



ECONOMIC AGREEMENTS

Economic

Agreements

Economic Agreements are defined as an agreement between two countries or more on taking specific actions to promote trade among them, and the most important actions as follows:

1. Immediate Exemption or gradual reduction to reach the full exemption from customs duties and other fees and taxes of similar effect and is called Free Trade Agreements.
2. Exemption or reduction of customs duties and other fees and taxes of similar effect on certain goods and is called Preferential Agreements.
3. Elimination or reduction of non-tariff restrictions imposed on the exchange of goods between these countries, where the privileges granted are all participating countries right.

Customs duties & other fees and taxes of similar effect

Is the Customs duties imposed by the country Party of the agreement for the tariff on imported goods, as well as other fees & taxes imposed on imported goods which are not subject to the products of the Country party itself, whatever called these fees and taxes.

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

Non-tariff restrictions

Are the measures and procedures that may be taken by the Country Party in the agreement to control the imports of non-regulatory or statistical purposes. These restrictions include on particular the quantitative restrictions, monetary or administrative imposed on imports.

Exemptions granted by the Economic Agreements

The Economic Agreements differ in terms of the included exemptions from customs duties and other fees and taxes of similar effect as follows:

- **Full Exemptions**
Include full exemption of customs duties and other fees and taxes of similar effect or full exemption of customs duties only for all goods and products or a specific set of goods which will be determined in a list or lists of commodity attached to the Agreement.
- **Partial exemptions**
Include a partial exemption of customs duties and other fees and taxes of similar effect or a partial exemption of customs duties only for all goods and products or a specific set of goods which are determined in a list or lists of commodity attached to the Agreement.
- **Gradual Exemptions (Gradual Dismantling)**
Include a gradual exemption of customs duties and other fees and taxes of similar effect, or a gradual exemption of customs duties only for all goods and products, or a specific set of goods which are determined in a list or lists of commodity attached to the Agreement.



Implementation Program for the Agreement on Facilitating & Development of Trade Exchange Between Arabian States for establishing of the Greater Arab Free Trading Area

- Date of signing the Agreement on the Facilitating & Development of Trade Exchange between Arab States 27/02/1981.
- The Agreement entered into force in pursuant to the Federal Decree No. (16) for the year 1986.
- The executing of the Great Arab Free Trading Zone Agreement started on 14/03/1998 according to the United Arab Emirates, in pursuant to decision the Council of Ministers no. (3/3) for the year 1998.
- Number of States joined this Area are (18) Eighteen Arab States, which are: (Jordan, UAE, Bahrain, Tunisia, KSA, Syria, Iraq, Oman, Qatar, Kuwait, Lebanon, Libya, Egypt, Morocco, Sudan, Yemen, Palestine & Algeria)

Exemption rules

All direct goods exchanged between the Arab countries who are member of the Grater Arab Free Trading Area has been exempted from customs duties and other fees and taxes of similar effect on 01/01/2005, provided that the goods are gaining the status of Arab origin in accordance with the agreed rules of the origin in the framework of the League of Arab Countries.

Exceptions

Products and materials which are excluded for religious, health, security or environmental reasons, such as: Tobacco and tobacco products, alcoholic beverages are excluded from the exemption.

Preferential Rules of origin

The rules set forth in the Economic Agreements by each country to determine the status of origin of goods for the purposes of granting them a preferential treatment.

