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Voluntary Public

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Israel

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Certificate of Origin Update

Report Categories:

Food and Agricultural Import Regulations and Standards - Narrative

Food and Agricultural Import Regulations and Standards - Certification

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Report Highlights:

In an effort to further facilitate trade between Israel and the United States, the two parties have agreed to reduce the paperwork burden necessary to take advantage of the tariff reductions in the United States – Israel Free Trade Agreement. As of January 10, 2018, both sides removed the requirement for a *Certificate of Origin for Exporting to Israel*. The *Certificate of Origin for Exporting to Israel* is being replaced with an *invoice declaration*. A transition period allowing exporters to change their document requirements extends until March 31, 2018.

Relevant reports:

- **Fair Certification Report Tel-Aviv Israel 2017**
- **Fair Narrative Report Tel-Aviv Israel 2017**

Overview

In an effort to further facilitate trade between Israel and the United States, the two parties have agreed to reduce the paperwork burden necessary to take advantage of the tariff reductions in the United States – Israel Free Trade Agreement. As of January 10, 2018, both sides removed the requirement for a *Certificate of Origin for Exporting to Israel*. The *Certificate of Origin for Exporting to Israel* is being replaced with an *invoice declaration* (see attached specimen below). A transition period allowing exporters to change their document requirements extends until March 31, 2018.

Under the updated provisions, the *invoice declaration* must state the following:

“I, the undersigned, hereby declare that unless otherwise indicated, the goods covered by this document fully comply with the rules of origin and the other provisions of the Agreement on the Establishment of the Free Trade Area between the Government of Israel and the Government of the United States of America.”

Background

Prior to January 10, 2018, firms wishing to gain preferential access to the Israeli market were required to submit a *Certificate of Origin for Exporting to Israel* to Israeli customs authorities. Only the original form could be submitted, photocopies were not accepted. If the certificate was being submitted by an exporter that was not also the manufacturer, it had to be notarized and stamped by a U.S. – Israel Chamber of Commerce. Certificates were issued by U.S. – Israel Chambers of Commerce across the country. More details on the United States – Israel Free Trade Agreement can be found in the 2017 Israel Food and Agricultural Import Regulations and Standards [Narrative](#) and [Certificate](#) reports.

Amendment

This agreement amended Paragraph 9, Annex 3 (Rules of Origin), of the [United States – Israel Free Trade Agreement](#). The full amendment can be found in Paragraph 2 of the [Decision of the Joint Committee of the Agreement on the Establishment of a Free Trade Area Between the Government of Israel and the Government of the United States of America on Annex 3 \(Rules of Origin\)](#). A copy of that decision can be found below.

Certificate of Origin and the Plant Protection Law

Israel’s [Plant Protection Regulation](#) controls the import of all plant material, pests, and regulated products. Within the [Israeli regulation](#) there is a reference to the usage of the *Certificate of Origin*. Israel’s Plant Protection and Inspection Service (PPIS) has yet to announce how they will manage the regulatory discrepancy between the new *invoice declaration* and the required *Certificate of Origin*. Exporters of U.S. products are work closely with their Israeli partners during this transition period. The Foreign Agricultural Service in Tel Aviv is working closely with PPIS on this issue and will publish updates that could potentially impact U.S. exporters.

**DECISION OF THE JOINT COMMITTEE OF THE AGREEMENT ON THE
ESTABLISHMENT OF A FREE TRADE AREA BETWEEN THE GOVERNMENT OF
ISRAEL AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON
ANNEX 3 (RULES OF ORIGIN)**

The Governments of the State of Israel and the United States of America, the Parties to the Agreement on the Establishment of a Free Trade Area between the Government of Israel and the Government of the United States of America, done at Washington, DC on April 22, 1985, hereinafter "the Agreement," acting as the Joint Committee,

