Trade and Partnership Agreement

Between

the Government of the State of Israel

and

the Government of the United Kingdom of Great Britain

and Northern Ireland

THE GOVERNMENT OF THE STATE OF ISRAEL ("Israel") on the one hand, and

THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ("the United Kingdom") on the other,

(hereinafter referred to as "the Parties");

RECOGNISING that the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the State of Israel, of the other part, done at Brussels on 20th November 1995 and related agreements between the European Union and the State of Israel will cease to apply to the United Kingdom when it ceases to be a Member State of the European Union or at the end of any transition or implementation period during which the rights and obligations under those agreements between the European Union and the State of Israel continue to apply to the United Kingdom;

DESIRING that the rights and obligations between them as provided for by and in relation to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the State of Israel, of the other part and related Agreements between the EU and the State of Israel should continue;

Have agreed as follows:

Article 1

Objective

The overriding objective of this Agreement is to preserve the preferential conditions relating to trade between the Parties and the other links between the Parties, both of which result from the EU-Israel Trade Agreements as defined in Article 3 and to provide a platform for further trade liberalisation and enhancement of those links between them.

Article 2

Definitions and interpretation

1. Throughout this Agreement:

"*Incorporated Agreements*" means the EU-Israel Trade Agreements to the extent incorporated into this Agreement (and related expressions are to be read accordingly);

"*mutatis mutandis*" means with the technical changes necessary to apply the EU-Israel Trade Agreements as if they had been concluded between the United Kingdom and the State of Israel, taking into account the object and purpose of this present Agreement and any reference to a European Union body, office or institution shall in particular be read as a reference to the United Kingdom equivalent and any reference to the European Commission shall be read as a reference to the Government of the United Kingdom.

2. Throughout the Incorporated Agreements and this Instrument, "this Agreement" means the entire Agreement, including this Instrument and anything incorporated by Article 3.

Article 3

Incorporation of the EU-Israel Trade Agreements

The provisions of the following agreements (together the "EU-Israel Trade Agreements") in effect immediately before they cease to apply to the United Kingdom, together with the obligations and expressions contained in the Joint Declarations set out in Annex I, are incorporated into and made part of this Agreement, *mutatis mutandis*, subject to the provisions of this Agreement and the modifications provided for in Annex II:

(1) The Euro-Mediterranean Agreement establishing an association between the European Communities and their

Member States, of the one part, and the State of Israel, of the other part, done at Brussels on 20th November 1995, as amended by:

(a) the Agreement in the form of an Exchange of Letters between the European Community and the State of Israel concerning reciprocal liberalisation measures on agricultural products, processed agricultural products and fish and fishery products, the replacement of Protocols 1 and 2 and their annexes and amendments to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States of the one part and the State of Israel of the other part, done at Brussels on 4th November 2009; and

(b) the Agreement in the form of an Exchange of Letters between the European Union, of the one part and the State of Israel of the other part amending the Annexes to Protocols 1 and 2 of the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States of the one part and the State of Israel of the other part, done at Brussels on 18th June 2012 (together the "EU-Israel Association Agreement").

(2) The Agreement between the European Community and the State of Israel on government procurement, done at Brussels on 10th July 1997 (the "EU-Israel Procurement Agreement").

(3) The Protocol to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States of the one part and the State of Israel, of the other part, on Conformity Assessment and Acceptance of Industrial Products, done at Brussels on 6th May 2010 (the "EU-Israel Conformity Assessment Agreement").

Article 4

Territorial application

For the avoidance of doubt in relation to incorporated Article 83, this Agreement shall apply, in respect of the United Kingdom, to the territory of the United Kingdom of Great Britain and Northern Ireland and for the territories for whose international relations it is responsible, to the extent that, and under the conditions under which the EU-Israel Trade Agreements applied immediately before they ceased to apply to the United Kingdom.

Article 5

Continuation of time periods

1. Unless this Instrument provides otherwise:

(a) if a time period in the EU-Israel Trade Agreements has not yet ended, the remainder of that period shall be incorporated into this Agreement; and

(b) if a time period in the EU-Israel Trade Agreements has ended, any resulting rights and obligations shall continue to be applied between the Parties.

2. Notwithstanding paragraph 1, a reference in the Incorporated Agreements to a time period relating to a procedure or other administrative matter, such as review, committee procedure or notification, shall not be affected.

Article 6

References to approximation to EU law

The Parties recognise that references to the convergence, harmonisation, integration or approximation of Israeli law or practice to the laws of the European Union are not appropriate for application between the Parties and shall, subject to exceptions

and modifications in Annex II, not be incorporated into this Agreement.

Article 7

Provision in relation to the Association Council and Association Committee

1. The Association Council and Association Committee established under the EU-Israel Association Agreement as incorporated into this agreement shall be called the Joint Council and Joint Committee respectively, and shall ensure that this Agreement operates properly. Upon entry into force of this Agreement, references to the Association Council and Association Committee in the Incorporated Agreements shall be read as references to the Joint Council and Joint Committee respectively.

2. Subject to Annex II, upon entry into force of this Agreement, any decisions adopted by the Association Council or Association Committee established by the EU-Israel Association Agreement or by any other committees or working groups established under any of the EU-Israel Trade Agreements, shall, to the extent those decisions relate to the Parties to this Agreement, be deemed to have been adopted, *mutatis mutandis* by the Joint Committee established under the EU-Israel Association Agreement as incorporated into this agreement, subject to any further modifications agreed by the Joint Council or Joint Committee.

3. Nothing in paragraph 2 prevents the Joint Council or the Joint Committee established by this Agreement from making decisions which are different to, revoke, or supersede the decisions deemed to have been adopted under that paragraph.

Article 8

Amendments

1. The Parties may agree in writing to amend this Agreement. An amendment shall enter into force on such date as the Parties may agree, subject to the completion of the Parties' respective legal requirements and procedures, and after an exchange of Diplomatic Notes certifying that they have completed such requirements and procedures.

2. Notwithstanding paragraph 1, the Joint Committee may modify the Annexes and Protocols to this Agreement. The Parties may adopt these Joint Committee decisions subject to their respective applicable legal requirements and procedures.

Article 9

Entry into force and provisional application

1. Each Party shall notify the other Party of the completion of its domestic procedures required for the entry into force of this Agreement.

2. This Agreement shall enter into force on the later of:

(a) the date on which the EU-Israel Trade Agreements cease to apply to the United Kingdom; or

(b) the date of the second of the Diplomatic Notes by which the Parties notify each other that they have completed their respective legal requirements and procedures.

3. Pending entry into force of this Agreement, the Parties shall provisionally apply this Agreement, or provisions of it, in accordance with Article 9(4).

4. This Agreement, or provisions of it, shall be provisionally applied from the later of:

(a) the date on which the EU-Israel Trade Agreements cease to apply to the United Kingdom; or

(b) the date of the later of either the receipt of notification of provisional application by the United Kingdom, or of receipt of the Diplomatic Note by which Israel notifies ratification and provisional application.

5. A Party may terminate the provisional application of this Agreement, or provisions of it, by written notification to the other Party. Such termination shall take effect on the first day of the third month following the notification.

6. The provisional application of this Agreement shall terminate upon its entry into force.

7. If, pending the entry into force of this Agreement, this Agreement is applied provisionally, unless this Instrument provides otherwise, all references in this Agreement to the date of entry into force shall be deemed to refer to the date such provisional application takes effect.

In witness whereof the undersigned being duly authorised thereto by their respective Governments, have signed this Agreement.

Done at Tel Aviv this 18th day of February 2019 in the English language.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

For the Government of the State of Israel:

ANNEX I

The following Joint Declarations made in relation to the EU-Israel Association Agreement form an integral part of this Agreement:

Joint Declaration relating to Article 2

Joint Declaration relating to Article 5

Joint Declaration relating to Article 6(2)

Joint Declaration relating to Title VI

Joint Declaration relating to Article 39 and Annex VII

Joint Declaration relating to Article 44

Joint Declaration on Decentralised Cooperation

Joint Declaration relating to Article 68

Joint Declaration relating to Article 75

Joint Declaration on Veterinary Matters

Common Declaration on Geographical Indications

Joint Declaration on trade particularly in live plants, floriculture and horticulture products

ANNEX II

The incorporation of the EU-Israel Trade Agreements shall be modified as follows:

1. MODIFICATION TO TITLE II

FREE MOVEMENT OF GOODS

1. For the avoidance of doubt, the first sentence of Article 11 shall be incorporated into this Agreement,
2. In Article 14 (as amended by the Agreement in the form of an Exchange of Letters done at Brussels on 4th November 2009), the words "the Agreement in the form of an Exchange of Letters signed at Brussels on 4 November 2009, which corresponds to the seventeenth day of Heshvan 5770 in the Hebrew calendar," shall be replaced by "this Agreement"
3. Article 18 shall not be incorporated into this Agreement.
4. The following sentence in Article 21(2) shall not be incorporated into this Agreement:

   "In particular, in the event of a third country acceding to the European Union, such consultation shall take place so as to ensure that account can be taken of the mutual interests of the Community and Israel".

2. MODIFICATION TO TITLE III

RIGHT OF ESTABLISHMENT AND SUPPLY OF SERVICES

In Article 29(3), the words "a first assessment" shall be replaced by "an assessment" and the word "the" shall be replaced by "this".

3. MODIFICATIONS TO TITLE VIII

SOCIAL MATTERS

1. In Article 64(1), after "subject to" the words "Article 65 and to" shall be inserted.
2. In Article 64(1), first indent, after "fulfilled by such workers in" the words "the United Kingdom and" shall be inserted.
3. In Article 64(1), first indent, after "the different" the words "European Union" shall be inserted.
4. In Article 65(1), after the first sentence the following words shall be inserted:

   "However, the first indent of Article 64(1) shall not apply unless and until the Joint Council:

   (a) determines that appropriate data sharing arrangements are in place to enable the United Kingdom to implement the first indent of paragraph 1; and

(b) having done so, decides to apply this provision, with or without modifications, or to replace it."

5. In Article 65(2), at the start of the sentence, the words "After the entry into force of this Agreement," shall be inserted.

