

MARKET ACCESS

In an important move toward regional integration, Bahrain, Kuwait, Oman, Qatar, United Arab Emirates and Saudi Arabia formed the Gulf Cooperation Council {GCC} in 1981. Significant steps taken toward unification of economic policies and commercial regulations have taken place in all states including freedom for the movement of goods. In general, trade policy in the Arab Gulf States is liberal with free enterprise oriented policies, but all states participate in the Arab League's economic boycott of Israel. Certain goods cannot be imported into the Arab Gulf States for reasons of health, morality, or security. Canadian fish and seafood exporters contemplating entering any of the Arab Gulf State markets should first familiarize themselves with local social and business customs, tax laws, and agency and import regulations. There is no substitute for a personal relationship with Gulf representatives as practices favour ties of kinship, friendship, and partnership. Moreover, government regulations throughout the Arab Gulf maximize the business benefits to foreigners who have local agents or partners.

Agents

All of the Arab Gulf States have laws designed to regulate the ownership and role of trading agencies, and as such, foreign companies are required to make distribution of their products only through exclusive commercial agents that are either Arab Gulf State nationals or companies wholly-owned by Arab Gulf State nationals. Commissions foreign firms pay to an agent are determined through negotiations. Also, agency agreements must specify the rate of commission in order for registration to be accepted.

Agents can serve a variety of vital functions in the Arab Gulf States. An active agent can represent the foreign firm's products and services with the numerous ministries of the Federal Governments in the region and the individual municipal departments. A reputable agent will provide the foreign firm with a good standing in the local business community, can provide logistical support {such as transportation, hotel accommodations, visas, work permits, and appointments with the proper government officials}, and can work to develop trade leads or contact opportunities. Few agents are capable of handling the entire Gulf region, therefore Canadian firms might be required to select an agent in each country, and in the case of the UAE, in each Emirate. Personal relationships and follow-up are key in these markets, and it is essential that the local agent know their market and have good connections.

Shipping Documents

A commercial invoice, certificate of origin, steamship certificate and insurance certificate must accompany each shipment into the Arab Gulf States. Depending upon the nature of the fish and seafood goods shipped, documents such as sanitary, phytosanitary, and quality certificates may also be required. A minimum of one copy of each of the shipping documents should be included with the shipment. Canadian fish and seafood exporters are advised to check all relevant details with their commercial contacts and to adhere strictly to the specifications set by importers, agents, and authorities in all of the Arab Gulf States. Commercial documents generally must be certified by a Chamber of Commerce and then legalized by an Arab Gulf State consular officer.