Greater Arab Free Trade Area (GAFTA)

GAFTA was declared within the Social and Economic Council of the Arab League as an executive program to activate the Trade Facilitation and Development Agreement that has been in force since January 1st, 1998. The GAFTA includes in its membership 17 Arab countries:

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>5. Oman</td>
<td>11. Egypt</td>
<td>17. Yemen</td>
</tr>
<tr>
<td>6. Qatar</td>
<td>12. Palestine</td>
<td></td>
</tr>
</tbody>
</table>

GAFTA is one of the most important economic achievements in the area of Arab common work. It contributes to efforts towards establishing the Arab Common Market. As of January 1st, 2005, the agreement reached full trade liberalisation of goods through the full exemption of customs duties and charges having equivalent effect between all Arab countries members of the GAFTA, except Sudan and Yemen being less developed countries where customs duties and charges having equivalent effect will be reduced by 16% annually as of January 1st, 2005 to reach full exemption by the end of 2010 (pursuant to the resolution of the Arab League Council at its 14th meeting in Beirut regarding offering less developed Arab countries preferential treatment). Also, Arab countries that do not require authentication of certificates of origin and accompanying documents by embassies and consulates:

<table>
<thead>
<tr>
<th>1. Saudi Arabia</th>
<th>7. Lebanon</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Egypt</td>
<td>8. Morocco</td>
</tr>
<tr>
<td>3. Sudan</td>
<td>9. Tunisia</td>
</tr>
<tr>
<td>4. Oman</td>
<td>10. Lybia</td>
</tr>
<tr>
<td>5. Bahrain</td>
<td>11. Syria</td>
</tr>
<tr>
<td>6. Kuwait</td>
<td>12. United Arab Emirates (certification fees were cancelled but authentication is still required)</td>
</tr>
</tbody>
</table>

To further contribute to economic integration among Arab countries through liberalizing trade in both goods and services, Arab countries are currently engaged in negotiations to liberalize services and investments among them.

Council of Arab Economic Unity:

The Council of Arab Economic Unity agreement was established in June 1957 by a
resolution of the Arab Economic and Social Council of the Arab League. The Council's objective is to achieve economic integration among Arab countries with the view of establishing an Arab Common Market. The Council of Arab Economic Unity held its first session in Cairo in June 1964, being responsible for administrating the Agreement on Arab Economic Unity and supervising its implementation.

<table>
<thead>
<tr>
<th>Establishing Countries of The Council of Arab Economic Unity:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Jordan</td>
</tr>
<tr>
<td>2. Egypt</td>
</tr>
<tr>
<td>3. Sudan</td>
</tr>
<tr>
<td>4. Yemen</td>
</tr>
<tr>
<td>5. Mauritania</td>
</tr>
<tr>
<td>6. Palestine</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Members of the Council of Arab Economic Unity:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Jordan</td>
</tr>
<tr>
<td>2. Egypt</td>
</tr>
<tr>
<td>3. Sudan</td>
</tr>
<tr>
<td>5. Mauritania</td>
</tr>
</tbody>
</table>

The Council of Arab Economic Unity has under its umbrella a number of agreements that aim to encourage Arab investments:

1. Non-Double Taxation, Tax Evasion, and Establishing Common Rules on Income and Capital Agreement, signed on Dec. 3rd 1997. Members up to date are: Jordan, Sudan, Egypt, Syria, Iraq, Libya and Yemen.
2. Non-Double Taxation and Income Tax Evasion Agreement, signed on Dec. 6th 1998. Members up to date are: Jordan, Sudan, Egypt, Syria, Iraq, Libya and Yemen.
3. Investment Promotion and Protection Agreement, signed on June 7th 2000. Members up to date are: Jordan, Sudan, Egypt, Syria, Iraq, Libya and Yemen.
4. Investment Dispute Settlement in Arab countries, signed on Dec 6th 2000. Members are: Jordan, Egypt, Syria, Iraq and Libya.