



General Assembly

Distr. GENERAL

A/38/114 7 March 1983 ENGLISH ORIGINAL: ARABIC

Thirty-eighth session Item 27 of the preliminary list*

CO-OPERATION BETWEEN THE UNITED NATIONS AND THE LEAGUE OF ARAB STATES

Letter dated 28 February 1983 from the Permanent Representative of Jordan to the United Nations addressed to the Secretary-General

I have the honour to enclose herewith, at the request of the Secretariat of the League of Arab States, the document entitled "Charter of National Economic Action", which was approved at the Eleventh Arab Summit Conference, held at Amman from 25 to 27 November 1980, in view of the benefit of making such a valuable document available to as many Member States as possible.

I would be grateful if you would kindly arrange for the above-mentioned document to be circulated as an official document of the General Assembly under item 27 of the preliminary list.

> (<u>Signed</u>) Abdullah SALAH Permanent Representative

* A/38/50.

83-05187 0612t (E)

ANNEX

Charter of National Economic Action

The Arab Sovereigns and Presidents,

1. Believing in the membership of the Arab peoples in the Arab nation, in that nation's cultural heritage and common destiny and in the necessity of its solidarity in the face of challenges and in defence of its existence and its future,

2. Asserting the national responsibility for achieving and safeguarding balanced development, national security, liberation, unity and steadfastness throughout the Arab world,

3. Recognizing that economic action constitutes a primary element in joint Arab action and a firm basis and material starting-point for it; that it forms the solid foundation for national security that is fortified by comprehensive independent development; and that the benefit of joint action transcends that of a mechanical combination of country efforts,

4. Aware of the need to prepare the Arab economy for the crucial battle against backwardness and dependence and to mobilize it in the face of Zionist aggression and the forces which support it,

5. Committed to the principles of national economic complementarity and collective self-reliance,

6. Considering that it is necessary to co-ordinate economic and financial policies in the Arab countries effectively, in order to eliminate factors of fragmentation and to establish means of solidarity between the Arab countries, and the Islamic States, Africa and the other third world countries, in the context of efforts for the establishment of a new international economic order,

7. Desiring to protect non-renewable Arab resources and the revenues therefrom, which are now exposed to many dangers, and in view of the fundamental role of these resources and the revenues therefrom in the attainment of the third world's objectives of liberation, security and scientific and technological progress,

8. Believing that the Arab individual is the creator of Arab development and should be the goal thereof, desiring to ensure his development and the provision of education and training for him and wishing to facilitate the movement of labour and skills within the Arab world, to control their emigration and to obtain the return to the Arab world of those currently abroad or make greater use of them in their present locations,

Have decided

To commit themselves fully to this Charter and to mobilize their endeavours, capacities and resources for its implementation, being convinced that this is a

crucial necessity in order to strengthen Arab self-reliance that will guarantee the Arab world and Arab citizens their freedom and dignity, as follows:

I. ARAB RELATIONS

1. Neutrality of economic action

The Arab States undertake to keep joint Arab economic action removed from Arab disputes and from extraneous political disturbances and disputes, inasmuch as it is the common foundation for the building of Arab solidarity through mutual interests and the establishment of the organic links and the ties that will lead to balanced benefits; and all the Arab countries undertake to strive for the achievement of the utmost degree of stability and development in Arab economic relations. Consequently, Arab economic relations shall not be severed or curtailed except by a decision of the Arab Economic and Social Council and in the case of extreme necessity connected with common higher national interests.

2. <u>Reciprocal preferential treatment</u>

(a) The Arab States undertake to accord priority to their economic relations and transactions over their relations with the outside world.

(b) They undertake to observe the principle of full preferential treatment for Arab commodities, services and factors of production having clearly established Arab identity in respect of ownership, production, management and labour.

(c) Full preferential treatment shall be accorded to joint Arab projects of a productional and complementary character.

3. Commitment to the principle of Arab economic citizenship

(a) The accordance to Arab capital and labour of treatment no less favourable than that accorded to capital and labour of national origin in each Arab country and the provision of the necessary guarantees and appropriate incentives for them.

(b) Achievement of a balance in the rights, privileges and facilities accorded to Arab factors of production participating in Arab development.

(c) Establishment of freedom of movement of the Arab labour force, the guaranteeing of its rights and the establishment of the necessary facilities and assistance for its development.

4. Action for the swift and effective reduction of the development and income gap between the Arab countries and within each, so as to ensure the achievement of economic and social stability and harmony, national social justice and expansion of the base for effective popular participation in the Arab development process in order to strengthen it and rectify its course. 5. <u>Reliance on the principle of national planning of joint Arab projects as a</u> <u>method</u> for the orientation, organization and development of joint Arab action, as follows:

(a) Commitment to the Strategy for Joint Arab Economic Action, joint Arab development agreements and the development plans arising therefrom.

(b) An undertaking that every country plan shall include, in addition to its country elements, a national orientation in the form of a provision earmarking a set proportion of the resources for the financing of national plan projects.

6. <u>Commitment to the principle of mutual national economic assistance requires</u> the following:

(a) Mutual assistance among the Arab States, each according to its capacity and in conformity with the decisions of the Arab Economic and Social Council, for meeting joint Arab financing requirements; this includes, in particular, the requirements of national security, the development of resources, manpower and infrastructure projects.

