

Arab Free Trade Area Agreement (1997)

The Agreement of Arab Free Trade Area

Declaration Pan-Arab Free Trade Area Economic and Social Council's Resolution No. 1317-O.S. 59 Dated February 19, 1997

The Economic and Social Council, in its fifty ninth session held at the headquarters of the Arab League General Secretariat in Cairo, had adopted its Resolution No. 1317 Concerning the Declaration on the Establishment of a Pan-Arab Free Trade Area and approval of its Executive Program.

Following is the text of the Resolution:

Focus of Session's Work

"Executive Program of the Agreement to Facilitate and Develop Inter-Arab Trade with a view to establishing a Pan-Arab Trade Area".

The Council took note of the report of the six-member Ministerial Committee entrusted with the task of considering the Executive Program for the establishment of a Pan-Arab Free Trade Area.

Appreciating its efforts to complete its task of drafting an Executive Program to enforce the Agreement to Facilitate and Develop Inter-Arab Trade with a view to establishing a pan-Arab Free Trade Area that keeps pace with the conditions and needs of all Arab States, consistent with the provisions of the World Trade Organization, preserves Arab States, economic interests, develops economic and trade relations among Arab States and between them and the outside world, and constitutes the first practical step towards the creation of an Arab economic bloc that will have a standing on the world economic arena;

The Council;

having listened to the valuable presentation made by His Excellency engineer Ali Abu Al-Ragheb, Minister of Industry and Trade in the Hashemite Kingdom of Jordan and Chairman of the six-member Ministerial Committee;

The Statement by His Excellency the Secretary General of the League of Arab States on the dimensions of establishing an Arab Free Trade Area and the critical nature of the present historical juncture the Arab nation is going through;

and

The clarifications presented by Mr. Abdel Rahman Al-Suheibani, the Assistant Secretary General for Economic Affairs in this respect;
And following deliberation;

Hereby decides to:

1. Declare the establishment of a Pan-Arab Free Trade Area over ten years as of January 1, 1998.
2. Approve the Executive Program for the establishment of the Pan-Arab Free Trade Area in its enclosed wording.
3. Commission the General Secretariat to take the appropriate measures and develop the work and functions of the General Department for Economic Affairs to suit the need to create the Pan-Arab Free Trade Area.

4. Call upon the committees assigned and provided for in the program to assume their tasks, work out their executive programs and timetables in order to achieve the goal of establishing the Pan-Arab Free Trade Area as scheduled, and submit their reports, as and when they are ready, to the Economic and Social Council.
 5. Commission specialized Arab organizations, joint Arab financial institutions and Arab federations, each in its area of specialization, to monitor the implementation of this Resolution, and seek to develop their systems and functions to suit the need to achieve the goal of establishing the Pan-Arab Free Trade Area.
 6. Commission the General Secretariat to arrange for a comprehensive study of the existing free trade areas in the Arab States and submit it to the Economic and Social Council before the end of 1998 to decide on how to treat their products within the framework of the Executive Program.
 7. Call upon the six-member Ministerial Committee to continue its work during the initial phases of implementation of the Executive Program in order to address any obstacles that may hinder its implementation, while deciding to add the Republic of Tunisia to the Committee's membership.
 8. Have the implementation of the resolution to establish the pan-Arab Free Trade Area as the focus of the council's work during its coming sessions, until its establishment is completed "resolution No. 1317- O.S.59 L-2- February 9, 1997
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Executive Program Of the Agreement on Facilitating and Developing Inter-Arab Trade for Establishing Pan-Arab Free Trade Area

Proceeding from the goals of the Agreement to Facilitate and Develop Trade among Arab States to liberalize their trade exchange, which was approved by Economic and Social Council resolution No. 848 - S.30, on February 27, 1982;

The Arab States being anxious to expedite the enforcement of the Provisions of the Agreement to Facilitate and Develop Inter-Arab Trade, in order to strengthen the progress of Joint Arab economic action to establish a Pan-Arab Free Trade Area;

Referring to Economic and Social Council Resolution No. 1248 - S. 56, dated September 13, 1995 and Resolution No. 1271 - S. 57, dated March 6, 1996, calling for enforcement of the Agreement to Facilitate and Develop Inter Arab Trade with a view to bringing about the establishment of a Pan-Arab Free Trade Area that would comprise all Arab States, keep pace with the conditions and needs of all Arab States, and be consistent with the provisions of (the) World Trade (Organization);

