



EUROPEAN FREE TRADE ASSOCIATION
ASSOCIATION EUROPEENNE DE LIBRE-ECHANGE

TCR-L 19/99
23 July 1999

Dear Mr. Hartridge,

Please find attached a communication by the EFTA States (Iceland, Liechtenstein, Norway and Switzerland) concerning the Interim Agreement establishing a Free Trade Area between the EFTA States and the Palestine Liberation Organization for the benefit of the Palestinian Authority to be further distributed to the Members of the WTO. Attached to the communication is the text of the Interim Agreement and its Annexes and Protocols. In addition, copies of the bilateral agricultural arrangements are provided herewith.

Yours sincerely,

Norbert Frick
Ambassador

Permanent Representative of Liechtenstein
Chairman of the EFTA Council

Mr. David Hartridge
Director in charge
WTO
Centre William Rappard
154, Rue de Lausanne

1211 Geneva 21

COMMUNICATION BY THE EFTA STATES

INTERIM AGREEMENT ESTABLISHING AN INTERIM FREE TRADE AREA BETWEEN THE EFTA STATES AND THE PALESTINE LIBERATION ORGANIZATION FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY

The EFTA States (Iceland, Liechtenstein, Norway and Switzerland), with reference to Article XXIV:7 (a) of the General Agreement on Tariffs and Trade 1994, herewith transmit the text of the Interim Agreement establishing a Free Trade Area between the EFTA States and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority (PA) with its Annexes, Lists and Protocols. The bilateral arrangements on trade in agricultural products, which have been concluded between the Parties, are also transmitted herewith. They form part of the instruments creating the Free Trade Area.

The Interim Agreement and the bilateral agricultural arrangements were signed on 30 November 1998 and entered into force on 1 July 1999 between the Palestinian Authority, Liechtenstein, Norway and Switzerland respectively. They will enter into force with respect to Iceland after the ratification process has been completed.

In accordance with Article XXIV of GATT 1994, the objective of the Interim Agreement is to eliminate duties and other restrictions for industrial products, fish and other marine products and processed agricultural products in trade between the EFTA States and the West Bank and the Gaza Strip. Within the framework of the Interim Agreement, the bilateral agricultural arrangements provide for measures to liberalise trade in agricultural products.

Upon the entry into force of the Interim Agreement, the EFTA States and the Palestinian Authority will eliminate all duties and restrictions on originating products falling within the scope of the Interim Agreement. The Interim Agreement also contains provisions dealing with, *inter alia*, intellectual property rights, state monopolies, state aid and competition. The Interim Agreement is to be reviewed in light of further developments in international economic relations and the Middle East peace process in order to finalize the Agreement following a further transfer of competencies to the Palestinian Authority and the finalisation of permanent status negotiations under the Oslo Agreements.

The EFTA States will submit separately more detailed background information on the Interim Agreement on the basis of the Standard Format for information. The text of the Interim Agreement with its Annexes and Protocols is also available on the Internet at the EFTA Homepage (<http://www.efta.int>).