6. In Article 65(2), after "Council shall" the following words shall be inserted:

   "examine any developments in data sharing arrangements between the United Kingdom and the European Union and consider whether these are appropriate to enable implementation of the first indent of Article 64.1. The Joint Council shall also"

7. In Article 66, the words "where these agreements provide for a more favourable treatment of Israeli nationals or for nationals of the Member States" shall not be incorporated into this Agreement.

4. MODIFICATION TO TITLE IX

INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

1. In Article 67 the words "at ministerial level" shall not be incorporated into this Agreement.
2. Article 68(1) shall be replaced by the following:

   "The Joint Council shall consist of representatives of the Government of the United Kingdom on the one hand and representatives of the Government of the State of Israel on the other.".

3. In Article 68(4) the words "member of the Council of the European Union and a member of the Government of the State of Israel" shall be replaced by "a senior representative of the Government of the United Kingdom and a senior representative of the Government of the State of Israel".
4. In Article 74, the words "and between the Economic and Social Committee of the Community and the Economic and Social Council of Israel" shall not be incorporated into this Agreement.
5. Article 84 shall not be incorporated into this Agreement.
6. Article 85 shall not be incorporated into this Agreement.

5. MODIFICATIONS TO PROTOCOL 1

1. In point 3 of Protocol 1, the words "For the first year after the date of entry into force of the Agreement in the form of an Exchange of Letters, the volume of tariff quotas shall be calculated as a pro rata of the basic volume, taking into account the part of the period elapsed before the date of entry into force of that Agreement" shall be replaced by the following:

"Except where otherwise provided, the administration period for tariff quotas applied under this Agreement shall be 1 January to 31 December for each year the Agreement is in force. Where this Agreement enters into force part-way

through the administration period for tariff quotas, the volume of tariff quotas for the first year after the date of entry into force of this Agreement shall be calculated as a pro rata of the basic volume set out in Table 2, taking into account the part of the period elapsed before the date of entry into force of this Agreement."

2. Point 4 shall be replaced by the following:
"The Parties acknowledge that the United Kingdom may introduce and apply an entry price system on or after the date of entry into force of this Agreement in order to replicate, in whole or in part, the entry price system that the European Union applies to certain fruits and vegetables in accordance with Article 181 of Council Regulation (EC) No 1308/2013 (and any successor legislation which is applicable upon the entry into force of this Agreement). The United Kingdom shall notify Israel, in writing, its intent to apply such an entry price system, including, on the products to which such an entry price system shall apply. To the extent to which the United Kingdom applies such an entry price system, the note to Table 2 to the Annex to Protocol 1 which is indicated by "(4)" shall continue to apply.

If the United Kingdom applies an entry price system to originating goods of Israel in accordance with United Kingdom legislation that is adopted on or after the entry into force of this Agreement to replicate, in whole or in part, the entry price system applied in accordance with Article 181 of Council Regulation (EC) No 1308/2013 (and any successor legislation which is applicable upon the entry into force of this Agreement), then notwithstanding the conditions under point 2 of this Protocol, for the products to which such entry price system applies and for which the United Kingdom's customs tariff provides for the application of ad valorem customs

duties and a specific customs duty, the elimination applies only to the ad valorem part of the duty."

3. Table 2 to the Annex to Protocol 1 shall be replaced by the table in Appendix 1 of this Annex.

6. MODIFICATIONS TO PROTOCOL 2

1. In point 3 of Protocol 2, the words "For the first year after the date of entry into force of the Agreement in the form of an Exchange of Letters, the volume of tariff quotas shall be calculated as a pro rata of the basic volume, taking into account the part of the period elapsed before the date of entry into force of that Agreement" shall be replaced by the following:

"Except where otherwise provided, the administration period for tariff quotas applied under this Agreement shall be 1 January to 31 December for each year the Agreement is in force. Where this Agreement enters into force part-way through the administration period for tariff quotas, the volume of tariff quotas for the first year after the date of entry into force of this Agreement shall be calculated as a pro rata of the basic volume set out in Table 2, taking into account the part of the period elapsed before the date of entry into force of this Agreement."

2. Table 2 to the Annex to Protocol 2 shall be replaced by the table in Appendix 2 of this Annex.

7. MODIFICATIONS TO PROTOCOL 3 CONCERNING PLANT PROTECTION

In paragraph (a), in respect of cut flowers, the words "*dendranthema, dianthus* and *pelargonium*" where they first occur shall be replaced by "specified in Council Directive 2000/29/EC" and In respect of fruits, the words "citrus, *fortunella, poncirus* and their hybrids *annona, cydonia,*

diospyros, malus, mangifera, passiflore, prunus, psidium, pyrus, ribes, syzygium and *vaccinum*" shall be replaced by "the genera specified in Council Directive 2000/29/EC".

8. MODIFICATIONS TO PROTOCOL 4 CONCERNING THE DEFINITION OF THE CONCEPT OF 'ORIGINATING PRODUCTS' AND METHODS OF ADMINISTRATIVE COOPERATION

Protocol 4 shall be replaced by the text in Appendix 3 to this Annex.

9. MODIFICATIONS TO THE EU-ISRAEL PROCUREMENT AGREEMENT

The EU-Israel Procurement Agreement as incorporated into this Agreement shall be modified as follows:

1. References in the EU-Israel Procurement Agreement to 'GPA' or '1996 GPA' shall be read as references to the Government Procurement Agreement as amended by the Protocol Amending the Agreement on Government Procurement, done at Geneva on 30 March 2012.
2. Articles 1, 2(1) and 2(2) shall not be incorporated into this Agreement.
3. The following shall be inserted after Article 4:

"Article 5

Provision pending United Kingdom accession to the GPA

1. Until the United Kingdom has acceded to the GPA:

(a)the GPA shall be incorporated into and made part of this Agreement and apply, *mutatis mutandis* between Israel and the United Kingdom; and

(b) the rights and obligations that applied between Israel and the United Kingdom under the GPA when the United Kingdom was a Member State of the European Union or at the end of any transition or implementation period during which those rights and obligations continue to apply to the United Kingdom, shall continue to apply under this Agreement.

2. In this Article, "*mutatis mutandis*" means with the technical changes necessary to apply the GPA as if it had been concluded between the United Kingdom and Israel."

10. MODIFICATIONS TO THE EU- ISRAEL CONFORMITY ASSESSMENT AGREEMENT

The EU- Israel Conformity Assessment Agreement as incorporated into this Agreement shall be modified as follows:

1. For the avoidance of doubt, and pursuant to Article 6 of this Instrument, the following wording of the Preamble shall not be incorporated into this Agreement:

"Recognising that the adoption and implementation of relevant EU law by Israel provides the opportunity to extend certain benefits of the internal market and to ensure its effective operation in certain sectors,"

"and that Article 55 of the Association Agreement provides for the use of best endeavours to approximate the laws of the Parties,"

"Considering that, in the sectors covered by this Protocol, Israel's national law is substantially aligned with relevant EU law,".

2.Article 1(2) shall be replaced by the following:

"The purpose set out in paragraph 1 shall be met through the mutual recognition of the results of obligatory conformity assessment of industrial products subject to relevant United Kingdom law and to the corresponding Israeli national law.".

3.Article 2(c) shall be replaced by the following:

""National law" means any legal act and implementing practice of Israel applicable to a particular situation, risk or category of industrial products.".

4. For the avoidance of doubt and pursuant to Article 6 of this Instrument, Article 3 shall not be incorporated into this Agreement.

5. For the avoidance of doubt and pursuant to Article 6 of this Instrument, the second paragraph of Article 4 shall not be incorporated into this Agreement.

6. Article 7 shall be replaced by the following:

"For the avoidance of doubt, the Parties may consider amending the annexes to this Protocol or concluding new ones in accordance with the procedure laid out in Article 13 whether or not Israel has adopted and implemented further national law aligning with relevant EU law."

7. In Article 11(b) the final sentence shall be replaced by the following:

"The United Kingdom and Israel will explore the possibility of inviting each other to participate in relevant professional forums."

8. Article 16 shall not be incorporated into this Agreement.

9. In Article 18 the following words shall not be incorporated into this Agreement:

"Bulgarian, Czech, Danish, Dutch, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish, Swedish".

11. MODIFICATIONS TO THE ANNEX ON MUTUAL ACCEPTANCE OF INDUSTRIAL PRODUCTS, PHARMACEUTICAL GOOD MANUFACTURING PRACTICE (GMP)

In point 3 of Section IV (exchange of manufacturing/import authorisations and GMP compliance information) the following words shall be inserted at the end of the final sentence:

"or, with regard to the United Kingdom, on the United Kingdom successor databases."

Appendix 1

[CN] Code (1)	Description (2)	a	B	c
		Reduction of the MFN customs duty (%)	Tariff quota (Tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
0105 12 00	Live turkeys weighing not more than 185 g	100	17 695 pieces	—
0207 27 10	Boneless turkeys cuts, frozen	100	545	—
0207 27 30 0207 27 40 0207 27 50 0207 27 60 0207 27 70	Turkeys cuts with bone in, frozen			
ex 0207 33	Meat of ducks and geese, not cut in pieces, frozen	100	76	—
ex 0207 35	Other meat and edible offal of ducks and geese, fresh or chilled			
ex 0207 36	Other meat and edible offal of ducks and geese, frozen			
0404 10	Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter	100	177	—
0603 11 00 0603 12 00 0603 13 00 0603 14 00 0603 19 10 0603 19 90	Cut flowers and flower buds, fresh	100	3 023	—
0603 19 90	Other fresh cut flowers and buds from 1 November to 15 April	100	1 068	—
0701 90 50	New potatoes, from 1 January to 30 June, fresh or chilled	100	9 689	—
ex 0702 00 00	Cherry tomatoes, fresh or chilled (3)	100	3 814	—
ex 0702 00 00	Tomatoes, fresh or chilled, other than cherry tomatoes	100	681	—
0707 00 05	Cucumbers, fresh or chilled	100	136	—
0709 60 10	Sweet peppers, fresh or chilled	100	2 349	40