In realization of the desire of the Arab States to establish a Pan-Arab Free Trade Area to enhance the joint economic gains to Arab States and benefit from the developments in world trade and the establishment of regional and international economic blocs. Pursuant to the resolution of the Arab Summit held in Cairo June 21-23, 1996, commissioning the Economic and Social Council to take necessary measures to expedite the establishment of the Pan-Arab Free Trade Area, in accordance with a work Program and a timetable to be agreed upon;

The Economic and Social Council, by its Resolution No. 1317 - S. 59, dated February 19, 1997, has adopted this Executive Program and its timetable to establish a Pan Arab Free Trade Area, in accordance with the provisions of the Agreement to Facilitate and Develop Inter-Arab Trade; with such area being consistent with the provisions and general rules of the World Trade Organization.

First: Rules and principles

1. This Program shall serve as a framework for the enforcement of the Agreement to Facilitate and Develop Inter-Arab Trade to establish a Pan-Arab Free Trade Area.

2. The Arab States party to the Agreement to Facilitate and Develop Inter-Arab Trade shall complete the creation of the Pan-Arab Free Trade Area over ten years as of January 1, 1998.
3. The Economic and Social Council shall conduct a semi-annual review of the implementation of this program.
4. Arab goods included in trade in accordance with this Program shall be treated as national goods in the party-states in respect to rules of origin, specifications and measurements, health and security safeguard clauses as well as local charges and taxes.
5. International rules and provisions shall be observed in respect to the technical bases for safeguard measures, addressing cases of subsidization, and measures to deal with the balance of payment deficits resulting from the implementation of this program.**
6. Internationally applicable rules for defining and dealing with cases of dumping shall be applied in respect to anti-dumping measures.
7. Customs duties and taxes of a similar effect, which shall be subject to gradual reduction, shall be the customs duties and taxes of similar effect that are in effect in each party-state as of January 1, 1998 (the first day of the month of January of calendar year one thousand nine hundred and ninety eight). Such charges shall be the basis for calculating customs duty reductions for the purposes of implementation of this Program.
8. Should customs duties or other charges and taxes of a similar effect be reduced after January 1, 1998, the reduced charges shall replace the charges set forth in paragraph (7) above.
9. Under the provisions of Articles III and VII of the Agreement to Facilitate and Develop Inter-Arab Trade, any two Arab countries or more may agree between them on the exchange of the exemptions ahead of the Program's timetable.

Second: Liberalization of Trade among Party-States

1. All Arab goods traded among the party-states shall be liberalized in accordance with the gradual liberalization principle which shall be applied of January 1, 1998 (the first day of the month of January of calendar year one thousand nine hundred and ninety eight), by reducing customs duties and other charges and taxes of a similar effect by equal annual percentages, with full liberalization of all Arab goods being completed by the end of the period specifies for the creation of the Pan-Arab Free Trade Area on July 21, 2007. By agreement of the party-states, during the implementation of the Program, any goods could be subject to immediate liberalization. Gradual liberalization shall also apply to the following Arab goods:
 - Arab agricultural and animal goods and mineral and non-mineral ores, in accordance with the provisions of paragraphs (1) and (2) of Article VI of the Agreement to Facilitate and Develop Inter-Arab Trade.
 - Arab goods whose exemption had been approved by the Economic and Social Council before the effective date of this Program.
2. Production season (Farmer's Almanac) in which a number of agricultural goods shall not enjoy exemptions and reductions of customs duties and other charges and taxes of a similar effect shall be specified. This specification shall come to an end no later than the deadline for implementation of this Program.
3. Arab States shall determine the agricultural goods they want to include in the Farmer's Almanac referred to in paragraph (2) above, and (the list) shall be submitted to the Economic and Social Council for review.
4. The provisions of this Program shall not apply to products and materials whose import, trading or use in any of the states is banned for religious, health, security or environmental reasons or because of agricultural and veterinary quarantine rules. Party-states shall submit a list of such products and any amendments thereto.
5. The party-states shall follow the Harmonized System (HS) in classifying the goods included in the Program.