(b) The commitment of the Arab countries to give full support to any Arab country that is exposed to foreign aggression or to economic countermeasures because of its exercise of the rights of national sovereignty or to natural disasters, in conformity with the decisions of the Arab Economic and Social Council.

7. Collective agreements

Review of the collective agreements concluded within the framework of the League of Arab States, for the purpose of their evaluation and development in the light of the Arab and international changes which have supervened, so as to make them more effective for the attainment of national objectives and in the light of experience in their application.

8. Finance and currency

(a) Expediting the adoption of measures to establish freedom of current transactions in accordance with the provisions of the Arab Monetary Fund Agreement.

(b) Gradual expansion of the use of the Arab accounting dinar and the creation of the economic conditions for the establishment of an Arab currency area.

(c) The linking of Arab capital within the Arab world to the objective of development and complementarity.

9. Trade

(a) Establishment of direct free trade between the Arab States, within the framework of a complementary development effort that will strengthen and diversify the production base.

(b) The accordance to joint complementary Arab projects of preferential treatment over foreign projects in Arab countries, particularly with regard to financing and marketing, in accordance with guidelines to be laid down by the Arab Economic and Social Council.

(c) Prior co-ordination in the matter of entry into international markets, in order to guarantee the obtaining of the most favourable offers for the basic commodities to be determined by the Arab Economic and Social Council in accordance with a collective Arab negotiating strategy.

(d) The drawing up of an Arab policy for strategic storage of commodities with regard to a group of major imported and locally produced commodities to be specified by the Arab Economic and Social Council.

10. The Arab specialized agencies

(a) Development of the organizational structure of the global and sectoral institutions and machinery for joint Arab economic action, evaluation of their performance with the aim of increasing their effectiveness, strengthening co-operation and co-ordination between them, eliminating any prejudicial duplication, defining the role of each within the framework of the Strategy for Joint Arab Economic Action and the national plans drawn up for implementation by them and the adoption of all possible measures to promote their role in the performance of the functions assigned them.

11. The Arab countries shall endeavour to ensure that the ultimate objective of any Arab economic co-operation and complementarity is the arrival of the economies of the Arab countries at the phase of Arab economic unity.

II. INTEFNATIONAL FELATIONS

12. Placing economic interests at the service of national issues

The necessity of Arab commitment to the utilization of Arab economic power in the interest of Arab national causes, in particular, the Palestinian cause, in accordance with the policies and measures decided upon by the Council of the Arab League and the Arab Economic and Social Council.

13. Co-operation with the developing countries

The necessity of strengthening Arab co-operation with the developing countries on bases of solidarity and in a way which supports their efforts and strengthens their economic independence.

14. The new international economic order

(a) Effective Arab participation in the establishment of a new international economic order with a view to the establishment of equal, just and intensive economic relations between its components, the casting off of dependence and the halting of the drainage of the resources of the third world.

A/38/114 English Page 6

(b) An endeavour to establish a new Arab economic order so as to rectify the position of the Arab bloc in the current division of international activity on a basis of complementarity, development and liberation and in a way which contributes to the establishment of the new international economic order.

15. International organizations

The strengthening of the Arab role in regional and international organizations so as to ensure the Arab countries an effective economic role therein, with a view to influencing their orientation in a way which serves Arab national interests and third world causes.

III. CONFRONTING THE ZIONIST CHALLENGE

16. Bolstering Arab self-reliance at the country and national levels to counter and resist the Zionist challenge in all areas and, in particular, in the following:

(a) Full observance of Arab boycott prescriptions and principles and the interim extraordinary provisions concerning the Republic of Egypt and support of the struggle of the Arab people there until it returns to the Arab ranks.

(b) The adoption of all possible effective measures to prevent Israeli infiltration of Arab economies.

(c) Adoption of a firm stand vis-à-vis the States which support Zionist aggression.

(d) Support of the front-line States and the Palestine Liberation Organization and support of the steadfastness of the Arab people in the occupied territories.

DONE at the city of Amman on Wednesday, 18 Muharram 1401 A.H., corresponding to 26 November 1980 A.D., the single original being deposited with the Secretariat of the League of Arab States and an authentic copy delivered to each of the States signing or acceding to the Charter.

<u>Signatures</u>

For the Hashemite Kingdom of Jordan: For the United Arab Emirates: For the State of Bahrain: For the Republic of Tunisia: For the People's Democratic Republic of Algeria: For the Republic of Djibouti: For the Kingdom of Saudi Arabia:

English Page 7

A/38/114

For the Democratic Republic of the Sudan:
For the Somali Democratic Republic:
For the Republic of Iraq:
For the Sultanate of Oman:
For Palestine:
For the State of Qatar:
For the State of Qatar:
For the State of Kuwait:
For the Lebanese Republic:
For the Socialist People's Libyan Arab Jamahiriya:
For the Kingdom of Morocco:
For the Islamic Republic of Mauritania:
For the Yemen Arab Republic:
For the People's Democratic Republic of Yemen:

For the Syrian Arab Republic:
