

RECORD OF UNDERSTANDING
RELATING TO THE FREE TRADE AGREEMENT
BETWEEN
THE EFTA STATES AND THE GCC MEMBER STATES

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For greater certainty, the Parties hereby confirm the following common understandings, and confirm that these understandings constitute an integral part of the Agreement.

Ad subparagraph (e)(i) of Article 3.3

A necessary condition for a juridical person to qualify as “juridical person of a Party” under subparagraph (e)(i) of Article 3.3 is to be constituted or otherwise organised under the law of that Party. Juridical persons that do not fulfil this condition are not covered by the definition of subparagraph (e)(i), even if they meet other criteria of that paragraph, *e.g.* the subsidiary in a non-party of a company established in a Party is not covered by the definition of subparagraph (e)(i).

Another necessary condition required under subparagraph (e)(i) is to “be engaged in substantial business operations”. A juridical person may fulfil this condition by performing business operations in the territory of any Party. A juridical person may also fulfil this condition by performing business operations in the territory of a non-party Member of the WTO provided that that juridical person is owned or controlled by persons of that Party which meet the conditions of subparagraph (i)(A), *i.e.* which are “constituted or otherwise organised under the law of that other Party” and are “engaged in substantive business operations in the territory of any Party”.

Nothing in subparagraph (e)(i) of Article 3.3 affects provisions relating to licensing under the Agreement.

Ad Article 3.10

Nothing in the provisions of Chapter 3 affects the Parties’ visa regulations, requirements and procedures, including the requirements applicable for granting a visa, in particular in respect of natural persons who are not nationals of a Party. Nothing in Chapter 3, in particular in Article 2 of Annex X, obliges the Parties to provide the reasons for the denial of a visa.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Record of Understanding.

Done at Hamar, this 22nd day of June 2009, which corresponds to this 29th day of Jumada'II 1430 Hijri, in four originals, two in the English language which shall be authentic and two in Arabic, one English and one Arabic version being deposited with the Government of Norway and one English and one Arabic version being lodged with the GCC Secretariat. The Depositary shall transmit certified copies to all the Parties.

For the Republic of Iceland

For the Governments of the Member States of the Cooperation Council for the Arab States of the Gulf

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For the Principality of Liechtenstein

Yusuf Bin Alawi Bin Abdullah
Minister Responsible for Foreign Affairs of Sultanate of Oman
President of the Ministerial Council of the Cooperation Council for the Arab States of the Gulf

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For the Kingdom of Norway

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For the Swiss Confederation

Abdulrahman Bin Hamad Al-Attiyah
Secretary-General of the Cooperation Council for the Arab States of the Gulf

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