0709 90 70	Courgettes, fresh or chilled, from 1 December to end February	100	—	—

CN Code (1)	Description (2)	a	B	c
		Reduction of the MFN customs duty (%)	Tariff quota (Tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
0710 40 00 2004 90 10	Sweet corn, frozen	100 % of the ad valorem part of the duty + 30 % of the agricultural component (*)	1 444	(**)
0711 90 30 2001 90 30 2005 80 00	Sweet corn, not frozen	100 % of the ad valorem part of the duty + 30 % of the agricultural component (*)	735	(**)
0712 90 30	Dried tomatoes, whole, cut, sliced, broken or in powder, but not further prepared	100	163	—
ex 0805 10	Oranges, fresh	100	30 509 (4)	60
ex 0805 20 10 ex 0805 20 50	Clementines, mandarins and wilkings, fresh	100	5 448	60
ex 0805 20 10 ex 0805 20 50	Clementines, mandarins and wilkings, fresh from 15 March to 30 September	100	2 136	60
0806 10 10	Table grapes, fresh from 1 April to 31 July	100	—	—
0807 19 00	Other fresh melons (excl. watermelons), from 1 August to 31 May	100	4 086	50
0810 10 00	Strawberries fresh, from 1 November to 30 April	100	681	60
1602 31 19	Prepared or preserved meat, meat offal or blood of turkeys, containing 57 % or more by weight of poultry meat or offal, other than exclusively uncooked turkey meat	100	681	—
1602 31 30	Prepared or preserved meat, meat offal or blood of turkeys, containing 25 % or more but less than 57 % by weight of poultry meat or offal			
1602 32 19	Prepared or preserved meat, meat offal or blood of fowls of the species *Gallus domesticus*, containing 57 % or more by weight of poultry meat or offal, other than uncooked	100	272	—

CN Code (1)	Description (2)	a	b	c
		Reduction of the MFN customs duty (%)	Tariff quota (Tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
1602 32 30	Prepared or preserved meat, meat offal or blood of fowls of the species *Gallus domesticus*, containing 25 % or more but less than 57 % by weight of poultry meat or offal			
1704 10 90	Chewing gum whether or not sugar-coated, not containing cocoa, containing 60 % or more by weight of sucrose (including invert sugar expressed as sucrose)	100	14	(**)
1806 10 20 1806 10 30 1806 10 90 1806 20	Cocoa powder containing 5 % or more by weight of sucrose (including invert sugar expressed as sucrose) or isoglucose expressed as sucrose Other food preparations containing cocoa in blocks, slabs or bars weighing more than 2 kg or in liquid, paste, powder, granular or other bulk form in containers or immediate packagings, of a content exceeding 2 kg	100 % of the ad valorem part of the duty + 15 % of the agricultural component (*)	341	(**)
1905 20 30 1905 20 90	Gingerbread and the like, containing by weight 30 % or more of sucrose (including invert sugar expressed as sucrose)	100 % of the ad valorem part of the duty + 30 % of the agricultural component (*)	436	(**)
2002 90 91 2002 90 99	Tomatoes, prepared or preserved otherwise than by vinegar or acetic acid, with a dry matter content of more than 30 % by weight	100	107	—
ex 2008 70 71	Slices of peaches, fried in oil	100	15	—
2009 11 2009 12 00 2009 19	Orange juice	100	4 767 , of which, in packs of 2 L or less, not more than 2 898	70
ex 2009 90	Mixtures of citrus juices	100	2 677	—
2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009	100	1 216 hl	—
3505 20	Glues based on starches, or on dextrins or other modified starches	100	34	(**)

(1) [CN] codes corresponding to [Regulation (EU) No 861/2010 (OJ L 284, 29.10.2010, p. 1).]

(2) Notwithstanding the rules for the interpretation of the [combined nomenclature], the wording for the description of the products is to be considered as having no more than an indicative value, the preferential scheme being determined, within the context of this Annex, by the coverage of the [CN] codes. Where 'ex' [CN] codes are indicated, the preferential scheme is to be determined by the application of the [CN] codes and corresponding description taken together.

(3) Entry under this subheading is subject to the conditions laid down in the relevant Union provisions (Part 10 of Part B (Specific Marketing Standards) of Annex I to Regulation (EU) No 543/2011, as amended).

(4) Within this tariff quota, if the United Kingdom introduces an entry price scheme as provided in point 4 of Protocol 1, the specific duty provided in the United Kingdom's list of concessions to the WTO is reduced to zero for the period from 1 December to 31 May, if the entry price is not less than [EUR] 264/tonne, being the entry price agreed between the United Kingdom and Israel. If the entry price for a consignment is 2, 4, 6 or 8 % lower than the agreed entry price, the specific customs quota duty shall be equal respectively to 2, 4, 6 or 8 % of this agreed entry price. If the entry price of a consignment is less than 92 % of the agreed entry price, the specific customs duty bound within the WTO shall apply.

(*) In this respect, 'agricultural component' is the specific part of the duty established in [Regulation (EU) No 861/2010 (OJ L 284,29.10.2010, p. 1).]

(**) For those products the applicable duty beyond the tariff quota is established in Table 3 of the Annex to Protocol 1.

Appendix 2

HS or Israeli Code (1)	Description (2)	a	B	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
ex 0102 90	Live calves for slaughter	100	163	—
ex 0105 12 0105 19	Live ducks, geese, turkeys and guinea fowls, weighing not more than 185 g	100	280 572 pieces	—
0201	Meat of bovine animals, fresh or chilled	100	153	—
0204	Meat of sheep or goats, fresh, chilled or frozen	100	109	—
ex 0207	Meat and edible offal of poultry of heading 0105, fresh, chilled or frozen, not including ducks (meat or liver)	100	163	—
ex 0207 34	Goose fatty liver	100	14	—
ex 0207 36	Goose meat and liver, frozen	100	68	—
0302 31 20	Of the kind detailed in subheading 0302 31 00 only albacore or long finned tunas (*Thunnus alalunga*)	100	34	—
0303 31 10	Of the kind detailed in subheading 0303 31 00 only halibut (*Reinhardtius hippoglossoides, Hippog- lossus hippoglossus, Hippoglossus stenolepis*)	100	14	25
0303 33 10	Of the kind detailed in subheading 0303 33 00 only sole (*Solea* spp.)			
0303 39 10	Of the kind detailed in subheading 0303 39 00 only (Other than *Reinhardtius hippoglossoides, Hippoglossus hippoglossus, Hippoglossus stenolepis, Pleuronectes platessa, Solea* spp.)			
0303 79 91	Approved by the Director-General of the Ministry of Agriculture as fish of the kinds that do not grow or are not fished in Israel or in the Medi- terranean Sea	10	—	—
0304 19 41	*Of the kind detailed in subheading 0304 19 40 only (Pleuronectidae, Bothidae, Cynoglossidae, Thunnus, Skipjack, Euthynnus pelamis, Herrings, Cod, Sardines, Haddock, Coalfish, Mackerel, Dogfish, Anguilla, Hake, Red Fish, Nile Perch)*	*100*	*7*	—

HS or Israeli Code (1)	Description (2)	a	B	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
0402 10 21	Milk and cream in powder, granules or other solid form, of a fat content, by weight, not exceeding 1,5 %	100	297	—
0402 10 10	Milk and cream in powder, granules or other solid form, of a fat content, by weight, not exceeding 1,5 %	55	297	—
0402 21	Milk and cream in powder, granules or other solid form, of a fat content, by weight, exceeding 1,5 %, not containing added sugar or other sweetening matter	100	602	—
ex 0402 91 ex 0402 99	Condensed milk	100	14	—
0403	Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa	100	27	— for yogurts containing cocoa, flavouring materials and/or added sugar – only agricultural component apply (**)
0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included	100	191	—
0405	Butter and other fats and oils derived from milk; dairy spreads:	100	89	—
0405 10	- Butter:			
	-- In packings of net content exceeding 1 kg:			
0405 10 31	--- Within the framework of the Fifth Addition			
0405 10 39	--- Others			
	-- In packings of a net content not exceeding 1 kg:			
0405 10 91	--- Within the framework of the Fifth Addition			
0405 10 99	--- Other			
0405 20	- Dairy spreads:			
0405 20 10	-- Within the framework of the Fifth Addition			
0405 20 90	-- Other			
	- Other fats and oils derived from milk:			
0405 90 19	-- Within the framework of the Fifth Addition			
0405 90 90	-- Others			

HS or Israeli Code (1)	Description (2)	a	b	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
0406	Cheese and curd	100	113	—
ex 0407	Bird's eggs, in shell, fresh, preserved or cooked for consumption	100	1 090 254 pieces	—
ex 0407	Bird's eggs, in shell, fresh, for hatching	100	6 810 pieces	—
ex 0409	Natural honey	100	25	—
ex 0409	Natural honey in packages exceeding 50 kg	100	41	—
0701 90	Potatoes, fresh or chilled, other than seed	100	869	—
0703 10	Onions and shallots, fresh or chilled	100	313	—
0703 20	Garlic, fresh or chilled	100	31	25
ex 0709 20	Asparagus, white, fresh or chilled	100	14	—
ex 0709 51 ex 0709 59	Mushrooms, fresh or chilled, other than released in the months June to September	100	27	—
0710 10	Potatoes (uncooked or cooked by steaming or boiling in water), frozen	100	34	—
0710 21	Shelled or unshelled peas (*Pisum sativum*) (uncooked or cooked by steaming or boiling in water), frozen	100	148	—
0710 22	Shelled or unshelled beans (*Vigna* spp., *Phaseolus* spp.) (uncooked or cooked by steaming or boiling in water), frozen	100	199	—
0710 29	Other leguminous vegetables, shelled or unshelled (uncooked or cooked by steaming or boiling in water), frozen	100	90	—
0710 30	Spinach, New Zeeland spinach and orache spinach (garden spinach) (uncooked or cooked by steaming or by boiling in water), frozen	100	89	—
0710 80 0710 90	Other vegetables (uncooked or cooked by steaming or boiling in water), frozen Mixtures of vegetables (uncooked or cooked by steaming or boiling in water), frozen	100	215	—
ex 0712 90	Other vegetables and mixtures of vegetables, dried, whole, cut, sliced, broken or in powder, but not further prepared, other than sweet corn, beans with shell, broccoli, garlic and dried tomatoes	100	48	—

