

Real Estate Appropriation by Citizens of Arab Gulf States Co-operative Council and the Executive Rules

The Execution of program (2) of Article (8) of the integrated economic agreement pertaining to the real estate appropriation in compliance with the following system:

Article (1)

Citizens of the co-operative Council, in natural person capacity, may appropriate one realty, whether it be land or a building in organized residential areas in any member country by one of the transfer methods among the individuals or by a testamentary disposition provided that the land area shall not exceed (3,000) m².

Article (2)

The appropriation shall be for the purpose of dwelling of proprietor or his family and the same shall have no right to exploit the realty for another purpose unless allowed by the law of the state.

Article (3)

If the realty was a land, the proprietor shall begin construction within three years as of date of its registration in his name, provided that building shall be completed within five years as of the said date, otherwise the concerned state may take over the realty and sell at his account and the proprietor shall be compensated by the same price of the realty at the time of its purchase or its price at its sale which ever is lesser with reservation of his legal right before the competent authority. The state may extend the above said period if it has been convinced by the reasons of proprietor's delay in building.

Article (4)

The realty proprietor may not take an action to transfer ownership thereof except after elapse of eight years as of the date of its registration in the proprietor's name, however, the proprietor may, exceptionally, in case of extreme necessity, transfer ownership before the elapse of such period with a prior consent from the competent authority.

Article (5)

If the ownership was acquired by the way of inheritance, the proprietor shall be treated in the same way as the citizens where the realty exists are treated.

Article (6)

In case the person seeking to appropriate such realty, by virtue of this law, holds the nationality of one of the member countries by naturalization, ten years, at

least; shall pass as of the date of his naturalization.

Article (7)

Citizens of Arab Gulf states cooperative Council of capacity of natural person and artificial person may lease lands and use them in any member state, in economic enterprises permitted to be invested in with free disposition of such right by sale or mortgage in compliance with the requirements of the state's law.

Article (8)

Realties within borders of Holly Mecca or Medina El Minowara shall be exempted from the provisions hereof.

Article (9)

This law shall not contradict with the right of the state disappropriate the realty for public interest in consideration of a fair compensation for the proprietor in accordance with the laws applied to its citizens, without prejudice to the right of proprietor to appropriate another realty in accordance of this law and also, it shall not contradict with the right of the state to restrict appropriation and usufruct in certain places for security reasons.

Article (10)

This law shall not include rights better than right enjoyed in any member state and shall not upset better rights which were effective in the past or shall be granted by some member countries in future.

Article (11)

This law shall be put into force three months as of date of the approval of the Supreme Council.

Article (12)

The experience shall be evaluated by the Ministerial Council in five years of date of enforcement.