

Hashemite Kingdom of Jordan

Economic Cooperation and Free Trade Agreement Between The government of the Hashemite Kingdom of Jordan and The government of The State of Bahrain.

The government of Hashemite Kingdom of Jordan and the Government of The State of Bahrain based on their brotherly ties that connect their two nations and the deep-rooted historical relations between their two countries

and due to their wish to enhance the economic and trading relations are seeking on equal footing to expand the common and mutual interests between them in different sectors and to promote the economic integration, two countries.

and based on their belief of the importance to liberate the mutual trading interalia through new formulas that fit with the new economic trends on international and regional arenas within the framework of the Arab states league and the executive program for the trade exchange facilitation and development agreement between the Arab countries to establish greater Arab free trade zone and the principles sought for by the international trading organization and based on their interest to develop the economic and trade cooperation agreement signed in 1975 and its amendment protocol, have agreed on the following:

Chapter One: Introduction

Article One:

Definitions

For the purpose of his agreement the following words and terms mentioned below shall have the meaning stated against them.

1. The Agreement it is Agreement of a trading free zone between Hashemite Kingdom Of Jordan and The State of Bahrain.

2. The contracting parties:

The government Of Hashemite Kingdom Of Jordan, and the government of The State of Bahrain.

3. The Customs duties and other similar taxation:

The customs imposed by the state under the customs tariff levied on the imported goods and also the other duties and taxations of similar effect levied on imported goods, but the state's products of the contracting party are not subject to

whatever the nomenclature of these fees was.

This definition doesn't include the fees that are collected against a specific service such as demurrage or storage or transportation or shipping off or offloading.

4. Non – customs restrictions:

The measures and procedures that may be taken by the state party to control importing from the other party which shall include in particular, import licenses quantitative, monetary and administrative restrictions imposed on imported items.

Article Two

All articles of this agreement shall apply according to similarity treatment principle.

Chapter Two: Trade Exchange

Article Three

1. Taking into consideration what have been mentioned in paragraph No. (2) of this article, all Agricultural, animal, natural and industrial products of national origin exchanged directly between the two countries shall be exempted of all customs fees, charges and other taxes with similar effect, completely and immediately.
2. Exemptions provided for in this agreement do not apply to the goods and products mentioned in the annex which is considered integral part of this agreement in addition to products not allowed to be imported due to religious, health, security or environmental reasons stated in the executive program of the trade exchange facilitation and development agreement between the Arab states to establish a greater Arab free trade zone.
3. It is not allowed to impose new customs fees or any other fees and taxes with similar effect on goods and products of national origin exchanged between the two contracting parties after the signing date of this agreement.

Article Four.

1. Arab rules of origin shall be approved for the application purposes of the executive program provisions of the trade exchange facilitation and development agreement between the Arab countries to determine the of goods and products of national origin.
2. The two contracting parties have no right to impose any non-customs restrictions on goods of national origin exchanged between them.

Article Five

The two contracting parties shall have the right to apply the protection measures provided for in the agreement establishing the international trade organization (ITO).

and The protection Agreement that resulted from Uruguay talk round per the rules stated in these two agreements.

This shall be applicable only to the product, which any of the parties decides that it has been imported inside his territories with excessive quantities either absolutely or comparatively compared to local production which In a way may make local industry sustain serious damage or may cause such damage, which produce directly similar or competitive products to imported ones from the other party, per the rules and laws operative in both countries.

Article Six

If any one of the two parties found a case of sustainability or dump in his imports from the other party, he may take necessary action to address these cases per the rules of the agreements of sustainability, compensatory fees and dump – combat measures attached to the agreement of establishing the ITO under the rules and laws applicable in both countries.

Article Seven

The agricultural, animal and foodstuff goods exported from one party to another shall be conforming to the agricultural and health stipulations applicable in the importing country, and that each party should comply to notify his counterpart with the special law and regulations related to it and applicable in its country.

Article Eight

The contracting parties shall observe that goods and products of national origin exported from any of them to the other party should conform to the specifications and standards in operation in the country of the other party.

In case a local specification is not conforming, international applicable specifications and standards shall be adopted, provided that the contracting parties shall exchange the laws and regulations applied by each, and notify the other with any amendment they may sustain.