Third: Non-Tariff Restrictions

Non-tariff restrictions shall be defined similarly as in Article I (Paragraph 6) of the Agreement to Facilitate and Develop Inter-Arab Trade namely:

"Actions and measures that may be taken by a party-state to control imports, other than for organizational or statistical purposes. Specifically, such restrictions include quantitative, monetary and administrative restrictions imposed on imports", and shall be treated as follows:

Arab goods traded within the framework of this Executive Program shall not be subject to any non-tariff restrictions by whatever name. The Trade Negotiations Committee formed by the Economic and Social Council by its Resolution No. 1037 - S.43, dated September 3, 1987, shall monitor the implementation in party-states.

Fourth: Rules of Origin

For a good to be treated as Arab for the purposes of implementing this Program, it shall meet the rules of origin to be adopted by the Economic and Social Council. Pursuant to this, all goods to be included in free trade or gradual liberalization, which originate in an Arab party-state, shall be subject to the rules of origin to be drawn up by the Rules of Origin Committee formed by the Economic and Social Council through its Resolution No. 1249 - S.56, dated September 13, 1996.

Until the results of the committee's work are adopted, the rules of origin adopted by the Economic and Social Council by its Resolution No. 1269 adopted in its fifty seventh session shall be applied.

Fifth: Exchange of Information and Data

The party-states undertake to apply the principle of transparency and to furnish the Economic and Social Council with trade information, data, measures and regulations to ensure the sound enforcement of the Agreement to Facilitate and Develop Inter-Arab Trade and its Executive Program.

Sixth: Settlement of Disputes

In line with Article XIII of the Agreement to Facilitate and Develop Inter-Arab Trade, a committee shall be formed to settle disputes in all cases associated with the enforcement of the Agreement to Facilitate and Develop Inter-Arab Trade as well as any dispute over the implementation of this Program.

Seventh: Special Treatment of Less Developed Arab States

In implementation of the principle of special treatment of less developed Arab States set forth in the provisions of the Agreement to Facilitate and Develop Inter-Arab Trade, Preferential treatment shall be accorded to such states within the framework of this program, provided that such states submit an application stating the nature of the preferential treatment requested and its duration, and that the council approves it.

Less developed Arab States are those determined in accordance with the United nations classification; and Palestine shall be treated similarly.

Eighth: In view of the fact that trade liberalization is linked to and affected by a number of other economic activities, the party-states shall consult over:

- Services, particularly those associated with trade
- Protection of intellectual property rights.

Ninth: Monitoring, Enforcement and Settlement of Disputes Mechanism

The Economic and Social Council is the agency supervising the implementation of the Program. The Council may:

1. Conduct a semi-annual review of the progress made in implementing the Executive Program.
2. Adopt appropriate decisions to overcome any obstacles to the implementation of the Executive Program.
3. Settle disputes arising from the implementation of the Executive Program.
4. Form technical and executive committees to which it shall delegate some of its powers to monitor, enforce and settle disputes arising from the implementation of the program.

The Council shall be assisted in carrying out its tasks by the following executive bodies and committees:

1. The Enforcement and Monitoring Committee:

The Enforcement and Monitoring Committee shall comprise representatives of the Arab States. The Committee may also invite relevant non-governmental organizations as observers, if it deems it appropriate to do so.

It shall serve as the Program's executive committee and shall have the powers of the council in its decisions related to its implementation. It shall also consider laws and customs measures required enforcing the customs duties reductions within each Arab State participating in the Program.

The committee shall assume the task of carrying out the Executive Program as follows:

(1) Examine the quarterly reports submitted by Member-states on the following:

- progress made in implementing the Program.
- Obstacles and problems facin implementation.
- Proposed solutions to overcome such problems and obstacles.
- Proposed approaches to develop the functioning of the program.

(2) The committee shall hold four meetings annually to examine the reports referred to above, as follows:

- First meeting: Last week of January.
- Second meeting: Last week of April.
- Third meeting: Last week of July.
- Fourth meeting: Last week of October

It may hold other meetings as necessary among groups of major trade partners.

(3) The Committee shall submit periodical reports on Progress made in implementing the Program to each session of the Economic and Social Council.