0712 90 81	Garlic, dried, whole, cut, sliced, broken or in powder, but not further prepared	100	8	—

HS or Israeli Code (1)	Description (2)	a	B	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
ex 0712 90 30 2002 90 20	Dried tomatoes, whole, cut, sliced, broken or in powder, but not further prepared Tomatoes, other than whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid, in powder form	100	168	—
ex 0802 60 0802 90	Macadamia nuts, fresh or dried, whether or not shelled or peeled Pecan and other nuts, fresh or dried, whether or not shelled or peeled excluding pecans, macadamia and pine nuts	100	76	15
ex 0804 20	Figs, dried	100	76	20
0805 10 10	Oranges, fresh	100	136	—
0805 20 10	*Fresh mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids*	*100*	*272*	—
0805 50 10	Fresh lemons (*Citrus limon, Citrus limonum*) and limes (*Citrus aurantifolia, Citrus latifolia*)	100	68	—
0806 10	Grapes, fresh	100	68	—
0806 20	Grapes, dried	100	16	25
0807 11	Watermelons, fresh	100	102	—
0807 19	Melons, fresh	100	41	—
0808 10	Apples, fresh	100	447	—
ex 0808 20	Pears, fresh	100	291	—
ex 0808 20	Quinces, fresh	100	52	—
0809 10	Apricots, fresh	100	41	—
0809 20	Cherries, fresh	100	14	—
0809 30	Peaches, including nectarines	100	41	—
0809 40	Plums and sloes	100	68	—
0810 50	Fresh kiwifruit	100	27	—
ex 0811 20	Raspberries, blackcurrants, redcurrants, blackberries and mulberries uncooked or cooked by steaming or boiling in water, frozen, unsweetened	100	22	—
0811 90	Other fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	100	90	—

0812 10	Cherries, provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption	100	84	—

HS or Israeli Code (1)	Description (2)	a	b	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
0812 90 10	Strawberries, provisionally preserved, but unsuitable in that state for immediate consumption	100	14	—
0813 20	Prunes, dried	100	99	—
0904 20	Fruits of genus *Capsicum* or *Pimenta*, dried, crushed or ground	100	15	—
1001 10	Durum wheat	100	1 449	—
1001 90	Other wheat and meslin	100	25 992	—
ex 1001 90	Other wheat and meslin (3), for feed	100	40 860	—
1209 99 20	Watermelon seeds	100	76	—
1507 10 10 1507 90 10	Soya bean oil, whether or not degummed, edible	100	391	40
1509 10 1509 90 30	Olive oil, virgin Olive oil, other than virgin, edible	100	41	—
1509 90 90	Olive oil, other than virgin, other than edible	100	95	—
ex 1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified, edible	40	Unlimited	—
ex 1514	Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified, edible	40	Unlimited	—
1601	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products	100	68	—
1602 31	Prepared or preserved meat or meat offal of turkeys	100	681	—
1602 32	Prepared or preserved meat or meat offal of fowls of the species *Gallus domesticus*	100	272	—
1602 50	Prepared and preserved meat offal of bovine animal	100	46	—
1604 11 10	Salmon, in airtight containers	100	14	—
1604 12 90	Others	50	Unlimited	—
1604 13	*Sardines*	*100*	*31*	—
1604 14	Tuna	100	45	—
ex 1604 15 90	Mackerel	100	11	—
1604 16 00	Anchovies	50	Unlimited	—
ex 1604 19 90	Cod, coalfish, hake, Alaska Polack	100	20	—
ex 1604 20 90	Herring, swordfish, mackerel	100	14	—

1604 30	*Caviar and caviar substitutes*	*100*	*3*	—

HS or Israeli Code (1)	Description (2)	a	b	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
1702 30 10	Glucose in liquid state	15	unlimited	—
1704 10 90	Chewing gum, whether or not sugar coated not containing 10 % or more gum base by weight	100	10	(*)
1905 31 10	Sweet biscuits, containing eggs at a rate of 10 % or more of the weight, but not less than 1,5 % of milk fats and not less than 2,5 % of milk protein	100	163	(*)
1905 32 20	Waffles and wafers, others, without filling			(*)
1905 32 30	Waffles and wafers with filling containing not less than 1,5 % of milk fats, and not less than 2,5 % milk proteins			(*)
1905 32 90	Others			(*)
2001 10	Cucumbers and gherkins, prepared or preserved by vinegar or acetic acid	17	8	—
2001 90 90	Other, than cucumbers and gherkins, olives, sweetcorn (*Zea mays* var. *saccharata*), yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch, prepared or preserved by vinegar or acetic acid	100	136	—
2002 10	Tomatoes whole or in pieces prepared or preserved otherwise than by vinegar or acetic acid	100	14	—
ex 2002 90 10 ex 2002 90 90	Tomato paste, approved by the Director-General Ministry of Industry, for ketchup producers	50	140	—
ex 2004 90	Other vegetables and mixtures of vegetables, other than homogenised preparations, in the form of flour or meal	100	46	—
ex 2004 90	Other vegetables, other than homogenised preparations	65	unlimited	—
2005 20 90	Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	100	34	—
2005 40 90	Peas, other than homogenised preparations, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	100	41	—
2005 51	Beans, shelled, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	100	41	—
2005 70	Olives, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	100	34	—
2005 99 70	Chili Pepper, in packages exceeding 50kg	100	178	-

2005 99 90	Other vegetables and mixtures of vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen	100	178	—

HS or Israeli Code (1)	Description (2)	a	B	C
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
2006 00	Vegetables, fruit, nuts, fruit peel and other parts of plants, preserved by sugar (drained, glace or crystallised)	100	14	—
ex 2007 99	Other jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, obtained by cooking with a sugar content exceeding 30 % by weight, excluding strawberries	100	195	—
2008 40	Pears, otherwise prepared or preserved	100	68	—
2008 50	Apricots, otherwise prepared or preserved	100	71	—
ex 2008 60	Sour cherries, prepared or preserved, containing no spirit but with added sugar	92	37	—
2008 70	Peaches including nectarines otherwise prepared or preserved	100	305	—
ex 2008 80	Strawberries, otherwise prepared or preserved in packings of not less than 4,5 kg (excl. added sugar or spirit)	100	30	—
ex 2008 92	Mixtures of tropical fruit, without strawberries, nuts and citrus	100	76	—
2008 99	Other, fruit, nut and other edible part of plants, otherwise prepared whether or not containing added sugar or other sweetening matter or spirit not elsewhere specified or included	100	68	—
ex 2009 11 ex 2009 19	Orange juice, frozen and not frozen, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value not exceeding 67, in packings of more than 230 kg	100	unlimited	—
ex 2009 29	Grapefruit juice, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value not exceeding 67, in packings of more than 230 kg			
ex 2009 31	Lemon juice, unfermented and not containing added spirit, not containing added sugar or other sweetening matter, of a Brix value not exceeding 20	100	76	—
ex 2009 39 11	Other lemon juice, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value exceeding 50	100	147	—

HS or Israeli Code (1)	Description (2)	a	B	c
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
2009 61 ex 2009 69	Grape juice, (incl. grape must), unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value not exceeding 30 Other grape juice (incl. grape must), unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value exceeding 67	100	31	—
2009 71	Apple juice, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value not exceeding 20	100	108	—
ex 2009 79	Other apple juice, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter of a Brix value exceeding 20	100	227	—
ex 2009 80	Juice of any other single fruit or vegetable, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, of a Brix value exceeding 67	100	120	—
ex 2009 90	Mixtures of juices excluding grapes and tomatoes, of a Brix value exceeding 20	100	82	—
2105 00	*Ice cream and other edible ice, whether or not containing cocoa*	*100 % reduction of the ad valorem part of the duty and 30 % reduction of the agricultural component (**)*	*68*	(*)
2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading 2009	100	586 hl	—
2205 10 2205 90	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances	100	272 hl	(*)
2207 10 51 *2207 10 91*	*Undenatured ethyl alcohol obtained from grapes of an alcoholic strength by volume of 80 % vol or higher*	*100*	*470*	(*)
2208 20 91	*Spirits obtained by distilling grape wine or grape marc, containing 17 % or more alcohol by volume, whose price per centilitre exceeds the shekel equivalent of 0,05 dollar*	*100*	*272 Hpa*	(*)
2304	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil	100	408	—

HS or Israeli Code (1)	Description (2)	A	b	c
		Reduction of the MFN customs duty (%)	Tariff quota (tonnes net weight, unless otherwise indicated)	Reduction of the MFN customs duty beyond current tariff quota (%)
2306 30 00	Oilcake and other solid residues	Applicable duty: 2,5 %	781	—
2306 41	*Rape seed meal*	*Applicable duty: 4,5 %*	*534*	—
2309 10 20	Dog or cat food, put up in packing for retail sale, containing, by weight, not less than 15 % and not more than 35 % protein materials and not less than 4 % fat materials	100	157	—
2309 90 20	Other preparations of a kind used in animal feeding, containing, by weight, not less than 15 % and not more than 35 % protein materials and not less than 4 % fat materials and prepared food for ornamental fishes and birds	100	219	—
3502 11 3502 19	Egg Albumin	100	7	(*)

(1) Israeli codes corresponding to the Israeli Customs file, published in Jerusalem on 1.1.2010 Version 1590.

(2) Notwithstanding the rules for the interpretation of the Harmonised System (HS) or of the Israeli tariff nomenclature, the wording for the description of the products is to be considered as having no more than an indicative value, the preferential scheme being determined, within the context of this Annex, by the coverage of the HS codes or of the Israeli tariff codes. Where 'ex' HS codes or 'ex' Israeli tariff codes are indicated, the preferential scheme is to be determined by the application of the HS codes or Israeli tariff codes and corresponding description taken together.

(3) Approved by the Director-General of the Ministry of Agriculture.

(*) Preferential duties beyond the tariff quota established in Table 3 of the Annex to Protocol 2.

(**) The Agricultural Component may be applied by Israel in respect of the relevant products originating in the United Kingdom on terms no less favourable than any Agricultural Component is applied by Israel to the same products originating in the European Union pursuant to Table 2 of the Annex to Protocol 2 of the EU-Israel Association Agreement. Israel will inform the United Kingdom of any new fixation of these Agricultural Components.