HAVING CONSULTED on the interpretation of the provisions of Annex 3 of the Agreement (Rules of Origin) with a view to removing trade barriers, consistent with the objectives of the Agreement;

RECOGNIZING that the Agreement allows amendments of the rules of origin provisions for such purpose; and

ACTING in accordance with Article 17.2(c) and paragraph 11 of Annex 3 of the Agreement;

HAVE AGREED as follows:

1. Neither Party shall require exports under the Agreement to be documented by a certificate of origin, including the certificate of origin (commonly referred to as "Form A") of which a specimen is set forth in Attachments I and II to Annex 3 of the Agreement, in order to make a claim of preferential tariff treatment under the Agreement, or in order to verify compliance with the rules of origin set forth in the Agreement.
2. Accordingly, the text of Paragraph 9 of Annex 3 of the Agreement is amended as follows:

9. "A Party may require that imports from the other Party entered under this Agreement be accompanied by a declaration, completed by the producer or exporter on the invoice, delivery note, or on any other commercial document (Invoice Declaration), the text of which is provided in the Attachment to this Annex (Specimen Invoice Declaration). A Party shall not require consular transactions, including related fees and charges, or third party approval of customs documentation for imports entered under this Agreement. A Party shall not deny preferential treatment under this Agreement solely because the original Invoice Declaration has not been submitted. The exporter shall be prepared to present the Invoice Declaration when the articles are entered in accordance with the rules and procedures of the importing Party.¹

The exporter signing the Invoice Declaration, or the producer, shall be prepared to submit a verification declaration setting forth all pertinent details, concerning the production or manufacture of the articles, which were used to prepare the Invoice Declaration.

The information on the verification declaration should contain at least the following pertinent details:

- A. a description of the article, quantity, numbers and marks of packages, invoice numbers, and bills of lading;
- B. a description of the operations performed in the production of the article in a Party and identification of the direct costs of processing operations;
- C. a description of any materials used in production of the article, which are wholly the growth, product, or manufacture of either Party, and a statement as to the cost or value of such materials;
- D. a description of the operations performed on and a statement as to the origin and cost or value of, any foreign materials used in the article which are claimed to have been sufficiently processed in a Party so as to be materials produced in that Party; and
- E. a description of the origin and cost or value of any foreign materials used in the article, which have not been substantially transformed in a Party.

The importing Party should only request a verification declaration when it has reason to question the accuracy of a claim of origin made on the Invoice Declaration, or when it randomly verifies origin."

3. The Attachments to Annex 3 of the Agreement are amended by striking the current text and replacing it with the text in the attachment to this decision.

¹ As of the date of signature of this decision, Israel requires the submission of an Invoice Declaration with respect to articles for which a claim of preference is made under the Agreement before customs release of the articles.

4. With a view to further enhancing the efficiency of its customs processes for making a claim for preference under the Agreement, each Party shall seek to provide for electronic submission of the Invoice Declaration. The Parties shall share information regarding their implementation of, and ongoing efforts with respect to, customs automation through the Joint Committee.

5. Each Party shall notify the other Party in writing of the completion of its domestic legal procedures required for the entry into force of this decision. The modifications set forth herein shall take effect on the first day of the second month following the date of the latter such notification or on such other date as the Parties agree.

DONE,

For the State of Israel:	
Rachel Hirshler <i>Rachel Hirshler</i>	Date 10.5.17
For the United States of America:	
L. Daniel Mullaney <i>L. Daniel Mullaney</i>	May 10, 2017 Date

Attachment

Specimen Invoice Declaration

I, the undersigned, hereby declare that unless otherwise indicated, the goods covered by this document fully comply with the rules of origin and the other provisions of the Agreement on the Establishment of a Free Trade Area between the Government of Israel and the Government of the United States of America.

- The Exporter*** (whether the exporter is the producer or not)
- The Producer*** (is not the exporter)

Tax Identification: _____
Name: _____
Title: _____
E-mail: _____
Signature: _____