(4) The Committee shall assume the task of settling disputes arising from the implementation of the Program. It may hire Arab experts in world trade or form ad hoc arbitration panels composed of no more than five experts, judges or arbitrators to review cases; in which case an arbitration panel shall submit its recommendation to the Committee for decision-making.

(5) The Committee shall adopt its decisions by a two-thirds majority of Member-States. In the event that no decision is reached, the matter shall be referred to the Economic and Social Council along with a statement describing reasons of disagreement.

2. The Trade Negotiations Committee:

The Committee shall assume the task of liquidating non-tariff restrictions imposed on Arab goods, and monitor implementation of this in the Arab member-states of the Program. Including determination of lists of banned imports and how they shall be dealt with in the framework of the program.

3. Arab Rules of Origin Committee:

The Committee shall draft rules of origin for Arab goods for the purposes of enforcing the Agreement to Facilitate and Develop Inter-Arab Trade and implementing the Executive Program.

4. Technical Secretariat:

The General Department for Economic Affairs shall assume the tasks of the technical secretariat of the bodies supervising and implementing the Executive Program. It shall:

- (1) Work out draft agendas for the Program's committees.
- (2) Prepare an annual report on progress of trade among member-states of the Program, the impact of implementation of the program on trade trends and qualitative and quantitative growth rates, and proposed solutions and projected developments in Arab and international trade.
- (3) Cooperate with Arab private sector federations in preparing the annual report and in including issues it (the private sector) faces as a result of the implementation of the Program on the agendas of the Enforcement and Monitoring Committee and other technical committees; and attend their meetings.
- (4) Cooperate with Arab Financial institutions and organizations and develop their activities in order to implement the program.
- (5) Develop the exchange of information and data between Arab States by using Arab and international communications network; creation of databases that include economic and statistical data on Arab States; trade systems customs data; customs duties and other charges and taxes of a similar effect; Arab rules of origin; data on the production, import and export of Arab goods; data on international markets; data on international trade organizations; and rates of customs duties reductions in Arab States participating in the program.
- (6) The Technical Secretariat shall seek the assistance of specialized Arab organizations in the areas of Arab rules of origin, specifications and measurements, the farmers' almanac and other areas covered by the program.

**Reservation by the Republic of Iraq*

The delegation of the Republic of Iraq expresses its reservation on the reference in the preamble to the Executive Program concerning the Cairo meeting in June 1996, and considers that discussion of (the idea of) adopting a resolution on the creation of an Arab Free Trade Area and working out its Executive Program emanate from the framework in which this topic has been discussed, particularly the resolutions adopted by the Economic and Social Council in its previous session.

***Reservation by the Republic of Iraq*

Proceeding from Iraq's understanding and its keen desire to accord priority to adherence to rules and foundations of Joint Arab action. Which confirm the national identity of this nation, the delegation of the Republic of Iraq expresses its reservation on the rules and foundations contained in articles 5 & 6 of "First", in the Program. It affirms that the Economic and Social Council, rather than international rules and agreements, is the only authority that may determine the provisions of paragraphs (5) and (6) in first. The Iraqi delegation refused to be bound by any provision that would conflict with the rules of joint Arab economic action and reference agreements therein, including the resolution on the Common Arab Market.

Agreement To Facilitate and Develop Trade Among Arab States

The Governments of the Member-States of the League of Arab States;

Proceeding from their national faith in the unity of the Arab Nation;

Being Aware of the vitality of Arab economic integration as a Being step towards Arab economic unity and as an essential vehicle for the promotion of Pan-Arab development in the context of a free, developed, inter-related and balanced Arab economy.