Appendix 3

"Protocol 4

concerning the definition of the concept of 'originating products' and methods of administrative cooperation

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TITLE I
GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Protocol:

(a) 'manufacture' means any kind of working or processing including assembly or specific operations;

(b) 'material' means any ingredient, raw material, component or part, etc., used in the manufacture of the product;

(c) 'product' means the product being manufactured, even if it is intended for later use in another manufacturing operation;

(d) 'goods' means both materials and products;

(e) 'customs value' means the value as determined in accordance with the 1994 Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade (WTO Agreement on customs valuation);

(f) 'ex-works price' means the price paid for the product ex works to the manufacturer in the United Kingdom or in Israel in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any

internal taxes which are, or may be, repaid when the product obtained is exported;

(g) 'value of materials' means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the UK or in Israel;

(h) 'value of originating materials' means the value of such materials as defined in (g) applied *mutatis mutandis*;

(i) 'value added' shall be taken to be the ex-works price minus the customs value of each of the materials incorporated which originate in the other countries referred to in Articles 3 and 4 with which cumulation is applicable or, where the customs value is not known or cannot be ascertained, the first ascertainable price paid for the materials in the UK or in Israel;

(j) 'chapters' and 'headings' mean the chapters and the headings (four-digit codes) used in the nomenclature which makes up the Harmonised Commodity Description and Coding System, referred to in this Protocol as 'the Harmonised System' or 'HS';

(k) 'classified' refers to the classification of a product or material under a particular heading;

(l) 'consignment' means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

(m) 'territories' includes territorial waters;

(n) 'EUR' means euro, the single currency of the European Monetary Union;

(o) 'EU' means the European Union;

(p) 'UK' means the United Kingdom of Great Britain and Northern Ireland;

TITLE II
DEFINITION OF THE CONCEPT OF 'ORIGINATING PRODUCTS'

Article 2

General requirements

1. For the purpose of implementing the Agreement, the following products shall be considered as originating in the UK:

(a) products wholly obtained in the UK within the meaning of Article 5;

(b) products obtained in the UK incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the UK within the meaning of Article 6;

2. For the purpose of implementing the Agreement, the following products shall be considered as originating in Israel:

(a) products wholly obtained in Israel within the meaning of Article 5;

(b) products obtained in Israel incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in Israel within the meaning of Article 6.

Article 3

Cumulation in the UK

1. Without prejudice to the provisions of Article 2(1), products shall be considered as originating in the UK if they are obtained there, incorporating materials originating in Switzerland (including Liechtenstein)[1], Iceland, Norway, Turkey, or in the EU, provided that the working or processing carried out in the UK goes beyond the operations referred to in Article 7. It shall not be necessary for such materials to have undergone sufficient working or processing.

[1] Due to the Customs Union between Liechtenstein and Switzerland, products originating in Liechtenstein shall be considered as originating in Switzerland throughout this Protocol.

2. Without prejudice to the provisions of Article 2(1), products shall be considered as originating in the UK if such products are obtained there, incorporating materials originating in Israel or any country specified in Annex A, provided that the working or processing carried out in the UK goes beyond the operations referred to in Article 7. It shall not be necessary for such materials to have undergone sufficient working or processing.

3. Without prejudice to the provisions of Article 2(1), working or processing carried out in Iceland, Norway, or the EU shall be considered as having been carried out in the UK when the products obtained undergo subsequent working or processing in the UK that goes beyond the operations referred to in Article 7.

4. For cumulation provided in paragraphs 1 and 2, where the working or processing carried out in the UK does not go beyond the operations referred to in Article 7, the product obtained shall be considered as originating in the UK only where the value added there is greater than the value of the materials used originating in any one of the other countries referred to in paragraphs 1 and 2. If this is not so, the product obtained shall be considered as originating in the country which accounts for the highest value of originating materials used in the manufacture in the UK.

5. For cumulation provided in paragraph 3, where the working or processing carried out in the UK does not go beyond the operation referred to in Article 7, the product obtained shall be considered as originating in the UK only where the value added there is greater than the value added in any of the other countries.

6. Products originating in one of the countries referred to in paragraphs 1 and 2 which do not undergo any working or processing in the UK retain their origin if exported into one of these countries.

7. (a) Except as provided for in paragraph 7(b), the cumulation provided for in this Article may be applied provided that:

i. a preferential trade agreement in accordance with Article XXIV of the General Agreement on Tariffs and Trade 1994 ('GATT 1994') is applicable between the countries

involved in the acquisition of the originating status and the country of destination;

ii. materials and products have acquired originating status by the application of rules of origin identical to those in this Protocol; and

iii. notices indicating the fulfilment of the necessary requirements to apply cumulation have been published by the Parties.

(b) The cumulation provided for in this Article in respect of the EU may be applied provided that:

i. the UK, Israel, and the EU have arrangements on administrative cooperation which ensure a correct implementation of this Article;

ii. materials and products have acquired originating status by the application of rules of origin identical to those in this Protocol; and

iii. notices indicating the fulfilment of the necessary requirements to apply cumulation have been published by the Parties.

8. The UK shall provide Israel with details of the Agreements or arrangements including their dates of entry into force, and their corresponding rules of origin, which are applied with the other countries referred to in paragraphs 1 and 2.

Article 4

Cumulation in Israel

1. Without prejudice to the provisions of Article 2(2), products shall be considered as originating in Israel if they are obtained there, incorporating materials originating in the UK, Switzerland (including Liechtenstein), Iceland, Norway, Turkey, or in the EU, provided that the working or processing carried out in Israel goes beyond the operations referred to in Article 7. It shall not be necessary for such materials to have undergone sufficient working or processing.

2. Without prejudice to the provisions of Article 2(2), products shall be considered as originating in Israel if they are obtained there, incorporating materials originating in any country specified in Annex A, provided that the working or processing carried out in Israel goes beyond the operations referred to in Article 7. It shall not be necessary for such materials to have undergone sufficient working or processing.

3. Where the working or processing carried out in Israel does not go beyond the operations referred to in Article 7, the product obtained shall be considered as originating in Israel only where the value added there is greater than the value of the materials used originating in any one of the other countries referred to in paragraphs 1 and 2. If this is not so, the product obtained shall be considered as originating in the country which accounts for the highest value of originating materials used in the manufacture in Israel.

4. Products originating in one of the countries referred to in paragraphs 1 and 2 which do not undergo any working or processing in Israel shall retain their origin if exported into one of these countries.

5. (a) Except as provided for in paragraph 5(b), the cumulation provided for in this Article may be applied provided that:

i. a preferential trade agreement in accordance with Article XXIV of the GATT 1994 is applicable between the countries involved in the acquisition of the originating status and the country of destination;

ii. materials and products have acquired originating status by the application of rules of origin identical to those in this Protocol; and

iii. notices indicating the fulfilment of the necessary requirements to apply cumulation have been published by the Parties.

(b) The cumulation provided for in this Article in respect of the EU may be applied provided that:

i. the UK, Israel, and the EU have arrangements on administrative cooperation which ensure a correct implementation of this Article;

ii. materials and products have acquired originating status by the application of rules of origin identical to those in this Protocol; and

iii. notices indicating the fulfilment of the necessary requirements to apply cumulation have been published by the Parties.

6. Israel shall provide the UK with details of the Agreements or arrangements including their dates of entry into force, and their corresponding rules of origin, which are applied with the other countries referred to in paragraphs 1 and 2.

Article 5

Wholly obtained products

1. The following shall be considered as wholly obtained in the UK or in Israel:

(a) mineral products extracted from their soil or from their seabed;

(b) vegetable products harvested there;

(c) live animals born and raised there;

(d) products from live animals raised there;

(e) products obtained by hunting or fishing conducted there;

(f) products of sea fishing and other products taken from the sea outside the territorial waters of the UK or of Israel by their vessels;

(g) products made aboard their factory ships exclusively from products referred to in (f);

(h) used articles collected there fit only for the recovery of raw materials, including used tyres fit only for retreading or for use as waste;

(i) waste and scrap resulting from manufacturing operations conducted there;

(j) products extracted from marine soil or subsoil outside their territorial waters provided that they have sole rights to work that soil or subsoil;

(k) goods produced there exclusively from the products specified in (a) to (j).

2. The terms 'their vessels' and 'their factory ships' in paragraph 1(f) and (g) shall apply only to vessels and factory ships:

(a) which are registered or recorded in the UK or in Israel;

(b) which sail under the flag of the UK or of Israel;

(c) which are owned to an extent of at least 50 % by nationals of the UK, a Member State of the EU or Israel, or by a company with its head office in one of these States, of which the manager or managers, Chairman of the Board of Directors or the Supervisory Board, and the majority of the members of such boards are nationals of the UK, a Member State of the EU or Israel and of which, in addition, in the case of partnerships or limited companies, at least half the capital belongs to those States or to public bodies or nationals of the said States;

(d) of which the master and officers are nationals of the UK, a Member State of the EU or Israel;

and

(e) of which at least 75 % of the crew are nationals of the UK, a Member State of the EU or Israel.

Article 6

Sufficiently worked or processed products

1. For the purposes of Article 2, products which are not wholly obtained shall be considered to be sufficiently worked or processed when the conditions set out in the list in Annex II to this Protocol are fulfilled.

The conditions referred to above indicate, for all products covered by the Agreement, the working or processing which must be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. It follows that if a product which has

acquired originating status by fulfilling the conditions set out in the list is used in the manufacture of another product, the conditions applicable to the product in which it is incorporated do not apply to it, and no account shall be taken of the non-originating materials which may have been used in its manufacture.

2. Notwithstanding paragraph 1, non-originating materials which, according to the conditions set out in the list in Annex II to this Protocol, shall not be used in the manufacture of a product may nevertheless be used, provided that:

(a) their total value does not exceed 10 % of the ex-works price of the product;

(b) any of the percentages given in the list for the maximum value of non-originating materials are not exceeded by virtue of this paragraph.

This paragraph shall not apply to products falling within Chapters 50 to 63 of the Harmonised System.

