

Israel's Major international Trade Agreements

In recent years, the State of Israel has signed a series of trade agreements. The importer of goods from a country with which Israel has signed a trade agreement must verify what are the “origin regulations” – which determine whether the product made in that country is eligible to enjoy the benefits set forth in the specific trade agreement, and what are the necessary documents for obtaining the benefit set forth in the agreement.

Israel has signed free zone trade agreements with individual countries such as: Canada, Turkey, Czech Republic, Slovakia, Poland, Hungary, Mexico, Romania, Bulgaria and Jordan.

Israel has also signed multi-country trade agreements.

Israel-European Union Free Trade Zone Agreement

In July 1975, a Free Trade Agreement was signed between Israel and the countries of the European Union. Under this agreement, Israel gradually reduced its import duties on industrial imports from the EU market until they were completely lifted in January 1989.

Only products originating in EU countries, directly imported from EU countries to Israel and accompanied by an EUR1 certificate of origin or a certificate of declaration of the exporter, are eligible for customs discounts on imports from the EU to Israel. In November 1995, an agreement was signed which improved the basis of trade relations with the European Economic Community. Its implications on imports are primarily expressed in a reduction of the surcharges levied on agricultural goods originating in EU countries. The countries included in the agreement are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the UK.

Israel-USA Free Trade Zone Agreement (FTA)

In April 1985, Israel and the United States entered into an agreement for the establishment of a free trade zone. Under the agreement, import duties between the two countries were gradually lifted. Import duties were completely eliminated effective as of January 1, 1995 (assurance charges – BITHA – are levied on food products and agricultural products imported from the U.S.). Only products originating in the U.S., directly imported from the U.S. and accompanied by a FORM A certificate of origin, are eligible for customs discounts.

Israel-EFTA Free Trade Zone Agreement

On January 1, 1993 a free trade zone agreement was signed between Israel and EFTA countries, as a result of which import duties on industrial products were immediately lifted. The countries included in the agreement are: Iceland, Liechtenstein, Norway, and Switzerland.

>> For Additional Reading:

A list of Israel's trade and economic agreements

www.moit.gov.il/NR/exeres/BB135FF8-8A82-4D4E-B88A-C71EC661527A.htm

European Commission

ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/israel

USTR

www.ustr.gov/trade-agreements/free-trade-agreements/israel-fta

Invest in Israel

www.investinIsrael.gov.il/NR/rdonlyres/205E25E4-E39D-4AEB-812F-30E26F1F368D/0/listofagreementsjuly08.pdf