Putting into effect the provisions of Article Two of the Charter of the League of Arab States on the need to achieve close cooperation among the League Member-States in economic and financial affairs, including facilitating and expanding trade in the fields of agriculture, industry and related services;

Giving effect to the provisions of Articles Seven and Eight of the Joint Defense and Economic Cooperation Treaty among Member-States of the Arab League and,

Invoking Resolution No. 712 of February 22, 1978, of the Economic Council of the Arab League on the drawing up of a new agreement to facilitate inter-Arab trade Exchange with the evolving economic conditions in the Arab Homeland;

Hereby agree on the following:

Introductory Chapter - Definitions

Article I:

For the purposes of this Agreement, and unless otherwise required by the Context, the following works and phrases have the respective meanings herein set forth:

1. Agreement: The Agreement on Facilitating and Developing Inter-Arab Trade.
2. Arab State(s): A Member-State of the League of Arab States.
3. Party-State: An Arab State for which the Agreement is effective.
4. Council: The Economic Council established under Article (8) of the Joint Defense and Economic Cooperation Treaty among Member-States of the League of Arab States, approved by the League's Council on April 13, 1950, and any amendment thereto.
5. Customs Duties and Taxes of a Similar Effect: Charges imposed by a party-state in accordance with the customs tariffs on imported goods, as well as other charges and taxes imposed on imported goods but not imposed on the products of the party-state itself, whatever names such charges and taxes may assume. This definition excludes charges levied for a specific service such as demurrage, warehousing, transport, loading and unloading charges.
6. Non-Tariff Restrictions: Actions and measures that may be taken by a party state to control imports, other than for organizational and statistical purposes. Specifically, such restrictions include quantitative, monetary and administrative restrictions imposed on imports.
7. Less-developed States: The party-states considered by the Council as such.

Chapter One - General Provisions

Article II:

This Agreement is designed to:

1. Free trade Exchange among Arab Countries from various charges and restrictions imposed on it, in accordance with the following rules: - Full relief for some Arab goods and products traded between Member-States from varied charges and restrictions imposed on non-national (non-Country) products.

- Gradual reduction of Various Charges and restrictions imposed on some other traded Arab goods and products.
 - Provision of gradual protection for Arab goods and products to face competition from similar or alternative non-Arab goods.
 - Determination of the goods and products referred to in paragraphs (A, B and C) in the light of the guiding criteria set forth in Article IV or determined by the Council.
2. Harmonized matching between production of and trade in Arab goods, using various means, particularly provision of funding facilities required for their production.
 3. Facilitating the funding of inter-Arab trade and settlement of payments resulting from such trade.
 4. Granting special concessions to services associated with trade among party-states.
 5. Adopting the principle of direct exchange in trade among party-states.
 6. Taking into account the development conditions of each of the party-states.
 7. Equitable sharing of the benefits and burdens resulting from the enforcement of the Agreement.

Article III:

The principle agreed upon in the Agreement shall constitute the minimum level of trade cooperation among the party-states. Each party-state shall be entitled to grant further advantages and preferences to any other Arab state or states, through concluding either bilateral or multilateral agreements.

Article IV:

Selection of the Arab goods and products referred to in paragraph (3) and (5) of Article VI and in Article VII shall be guided by one or more of the following criteria:

1. That the good occupies a strategic place in the consumption pattern satisfying the population's needs.
2. That the good be in substantial and continuous demand.
3. That the value of production of the good account for a significant percentage of the gross product of a party-state.
4. That the good occupies an important place in the interrelations within the production machinery of a party-state.
5. That growth of trade in the good lead to increased acquisition of technological capacity and location and development of appropriate technology.
6. That the good be of major export significance to a party-state.
7. That the good be important to the development of a party-state but face severe discriminatory or restrictive measures in foreign markets.
8. That growth of trade in the good lead to strengthening Arab economic integration.
9. That growth of trade in the good lead to realization of national security in general and military security in particular.
10. Any other criteria adopted by the Council.

Article V:

Economic sanctions among party-states in the trade area regulated by the Agreement may be used only by resolution of the Economic Council and for supreme national reasons.

Chapter Two - Substantive Provisions

Article VI:

The following Arab goods shall be exempted from customs duties and other taxes of similar effect as well as from non-tariff import restrictions:

1. Agricultural and animal products, whether in their primary form or after changes are introduced to make them consumable.

2. Mineral and non-mineral ores, whether in their primary form or in a form suitable for processing.
3. Semi-finished goods included in lists approved by the Council if they enter in the production of industrial goods.
4. Goods produced by Arab joint ventures established within the framework of the League of Arab States or Arab organizations operating within its context.
5. Finished goods to be agreed upon in accordance with lists approved by the Council.