3. Paragraphs 1 and 2 shall apply subject to the provisions of Article 7.

Article 7

Insufficient working or processing

1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 6 are satisfied:

(a) preserving operations to ensure that the products remain in good condition during transport and storage;

(b) breaking-up and assembly of packages;

(c) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;

(d) ironing or pressing of textiles;

(e) simple painting and polishing operations;

(f) husking, partial or total bleaching, polishing, and glazing of cereals and rice;

(g) operations to colour sugar or form sugar lumps;

(h) peeling, stoning and shelling, of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);

(k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

(l) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

(m) simple mixing of products, whether or not of different kinds;

(n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(o) a combination of two or more operations specified in (a) to (n);

(p) slaughter of animals.

2. All operations carried out either in the UK or in Israel on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

Article 8

Unit of qualification

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular product which is considered as the basic unit when determining classification using the nomenclature of the Harmonised System.

It follows that:

(a) when a product composed of a group or assembly of articles is classified under the terms of the Harmonised System in a single heading, the whole constitutes the unit of qualification;

(b) when a consignment consists of a number of identical products classified under the same heading of the Harmonised System, each product must be taken individually when applying the provisions of this Protocol.

2. Where, under General Rule 5 of the Harmonised System, packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.

Article 9

Accessories, spare parts and tools

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

Article 10

Sets

Sets, as defined in General Rule 3 of the Harmonised System, shall be regarded as originating when all component products are originating. Nevertheless, when a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed 15 % of the ex-works price of the set.

Article 11

Neutral elements

In order to determine whether a product is an originating product, it shall not be necessary to determine the origin of the following which might be used in its manufacture:

(a) energy and fuel;

(b) plant and equipment;

(c) machines and tools;

(d) goods which neither enter into the final composition of the product nor are intended to do so.

TITLE III
TERRITORIAL REQUIREMENTS

Article 12

Principle of territoriality

1. Except as provided for in Articles 3, 4 and paragraph 3 of this Article, the conditions for acquiring originating status set out in Title II must be fulfilled without interruption in the UK or in Israel.

2. Except as provided for in Articles 3 and 4, where originating goods exported from the UK or from Israel to another country return, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

(a) the returning goods are the same as those exported;

and

(b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that country or while being exported.

3. The acquisition of originating status in accordance with the conditions set out in Title II shall not be affected by working or processing done outside the UK or Israel on materials exported from the UK or from Israel and subsequently re-imported there, provided:

(a) the said materials are wholly obtained in the UK or in Israel or have undergone working or processing beyond the operations referred to in Article 7 prior to being exported;

and

(b) it can be demonstrated to the satisfaction of the customs authorities that:

(i) the re-imported goods have been obtained by working or processing the exported materials;

and

(ii) the total added value acquired outside the UK or Israel by applying the provisions of this Article does not exceed 10 % of the ex-works price of the end product for which originating status is claimed.

4. For the purposes of paragraph 3, the conditions for acquiring originating status set out in Title II shall not apply to working or processing done outside the UK or Israel. However, where, in the list in Annex II to this Protocol, a rule setting a maximum value for all the non-originating materials incorporated is applied in determining the originating status of the end product, the total value of the non-originating materials incorporated in the territory of the party concerned, taken together with the total added value acquired outside the UK or Israel by applying the provisions of this Article, shall not exceed the stated percentage.

5. For the purposes of applying the provisions of paragraphs 3 and 4, 'total added value' shall be taken to mean all costs arising outside the UK or Israel, including the value of the materials incorporated there.

6. The provisions of paragraphs 3 and 4 shall not apply to products which do not fulfil the conditions set out in the list in Annex II to this Protocol or which can be considered sufficiently worked or processed only if the general tolerance fixed in Article 6(2) is applied.

7. The provisions of paragraphs 3 and 4 shall not apply to products of Chapters 50 to 63 of the Harmonised System.

8. Any working or processing of the kind covered by this Article and done outside the UK or Israel shall be done under the outward processing arrangements, or similar arrangements.

Article 13

Direct transport

1. The preferential treatment provided for under the Agreement applies only to products, satisfying the requirements of this Protocol, which are transported directly between the UK and Israel or through the territories of the other countries referred to in Articles 3 and 4 with which cumulation is applicable. However, products constituting one single consignment may be transported through other territories with,

should the occasion arise, trans-shipment or temporary warehousing in such territories, provided that they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.

Originating products may be transported by pipeline across territory other than that of the UK or Israel.

2. Evidence that the conditions set out in paragraph 1 have been fulfilled shall be supplied to the customs authorities of the importing country by the production of:

(a) a single transport document covering the passage from the exporting country through the country of transit; or

(b) a certificate issued by the customs authorities of the country of transit:

(i) giving an exact description of the products;

(ii) stating the dates of unloading and reloading of the products and, where applicable, the names of the ships, or the other means of transport used;

and

(iii) certifying the conditions under which the products remained in the transit country; or

(c) failing these, any substantiating documents.

Article 14

Exhibitions

1. Originating products, sent for exhibition in a country other than those referred to in Articles 3 and 4 with which cumulation is applicable and sold after the exhibition for importation in the UK or in Israel shall benefit on importation from the provisions of the Agreement provided it is shown to the satisfaction of the customs authorities that:

(a) an exporter has consigned these products from the UK or from Israel to the country in which the exhibition is held and has exhibited them there;

(b) the products have been sold or otherwise disposed of by that exporter to a person in the UK or in Israel;

(c) the products have been consigned during the exhibition or immediately thereafter in the state in which they were sent for exhibition;

and

(d) the products have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A proof of origin shall be issued or made out in accordance with the provisions of Title V and submitted to the customs authorities of the importing country in the normal manner. The name and address of the exhibition shall be indicated thereon. Where necessary, additional documentary evidence of the conditions under which the products have been exhibited may be required.

3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

TITLE IV
DRAWBACK OR EXEMPTION

Article 15

Prohibition of drawback of, or exemption from, customs duties

1. Non-originating materials used in the manufacture of products originating in the UK or in Israel for which a proof of origin is issued or made out in accordance with Title V shall not be subject in the UK or in Israel to drawback of, or exemption from, customs duties of whatever kind.

2. The prohibition in paragraph 1 shall apply to any arrangement for refund, remission or non-payment, partial or complete, of customs duties or charges having an equivalent effect, applicable in the UK or

in Israel to materials used in the manufacture, where such refund, remission or non-payment applies, expressly or in effect, when products obtained from the said materials are exported and not when they are retained for home use there.

3. The exporter of products covered by a proof of origin shall be prepared to submit at any time, upon request from the customs authorities, all appropriate documents proving that no drawback has been obtained in respect of the non-originating materials used in the manufacture of the products concerned and that all customs duties or charges having equivalent effect applicable to such materials have actually been paid.

4. The provisions of paragraphs 1, 2 and 3 shall also apply in respect of packaging within the meaning of Article 8(2), accessories, spare parts and tools within the meaning of Article 9 and products in a set within the meaning of Article 10 when such items are non-originating.

5. The provisions of paragraphs 1, 2, 3 and4 shall apply only in respect of materials which are of the kind to which the Agreement applies. Furthermore, they shall not preclude the application of an export refund system for agricultural products, applicable upon export in accordance with the provisions of the Agreement.

TITLE V
PROOF OF ORIGIN

Article 16

General requirements

1. Products originating in the UK shall, on importation into Israel, and products originating in Israel shall, on importation into the UK benefit from the provisions of the Agreement upon submission of one of the following proofs of origin:

(a) a movement certificate EUR.1, a specimen of which appears in Annex IIIa to this Protocol;

(b) a movement certificate EUR-MED, a specimen of which appears in Annex IIIb to this Protocol;

(c) in the cases specified in Article 22(1), a declaration, subsequently referred to as the 'invoice declaration' or the 'invoice declaration EUR-MED', given by the exporter on an invoice, a delivery note or any other commercial document which describes the products concerned in sufficient detail to enable them to be identified; the texts of the invoice declarations appear in Annexes IVa and b to this Protocol.

2. Notwithstanding paragraph 1, originating products within the meaning of this Protocol shall, in the cases specified in Article 27, benefit from the provisions of the Agreement without it being necessary to submit any of the proofs of origin referred to in paragraph 1.

Article 17

Procedure for the issue of a movement certificate EUR.1 or EUR-MED

1. A movement certificate EUR.1 or EUR-MED shall be issued by the customs authorities of the exporting country on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorised representative.

2. For this purpose, the exporter or his authorised representative shall fill in both the movement certificate EUR.1 or EUR-MED and the application form, specimens of which appear in the Annexes IIIa and b to this Protocol. These forms shall be completed in one of the languages in which the Agreement is drawn up and in accordance with the provisions of the national law of the exporting country. If the forms are handwritten, they shall be completed in ink in printed characters. The description of the products shall be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled, a horizontal line shall be drawn below the last line of the description, the empty space being crossed through.

3. The exporter applying for the issue of a movement certificate EUR.1 or EUR-MED shall be prepared to submit at any time, at the request of the customs authorities of the exporting country where the movement certificate EUR.1 or EUR-MED is issued, all appropriate

documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.

4. Without prejudice to paragraph 5, a movement certificate EUR.1 shall be issued by the customs authorities of the UK or of Israel in the following cases:

—if the products concerned can be considered as products originating in the UK or in Israel, without application of cumulation with materials originating in Switzerland (including Liechtenstein), Turkey or one of the countries referred to in Articles 3(2) and 4(2), and fulfil the other requirements of this Protocol, or

—if the products concerned can be considered as products originating in one of the other countries referred to in Articles 3 and 4 with which cumulation is applicable, without application of cumulation with materials originating in one of the countries referred to in Articles 3 and 4, and fulfil the other requirements of this Protocol, provided a certificate EUR-MED or an invoice declaration EUR-MED has been issued in the country of origin.

5. A movement certificate EUR-MED shall be issued by the customs authorities of the UK or of Israel if the products concerned can be considered as products originating in the UK, in Israel or in one of the other countries referred to in Articles 3 and 4 with which cumulation is applicable, fulfil the requirements of this Protocol and:

—cumulation was applied with materials originating in Switzerland (including Liechtenstein), Turkey or one of the other countries referred to in Articles 3(2) and 4(2), or

—the products may be used as materials in the context of cumulation for the manufacture of products for export to one of the other countries referred to in Articles 3 and 4, or

—the products may be re-exported from the country of destination to one of the other countries referred to in Articles 3 and 4.