Article Nine

The contracting parties shall collaborate to coordinate the customs regulations and procedures interalia and exchange the information and data related thereto

Article Ten

The two contracting parties shall abide to facilitating the necessary data and information for tracking down the trading exchange either between them or in relation with other countries.

Article Eleven

Any other Arab country may join this Agreement provided that this addition is approved by the contracting parties.

Article Twelve

The two parties shall encourage economic and commercial cooperation between them within the framework of the outstanding rules and laws in their countries including the following means:

1. Encouraging the joint industrial activities including market development activities in their countries and the joint activities in a third country.
2. Assisting and cooperating in creating promotion channels and marketing in their countries.
3. Encouraging direct communications and contacts among the commercial industrial and economic agencies.
4. Assisting and facilitating visits for businessmen of both countries.
5. Joint cooperating to protect improve the environment.
6. Encouraging and promoting the activities aiming at facilitating trading interalia including holding trading fairs (exhibitions) and public fairs, conferences, publicity, advertising, consultant services and other services.

Article Thirteen

The contracting parties shall endeavor to facilitate transit trading, re –exporting, and shall undertake to supply all facilities guarantees and concessions offered to third party in this respect.

Article Fourteen

The contracting parties shall encourage the participation of their country establishments and companies to join international fairs) held in the other country, and to hold provisional fairs for the products of each of them in the other country as well as the trading weeks activities.

Each of them shall provide necessary assistance to realize the foregoing per the laws and regulations applicable at their countries.

Article Fifteen

The two parties shall supply the necessary, effective and unbiased protection and apply same in relation to intellectual commercial and industrial property including patents trade marks, industrial design plus protection of literary and artistic works and software's under the applicable laws and regulations applicable in the contracting countries and within their obligation's towards ITO.

Chapter Three: Supervision on implementation

Article Sixteen

1. For the purpose of the execution of the rules of this article and for tackling the problems that may arise during implementation a permanent joint commercial committee shall be established headed by the two ministers of external trade in both countries, and the membership of the representatives of the competent ministries and entities in both of them.
2. The permanent joint commercial committee shall take its decisions and recommendation in respect of matters referred to it under the consent of the two contracting parties.
3. The permanent joint commercial committee shall meet at least once a year whereas meetings shall be held alternatively in the capitals of the two countries.

Each party shall call for a meeting for the committee referred to whenever it was necessary.

4. The leads (chairman's) of permanent joint commercial committee shall have the right to setup ad hoc committee to settle disputes related to origin of goods to make sure and verify origin and goods, tackle complains, suggest necessary measures to address same so as they are not repeated.

In this respect, the rules of article (8) of the protocol of origin provisions attached to this Agreement shall be applied and without prejudice to applicable laws and regulations of both countries, provided that each party should inform the other of those measures in due course.

5. The disputes arising from applying this agreement into effect shall be submitted to the permanent joint commercial committee setup under article (eighteen) of this agreement to follow up implementation by settling dispute in question or suggesting a mechanism for settling same.

Chapter Four: *Agreement Effective and Termination Date*

Article Eighteen

1. This agreement shall enter implementation scope after thirty days of the latest notice date notifying that full lawful procedures between the two countries has been exchanged.
2. This Agreement shall remains applicable unless one of the contracting parties inform the other in writing, through diplomatic channels of his wish to terminate it six months prior the termination date requested.

The text of this agreement remains in effect for additional six months after its expiry date, that is I relation to the documentary credits opened for trading contracts concluded while it was in effect and not implemented until its expiry date written and signed in Al-Manama on the twenty first of July 2001 of two originals in Arabic language with the same legal effect one copy for each party.

*For The Government of The Hashemite
Kingdom of Jordan*

*Minister of Industry and Trade

Wasef Azar*

*For The Government of The State of
Bahrain*

*Minister of Finance and National
Economy

Abdullah Hasan Seif.*

Annex

List of commodities subject to customs fees and other charges and taxes of similar effect in both countries.

- | <i>Commodity</i> | <i>H.S Item</i> |
|--|----------------------|
| 1. Tobacco and tobacco replacements, and tobacco manufactures. | Chapter twenty four |
| 2. Al-Cohol drinks. | Items 2203 to 2208 |
| 3. Tractors and vehicles | Chapter eighty seven |