on a temporary basis to ensure the**

**growth of production of a given that the Board recognizes that, for the period specified.**

### **Article XVI:**

**Bodies of the Secretariat of the League of Arab States shall collect and analyze necessary information to identify the course of trade between the States Parties and between them and other countries.**

**States parties are obliged to provide all data considered necessary by the General Secretariat for the proper application of the Convention.**

### **Article XVII:**

**The exchange of goods between the States Parties directly, without mediation by non-Arab.**

### **Article XVIII:**

**States Parties shall cooperate to facilitate the transport and communications among the various media on a preferential basis, as well as to facilitate transit trade associated with the exchange of goods among the Arab States Parties.**

### **Article XIX:**

**States Parties shall cooperate among themselves to strengthen and coordinate their economic and trade relations with other States or with international organizations and international economic blocs and regional bilateral or joint, and is working to take common positions in international conferences and seminars in accordance with economic interests in common.**

### **Article Twenty:**

**Taken into account in the application of this Convention, the provisions and principles of the Arab boycott and the decisions made by various competent authorities.**

## **Article XXI:**

**Is not permissible for any State Party to enact legislation or a decision contrary to the provisions of this Convention or to block its enforcement.**

## **Article XXII:**

- 1- Agreement shall be deposited with the Secretariat of the League of Arab States for signature.**
- 2- The Agreement shall become effective three months after the date of the deposit of instruments of ratification by five Arab states at least.**
- 3- You receive the General Secretariat of the University of documents Arab states and implement the Convention for each State joining a month after the date of the deposit of instruments of ratification.**
- 4- The Arab League General Secretariat to inform Member States have deposited their instruments of ratification have.**

## **Article XXIII:**

**Is not permissible for any State Party may denounce the Convention only after three years on the force for them. Withdrawal shall be by written notice addressed to the Secretary-General of the League of Arab States. And shall become effective until one year after the date of notification of this notice.**

## **Article XXIV:**

**This Convention shall be amended with the consent of two thirds of States Parties and the amendment becomes effective in the right of ratifying States a month after the deposit of instruments of ratification of the amendment by all parties or at least five states.**

## **Article XXV:**

- 1- The Council's terms of reference set forth in this**

**Agreement as soon as two-thirds of the Member States join the Convention and in this case is not to non-parties the right to participate in the vote.**

**2- And when the event set forth in the preceding paragraph shall meet the representatives of States Parties members of the Council in the form of a body called (the Arab Trade) The Council shall assume the powers set forth in this Agreement.**

**3- The Directorate General for Economic Affairs of the Secretariat of the League of Arab States the functions of the Technical Secretariat of the Commission in accordance with the rules of procedure issued by the Authority includes the organization of the administrative affairs of the Authority and to identify resources and to dispose of.**

**This Agreement was done in Arabic in Tunisia on Friday, the twenty-second month of Spring II 1401 Hijri corresponding to the seventh and twenty of the month of February (February) 1981 AD, out of one saves the Secretariat of the League of Arab States and the copy shall be delivered to the origin of each of the signatories to the Convention or acceded to it.**

**Hashemite Kingdom of Jordan**

**For the United Arab Emirates**

**For the Kingdom of Bahrain**

**Republic of Tunisia**

**For the Democratic People's Republic of Algeria**

**Republic of Djibouti**

**For Saudi Arabia**

**For the Republic of Sudan**

**The Syrian Arab Republic**

**For the Somali Democratic Republic**

**For the Republic of Iraq**

**Sultanate of Oman**

**For the State of Palestine**

**About Qatar**

**Republic of the Comoros**

**The State of Kuwait**

**For the Lebanese Republic**

**For the Libyan Arab Jamahiriya, Great Socialist**

**People's**

**Arab Republic of Egypt**

**For the Kingdom of Morocco**

**The Islamic Republic of Mauritania**

**For the Republic of Yemen**