

Israel Free Trade Agreement

Entered into Force August 19, 1985

Agreement on the Establishment of a Free Trade Area between the Government of Israel and the Government of the United States of America

[PREAMBLE]

The Government of Israel and the Government of the United States of America,

Desiring to promote mutual relations and further the historic friendship between them;

Determined to strengthen and develop the economic relations between them for their mutual benefit;

Recognizing that Israel's economy is still in a process of development, wishing to contribute to the harmonious development and expansion of world trade;

Wishing to establish bilateral free trade between the two nations through the removal of trade barriers;

Wishing to promote cooperation in areas which are of mutual interest;

Have decided to conclude this Agreement:

ARTICLE 1

[ESTABLISHMENT OF A FREE TRADE AREA]

The governments of Israel and the United States of America (the Parties), consistent with Article XXIV (8) (b) of the General Agreement on Tariffs and Trade (GATT), establish hereby between them a Free Trade Area and will in accordance with the provisions of this Agreement eliminate the duties and other restrictive regulations of commerce on trade between the two nations in products originating therein.

ARTICLE 2

1. Products of Israel shall, when imported into the customs territory of the United States, be governed by the provisions of Annex 1.
2. Products of the United States shall, when imported into Israel, be governed by the provisions of Annex 2.
3. The rules of origin applicable to this Agreement are set forth in Annex 3.
4. The commitment with respect to export subsidies is contained in Annex 4.
5. The Annexes to this Agreement constitute an integral part thereof.

ARTICLE 3

[RELATIONSHIP TO OTHER AGREEMENTS]

The Parties affirm their respective rights and obligations with respect to each other under existing bilateral and multilateral agreements, including the Treaty of Friendship, Commerce and Navigation between the United States and Israel and the GATT. In the event of an inconsistency between provisions of this Agreement and such existing agreements, the provisions of this Agreement shall prevail.

ARTICLE 4

[NEW RESTRICTIONS ON TRADE]

New customs duties on imports or exports or any charge having equivalent effect and new quantitative restrictions on imports or exports or any measure having equivalent effect may be introduced in the trade between the Parties only if permitted by this Agreement or by the GATT as in effect on the date of entry into force of this Agreement and as interpreted by the CONTRACTING PARTIES to the GATT and in so far as not inconsistent with this Agreement.

ARTICLE 5