

# Legal Alert



## Repeal of UAE Boycott of Israel Law

By Bashir Ahmed and Zaid Mahomed | 31 August 2020

Following the announcement of the Abraham Accord with Israel, President His Highness Sheikh Khalifa bin Zayed Al Nahyan issued Federal Decree Law 4 of 2020, repealing Federal Law 15 of 1972 (the **Boycott Law**).

### Brief overview of the Boycott Law

Pursuant to the Boycott Law, the United Arab Emirates (UAE) joined the Arab League boycott of Israel (the **Boycott**).

Under the Boycott Law, the following activities were prohibited:

- entering into any agreements, directly or indirectly, with individuals or bodies corporate in Israel or those having Israeli nationality; and
- trading of any nature of goods produced in Israel, wholly or partially, or manufactured using any Israeli material.

The UAE Boycott Law applied to all companies incorporated or operating in the UAE (including companies in the free zones of the UAE).

The UAE Boycott Law implemented a primary, secondary and tertiary boycott of Israel. The terms “primary,” “secondary” and “tertiary” were not used in the UAE Boycott Law. However, the primary boycott was generally viewed as a boycott by the UAE against Israeli products, services, nationals and companies and on direct trade with Israel. The secondary boycott was generally viewed as a boycott against parties that do business with Israel (who are placed on a blacklist), and the tertiary boycott was generally viewed as a boycott of parties that do business with blacklisted parties.

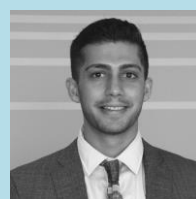
The policy of the UAE with regard to the Boycott was formally amended pursuant to Cabinet Resolution 462/17M of 1995 dated 20 November 1995 (the **Resolution**). Through the Resolution, the UAE Federal Cabinet declared that the UAE would no longer enforce the secondary and tertiary aspects of the Boycott.

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## Repeal of the Boycott Law

The repeal of the Boycott law will allow individuals and companies in the UAE to enter into agreements with parties in Israel, to transact business and to import and trade in Israeli goods and products. ■

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