Article VII:

1. The parties concerned shall negotiate the gradual reduction of customs duties and taxes of a similar effect imposed on imported Arab goods, in the percentages and ways consistent with the lists approved by the Council.
2. The relative reduction shall be gradual and for a specified period of time by the end of which all customs duties and taxes of a similar effect imposed on trade among the party-states shall be terminated.
3. Without prejudice to the provisions of paragraphs (1) and (2) of this Article, the products of party-states determined by the Council to be less developed shall be granted preferential treatment in accordance with the criteria and limits it may determine.
4. A party-state may grant any additional advantages to another Arab state or states under bilateral or multilateral agreements, whether or not it is party to this Agreement.
5. No party-state may grant any preferential advantages to a non-Arab state that exceeds those granted to party-states.

Article VIII:

1. The parties concerned shall hold negotiations with the aim of imposing uniform and appropriate minimum customs duties, taxes and restrictions of a similar effect on goods imported from non-Arab States, which are competitive with or alternative to Arab goods. Resolution in the shall be adapted by the Council, Which will also gradually increase them from time to time, in consultation with the said states.
2. The party-states shall determine a comparative advantage for Arab Goods vis-a-vis competitive or alternative non-Arab goods. Priority of application shall be accorded to government purchases. The Council shall establish the conditions for determining the comparative advantage in accordance with the circumstances of each party-state or group of party-states, taking into account, in particular, determining a comparative advantage for Arab goods related to food security or national security in general.
3. The Council may adopt any other measures in excess of the limits referred to in this Article, with a view to dealing with cases of dumping and discriminatory policies that non-Arab states may adopt.
4. Should the products of party-states be inadequate to meet the needs of the local markets of the importing party-states, the latter shall be entitled to import quantities of similar products to bridge the gap while observing the limits specified in accordance with the provisions of this Article.

Article IX:

1. To treat to good as Arab for the purposes of this Agreement, it shall meet the rules of origin determined by the Council, and the value added as a result of its production in a party-state shall not be less than 40 value when finished. This percentage shall be reduced to a minimum of 20 Percent for Arab assembly industries. The Council shall work out a timetable to increase these two percentages gradually.
2. Any party-state may request the Council to lower the percentage referred to in paragraph (1) of this Article if the good is of a strategic nature or has special importance to for a specific period of time.

Article X:

1. Party-states shall, through their monetary and banking policies, promote trade among them, facilitate required funding and expand its base under preferential and concessional terms and conditions.
2. In accordance with its Articles of Agreement, the Arab Monetary Fund shall work out a suitable system to facilitate the settlement of payments resulting from trade among party-states. It shall also be asked to submit proposals for banking policies that would serve the same purpose to Arab central banks and monetary institutions in.
3. Joint Arab financial institutions shall, in accordance with their regulations, be urged to promote trade exchanges among party-states, facilitate and provide necessary funding and expand their base under preferential and concessional terms and conditions.
4. The Inter-Arab Investment Guarantee Corporation and other specialized Arab institutions shall be urged to provide necessary guarantees to trade among party-states under preferential terms and conditions, and in accordance with their rules.

Chapter Three - Supervision of Agreement Implementation

Article XI:

1. The Council shall supervise the implementation of the Agreement. Specifically, it shall:
 - Draft and publish collective lists of goods exempted from (customs) duties and taxes of a similar impact as well as from tariff (sic) restrictions.
 - Draft and publish collective lists of goods enjoying reduced (customs) duties and taxes of a similar effect as well as from tariff (sic) restrictions.
 - Draft and publish lists of non-Arab goods competitive with or alternative to Arab goods.
 - Determine the rules and conditions under which gradual reduction of (customs) duties and taxes of a similar effect, as well as tariff (sic) restrictions shall be made.
 - Determine the less developed party-states for the purposes of this Agreement.
 - Examine the complaints by party-states of discriminatory problems encountered in trade transactions with other states.
2. The Council shall adopt its resolutions related to the provisions of this Agreement by a two-thirds majority of Member-States.
3. The Council may form committees to be entrusted with some of its powers referred to in this Agreement.

Article XII:

The General Department for Economic Affairs at the General Secretariat of the League of Arab States shall draft an annual report to be submitted to the council on progress of trade among party-states to the Agreement, difficulties facing enforcement, solutions thereto, and proposals to deal with the situation.