6. A movement certificate EUR-MED shall contain one of the following statements in English in Box 7:

—if origin has been obtained by application of cumulation with materials originating in one or more of the countries referred to in Articles 3 and 4:

'CUMULATION APPLIED WITH ...' (*name of the country/countries*)

—if origin has been obtained without the application of cumulation with materials originating in one or more of the countries referred to in Articles 3 and 4:

'NO CUMULATION APPLIED'

7. The customs authorities issuing movement certificates EUR.1 or EUR-MED shall take any steps necessary to verify the originating status of the products and the fulfilment of the other requirements of this Protocol. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate. They shall also ensure that the forms referred to in paragraph 2 are duly completed. In particular, they shall check whether the space reserved for the description of the products has been completed in such a manner as to exclude all possibility of fraudulent additions.

8. The date of issue of the movement certificate EUR.1 or EUR-MED shall be indicated in Box 11 of the certificate.

9. A movement certificate EUR.1 or EUR-MED shall be issued by the customs authorities and made available to the exporter as soon as actual exportation has been effected or ensured.

Article 18

Movement certificates EUR.1 or EUR-MED issued retrospectively

1. Notwithstanding Article 17(9), a movement certificate EUR.1 or EUR-MED may exceptionally be issued after exportation of the products to which it relates if:

(a) it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances;

or

(b) it is demonstrated to the satisfaction of the customs authorities that a movement certificate EUR.1 or EUR-MED was issued but was not accepted at importation for technical reasons.

2. Notwithstanding Article 17(9), a movement certificate EUR-MED may be issued after exportation of the products to which it relates and for which a movement certificate EUR.1 was issued at the time of exportation, provided that it is demonstrated to the satisfaction of the customs authorities that the conditions referred to in Article 17(5) are satisfied.

3. For the implementation of paragraphs 1 and 2, the exporter shall indicate in his application the place and date of exportation of the products to which the movement certificate EUR.1 or EUR-MED relates, and state the reasons for his request.

4. The customs authorities may issue a movement certificate EUR.1 or EUR-MED retrospectively only after verifying that the information supplied in the exporter's application complies with that in the corresponding file.

5. Movement certificates EUR.1 or EUR-MED issued retrospectively shall be endorsed with the following phrase in English:

'ISSUED RETROSPECTIVELY'

Movement certificates EUR-MED issued retrospectively by application of paragraph 2 shall be endorsed with the following phrase in English:

'ISSUED RETROSPECTIVELY (Original EUR.1 No ... [date and place of issue])'

6. The endorsement referred to in paragraph 5 shall be inserted in Box 7 of the movement certificate EUR.1 or EUR-MED.

Article 19

Issue of a duplicate movement certificate EUR.1 or EUR-MED

1. In the event of theft, loss or destruction of a movement certificate EUR.1 or EUR-MED, the exporter may apply to the customs authorities which issued it for a duplicate made out on the basis of the export documents in their possession.

2. The duplicate issued in this way shall be endorsed with the following word in English:

'DUPLICATE'

3. The endorsement referred to in paragraph 2 shall be inserted in Box 7 of the duplicate movement certificate EUR.1 or EUR-MED.

4. The duplicate, which shall bear the date of issue of the original movement certificate EUR.1 or EUR-MED, shall take effect as from that date.

Article 20

Issue of movement certificates EUR.1 or EUR-MED on the basis of a proof of origin issued or made out previously

When originating products are placed under the control of a customs office in the UK or in Israel, it shall be possible to replace the original proof of origin by one or more movement certificates EUR.1 or EUR-MED for the purpose of sending all or some of these products elsewhere within the UK or Israel. The replacement movement certificate(s) EUR.1 or EUR-MED shall be issued by the customs office under whose control the products are placed.

Article 21

Accounting segregation

1. Where considerable cost or material difficulties arise in keeping separate stocks of originating and non-originating materials which are identical and interchangeable, the customs authorities may, at the written request of those concerned, authorise the so-called 'accounting segregation' method (hereinafter referred to as the 'method') to be used for managing such stocks.

2. The method must be able to ensure that, for a specific reference period, the number of products obtained which could be considered as 'originating' is the same as that which would have been obtained had there been physical segregation of the stocks.

3. The customs authorities may make the grant of authorisation referred to in paragraph 1 subject to any conditions deemed appropriate.

4. The method shall be applied and the application thereof shall be recorded on the basis of the general accounting principles applicable in the country where the product was manufactured.

5. The beneficiary of the method may make out or apply for proofs of origin, as the case may be, for the quantity of products which may be considered as originating. At the request of the customs authorities, the beneficiary shall provide a statement of how the quantities have been managed.

6. The customs authorities shall monitor the use made of the authorisation and may withdraw it whenever the beneficiary makes improper use of the authorisation in any manner whatsoever or fails to fulfil any of the other conditions laid down in this Protocol.

Article 22

Conditions for making out an invoice declaration or an invoice declaration EUR-MED

1. An invoice declaration or an invoice declaration EUR-MED as referred to in Article 16(1)(c) may be made out:

(a) by an approved exporter within the meaning of Article 23;

or

(b) by any exporter for any consignment consisting of one or more packages containing originating products whose total value does not exceed EUR 6 000.

2. Without prejudice to paragraph 3, an invoice declaration may be made out in the following cases:

—if the products concerned may be considered as products originating in the UK, or in Israel without application of cumulation with materials originating in Switzerland (including Liechtenstein), Turkey or one of the other countries referred to in Articles 3(2) and 4(2), and fulfil the other requirements of this Protocol, or

—if the products concerned may be considered as products originating in one of the other countries referred to in Articles 3 and 4 with which cumulation is applicable, without application of cumulation with materials originating in one of the countries referred to in Articles 3

and 4, and fulfil the other requirements of this Protocol, provided a certificate EUR-MED or an invoice declaration EUR-MED has been issued in the country of origin.

3. An invoice declaration EUR-MED may be made out if the products concerned may be considered as products originating in the UK, in Israel or in one of the other countries referred to in Articles 3 and 4 with which cumulation is applicable, fulfil the requirements of this Protocol and:

—cumulation was applied with materials originating in Switzerland (including Liechtenstein), Turkey or one of the other countries referred to in Articles 3(2) and 4(2), or

—the products may be used as materials in the context of cumulation for the manufacture of products for export to one of the other countries referred to in Articles 3 and 4, or

—the products may be re-exported from the country of destination to one of the other countries referred to in Articles 3 and 4.

4. An invoice declaration EUR-MED shall contain one of the following statements in English:

—if origin has been obtained by application of cumulation with materials originating in one or more of the countries referred to in Articles 3 and 4:

'CUMULATION APPLIED WITH …' (*name of the country/countries*)

—if origin has been obtained without application of cumulation with materials originating in one or more of the countries referred to in Articles 3 and 4:

'NO CUMULATION APPLIED'

5. The exporter making out an invoice declaration or an invoice declaration EUR-MED shall be prepared to submit at any time, at the request of the customs authorities of the exporting country, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.

6. An invoice declaration or an invoice declaration EUR-MED shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the declaration, the texts of which appear in Annexes IVa and b to this Protocol, using one of the linguistic versions set out in these Annexes and in accordance with the provisions of the national law of the exporting country. If the declaration is handwritten, it shall be written in ink in printed characters.

7. Invoice declarations and invoice declarations EUR-MED shall bear the original signature of the exporter in manuscript. However, an approved exporter within the meaning of Article 23 shall not be required to sign such declarations provided that he gives the customs authorities of the exporting country a written undertaking that he accepts full responsibility for any invoice declaration which identifies him as if it had been signed in manuscript by him.

8. An invoice declaration or an invoice declaration EUR-MED may be made out by the exporter when the products to which it relates are exported, or after exportation on condition that it is presented in the importing country at the latest two years after the importation of the products to which it relates.

Article 23

Approved exporter

1. The customs authorities of the exporting country may authorise any exporter (hereinafter referred to as 'approved exporter') who makes frequent shipments of products under the Agreement to make out invoice declarations or invoice declarations EUR-MED irrespective of the value of the products concerned. An exporter seeking such authorisation shall offer to the satisfaction of the customs authorities all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of this Protocol.

2. The customs authorities may grant the status of approved exporter subject to any conditions which they consider appropriate.

3. The customs authorities shall grant to the approved exporter a customs authorisation number which shall appear on the invoice declaration or on the invoice declaration EUR-MED.

4. The customs authorities shall monitor the use of the authorisation by the approved exporter.

5. The customs authorities may withdraw the authorisation at any time. They shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes an incorrect use of the authorisation.

Article 24

Validity of proof of origin

1. A proof of origin shall be valid for four months from the date of issue in the exporting country and shall be submitted within the said period to the customs authorities of the importing country.

2. Proofs of origin which are submitted to the customs authorities of the importing country after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these documents by the final date set is due to exceptional circumstances.

3. In other cases of belated presentation, the customs authorities of the importing country may accept the proofs of origin where the products have been submitted before the said final date.

Article 25

Submission of proof of origin

Proofs of origin shall be submitted to the customs authorities of the importing country in accordance with the procedures applicable in that country. The said authorities may require a translation of a proof of origin and may also require the import declaration to be accompanied by a statement from the importer to the effect that the products meet the conditions required for the implementation of the Agreement.

Article 26

Importation by instalments

Where, at the request of the importer and on the conditions laid down by the customs authorities of the importing country, dismantled or non-assembled products within the meaning of General Rule 2(a) of the Harmonised System falling within Sections XVI and XVII or headings 7308 and 9406 of the Harmonised System are imported by instalments, a single proof of origin for such products shall be submitted to the customs authorities upon importation of the first instalment.

Article 27

Exemptions from proof of origin

1. Products sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating products without requiring the submission of a proof of origin, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Protocol and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this declaration can be made on customs declaration CN22/CN23 or on a sheet of paper annexed to that document.

2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the products that no commercial purpose is in view.

3. Furthermore, the total value of these products shall not exceed EUR 500 in the case of small packages or EUR 1 200 in the case of products forming part of travellers' personal luggage.

Article 28

Supporting documents

The documents referred to in Articles 17(3) and 22(5) used for the purpose of proving that products covered by a movement certificate EUR.1 or EUR-MED or an invoice declaration or invoice declaration EUR-MED may be considered as products originating in the UK, in

Israel or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol may consist inter alia of the following:

(a)direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal bookkeeping;

(b)documents proving the originating status of materials used, issued or made out in the UK or in Israel where these documents are used in accordance with national law;

(c)documents proving the working or processing of materials in the UK or in Israel, issued or made out in the UK or in Israel, where these documents are used in accordance with national law;

(d)movement certificates EUR.1 or EUR-MED or invoice declarations or invoice declarations EUR-MED proving the originating status of materials used, issued or made out in the UK or in Israel in accordance with this Protocol, or in one of the other countries referred to in Articles 3 and 4, in accordance with rules of origin which are identical to the rules in this Protocol;

(e)appropriate evidence concerning working or processing undergone outside the UK or Israel by application of Article 12, proving that the requirements of that Article have been satisfied.

Article 29

Preservation of proof of origin and supporting documents

1. The exporter applying for the issue of a movement certificate EUR.1 or EUR-MED shall keep for at least three years the documents referred to in Article 17(3).

2. The exporter making out an invoice declaration or invoice declaration EUR-MED shall keep for at least three years a copy of this invoice declaration as well as the documents referred to in Article 22(5).

3. The customs authorities of the exporting country issuing a movement certificate EUR.1 or EUR-MED shall keep for at least three years the application form referred to in Article 17(2).

4. The customs authorities of the importing country shall keep for at least three years the movement certificates EUR.1 and EUR-MED and the invoice declarations and invoice declarations EUR-MED submitted to them.

Article 30

Discrepancies and formal errors

1. The discovery of slight discrepancies between the statements made in the proof of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not ipso facto render the proof of origin null and void if it is duly established that this document does correspond to the products submitted.

2. Obvious formal errors such as typing errors on a proof of origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

Article 31

Amounts expressed in euro

1. For the application of the provisions of Article 22(1)(b) and Article 27(3) in cases where products are invoiced in a currency other than euro, amounts in the national currencies of the UK, of Israel and of the other countries referred to in Articles 3 and 4 equivalent to the amounts expressed in euro shall be fixed annually by each of the countries concerned.

2. A consignment shall benefit from the provisions of Article 22(1)(b) or Article 27(3) by reference to the currency in which the invoice is drawn up, according to the amount fixed by the country concerned.

3. The amounts to be used in any given national currency shall be the equivalent in that currency of the amounts expressed in euro as at the first working day of October each year. The amounts shall be communicated by 15 October and shall apply from 1 January the following year. The Parties shall notify each other of the relevant amounts.

4. A country may round up or down the amount resulting from the conversion into its national currency of an amount expressed in euro. The rounded-off amount may not differ from the amount resulting from the conversion by more than 5 %. A country may retain unchanged its national currency equivalent of an amount expressed in euro if, at the time of the annual adjustment provided for in paragraph 3, the conversion of that amount, prior to any rounding-off, results in an increase of less than 15 % in the national currency equivalent. The national currency equivalent may be retained unchanged if the conversion were to result in a decrease in that equivalent value.

5. The amounts expressed in euro shall be reviewed by the Joint Committee at the request of the UK or of Israel. When carrying out this review, the Joint Committee shall consider the desirability of preserving the effects of the limits concerned in real terms. For this purpose, it may decide to modify the amounts expressed in euro.

TITLE VI
ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION

Article 32

Mutual assistance

1. The customs authorities of the UK and of Israel shall provide each other with specimen impressions of stamps used in their customs offices for the issue of movement certificates EUR.1 and EUR-MED, and with the addresses of the customs authorities responsible for verifying those certificates, invoice declarations and invoice declarations EUR-MED.

2. In order to ensure the proper application of this Protocol, the UK and Israel shall assist each other, through the competent customs administrations, in checking the authenticity of the movement certificates EUR.1 and EUR-MED, the invoice declarations and the invoice declarations EUR-MED and the correctness of the information given in these documents.

Article 33

Verification of proofs of origin

1. Subsequent verifications of proofs of origin shall be carried out at random or whenever the customs authorities of the importing country have reasonable doubts as to the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Protocol.

2. For the purposes of implementing paragraph 1, the customs authorities of the importing country shall return the movement certificate EUR.1 or EUR-MED and the invoice, if it has been submitted, the invoice declaration or the invoice declaration EUR-MED, or a copy of these documents, to the customs authorities of the exporting country giving, where appropriate, the reasons for the request for verification. Any documents and information obtained suggesting that the information given on the proof of origin is incorrect shall be forwarded in support of the request for verification.

3. The verification shall be carried out by the customs authorities of the exporting country. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.

4. If the customs authorities of the importing country decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, release of the products shall be offered to the importer subject to any precautionary measures judged necessary.

5. The customs authorities requesting the verification shall be informed of the results thereof as soon as possible. These results shall indicate clearly whether the documents are authentic and whether the products concerned may be considered as products originating in the UK, in Israel or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol.

6. If in cases of reasonable doubt there is no reply within ten months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting customs

authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.

Article 34

Dispute settlement

Where disputes arise in relation to the verification procedures of Article 33 which cannot be settled between the customs authorities requesting a verification and the customs authorities responsible for carrying out this verification or where they raise a question as to the interpretation of this Protocol, they shall be submitted to the Joint Committee.

In all cases, the settlement of disputes between the importer and the customs authorities of the importing country shall take place under the legislation of that country.

Article 35

Penalties

Penalties shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

Article 36

Free zones

1. The UK and Israel shall take all necessary steps to ensure that products traded under cover of a proof of origin which in the course of transport use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.

2. By way of derogation from paragraph 1, when products originating in the UK or in Israel are imported into a free zone under cover of a proof of origin and undergo treatment or processing, the authorities concerned shall issue a new movement certificate EUR.1 or EUR-MED at the exporter's request, if the treatment or processing undergone complies with the provisions of this Protocol.

TITLE VII
CEUTA AND MELILLA

Article 37

Application of the Protocol

1. The term 'EU' used in this Protocol does not cover Ceuta and Melilla. Products originating in Ceuta and Melilla are not considered to be products originating in the EU for the purposes of this Protocol.

TITLE VII
FINAL PROVISIONS

Article 38

Amendments to the Protocol

The Joint Committee may decide to amend the provisions of this Protocol.

Article 39

Transitional provision for goods in transit or storage

The provisions of the Agreement may be applied to goods which comply with the provisions of this Protocol and which on the date of entry into force of this Protocol are either in transit or are in the UK or in Israel in temporary storage in customs warehouses or in free zones, subject to the submission to the customs authorities of the importing country, within twelve months of the said date, of a movement certificate EUR.1 or EUR-MED issued retrospectively by the customs authorities of the exporting country together with the documents showing that the goods have been transported directly in accordance with Article 13.

Article 40

Annexes

1. Annexes I to IVb to Protocol 4 to the EU-Israel Association Agreement are incorporated into and made part of this Protocol as Annexes I to IVb to this Protocol and shall apply, *mutatis mutandis*, subject to the following modifications:

(a) In each of Annexes IV a and IV b:

(i) only the English and Hebrew versions of the invoice declaration shall be incorporated into this Protocol; and

(ii) the second sentence of footnote 2 shall not be incorporated.

3. Annex A and Annexes I to IVb to this Protocol shall form an integral part thereof.

Article 41

The Principality of Andorra

1. Products originating in the Principality of Andorra meeting the conditions of Articles 3(7)(b)(ii) or 4(5)(b)(ii) of this Protocol, and falling within Chapters 25 to 97 of the Harmonised System shall be accepted by the Parties as originating in the EU within the meaning of this Protocol.

2. This Protocol shall apply *mutatis mutandis* for the purpose of defining the originating status of the abovementioned products.

Article 42

The Republic of San Marino

1. Products originating in the Republic of San Marino, meeting the conditions of Articles 3(7)(b)(ii) or 4(5)(b)(ii) of this Protocol, shall be accepted by the Parties as originating in the EU within the meaning of this Protocol.

2. This Protocol shall apply *mutatis mutandis* for the purpose of defining the originating status of the abovementioned products.

ANNEX A

LIST REFERRED TO IN PARAGRAPH 2 OF ARTICLES 3 AND 4

1. The People's Democratic Republic of Algeria
2. The Arab Republic of Egypt
3. The Hashemite Kingdom of Jordan
4. The Republic of Lebanon
5. The Kingdom of Morocco
6. The Palestine Liberation Organization for the benefit of the Palestinian Authority of the West Bank and Gaza Strip
7. The Syrian Arab Republic
8. The Republic of Tunisia
9. The Republic of Albania
10. Bosnia and Herzegovina
11. The Republic of Macedonia
12. Montenegro
13. The Republic of Serbia
14. Kosovo
15. The Kingdom of Denmark in respect of the Faroe Islands
16. The Republic of Moldova
17. Georgia
18. Ukraine

JOINT DECLARATION

concerning a trilateral approach to rules of origin

In advance of trade negotiations between the European Union and the United Kingdom, the Parties recognise that a trilateral approach to rules of origin, involving the European Union, is the preferred outcome in trading arrangements between the Parties and the European Union. This approach would replicate coverage of existing trade flows, and allow for continued recognition of originating content from either of the Parties and from the European Union in exports to each other, as per the intention of the Trade and Partnership Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the State of Israel. In this regard, the Governments of the United Kingdom and Israel understand that any bilateral arrangement between the Parties represents a first step towards this outcome.

In the event of an agreement between the United Kingdom and the European Union, the Parties approve taking the necessary steps, as a matter of urgency, to update Protocol 4 of the Trade and Partnership Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the State of Israel to reflect a trilateral approach to rules of origin, involving the European Union. The necessary steps will be taken in accordance with the procedures of the Joint Committee contained in Protocol 4 of the Trade and Partnership Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the State of Israel.