Chapter Four - Settlement of Disputes

Article XIII:

Disputes arising from the enforcement of this Agreement shall be submitted to the Council for resolution. It may refer them to a committee or sub-committees to which it shall delegate some of its powers. It may also apply thereto the dispute settlement provisions set forth in Chapter Six of the United Agreement for the Investment of Arab Capital in Arab States and its annex. In each case, the Council shall determine the method of settling a dispute.

Chapter Five - Final Provisions

Article XIV:

Goods and products traded in accordance with this Agreement shall be re-exported to another non-party country only with the approval of the country of origin.

Article XV:

Any party-state may request the imposition of some duties and taxes of a similar effect or quantitative or administrative restrictions, or maintenance of existing ones, on a temporary basis, to ensure the growth of a certain domestic product. The Council shall approve this for the period of time it shall specify.

Article XVI:

Bodies of the General Secretariat of the League of Arab States shall collect and analyze necessary information to identify the course of trade among the party-states and between them and other states.

Party-states shall provide all data considered necessary by the General Secretariat for the effective enforcement of the Agreement.

Article XVII:

Goods shall be traded among party-states directly and without mediation of a non-Arab party.

Article XVIII:

The party-states shall cooperate to facilitate transport and communications among them by all means, on a preferential basis, and also to facilitate transit trade associated with the exchange of Arab goods among party-states.

Article XIX:

The party-states shall cooperate to strengthen and coordinate their economic and trade relations with other states or with international and regional economic organizations and blocs, on a bilateral or joint basis. They shall seek to take unified stands in international economic conferences and seminars, in line with their common interests.

Article XX:

While enforcing this agreement, the terms and principles of Arab boycott and relevant decisions made by various competent agencies shall be observed.

Article XXI:

No party-state may enact legislation or make a decision which is in conflict with the provisions of this Agreement or which may block its enforcement.

Article XXII:

1. The Agreement shall be deposited with the General Secretariat of the League of Arab States for signature.
2. The Agreement shall become effective three months after its ratification documents have been deposited by at least five Arab States.
3. documents of Arab states and enforce the Agreement in relation to each acceding state one month after it has deposited its ratification documents.
4. states to deposit ratification documents with it.

Article XXIII:

No party-state shall withdraw from the Agreement before the lapse of three years after enforcement in relation thereto. Withdrawal shall be by written notice addressed to the Secretary General of the league of Arab States, and shall become effective one year after notice has been served to him.

Article XXIV:

This agreement shall be amended by approval of two thirds of the party-states, and the amendment shall become effective in respect to the ratifying states one month after parties or by at least five states.

Article XXV:

1. The Council shall assume its powers stipulated in the Agreement as soon as two thirds of the Member-States have acceded to this Agreement, in which case non-party-states shall not have the right to participate in voting.
2. Until the event set forth in the previous paragraph has taken place, representatives of party-member states of the Council shall meet as a board to be called (the Arab Trade Board) which shall assume the powers of the Council stipulated in this Agreement.
3. The General Department for Economic Affairs at the General Secretariat of the League of Arab States shall carry accordance with by-laws to be issued by the Board, which shall gove determine its resources and how to dispose of.

This Agreement has been drafted in Arabic in Tunis on Friday the 22nd day of Rabie II, 1401H; corresponding to the 27th of February, 1981 AD, in one original copy to be kept with the General Secretariat of the League of Arab States. A true copy shall be delivered to each of the States signing or acceding to the Agreement.

For the Hashemite Kingdom of Jordan
For the United Arab Emirates
For the State of Bahrain
For the Republic of Tunisia
For the Democratic popular Republic of Algeria
For the Republic of Djibouti
For the Kingdom of Saudi Arabia
For the Democratic Republic of the Sudan
For the Syrian Arab Republic
For the Democratic Republic of Somalia
For the Iraqi Republic
For the Sultanate of Oman
For Palestine
For the State of Qatar
For the State of Kuwait
For the Lebanese Republic
Jamahiriya
For the Kingdom of Morocco
For the Islamic Republic of Mauritania
For the Yemen Arab Republic
For the Democratic Popular Republic of Yemen

source : [Arab League](#)