

Israel No. 1 (2019)

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

Tel Aviv, 18 February 2019

[The Agreement is not in force]

Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
February 2019

CP 59



© Crown copyright 2019

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/government/publications
Any enquiries regarding this publication should be sent to us at Treaty Section, Foreign and Commonwealth Office, King Charles Street, London, SW1A 2AH

ISBN 978-1-5286-1076-6

CCS0219668064 02/19

Printed on paper containing 75% recycled fibre content minimum
Printed in the UK by the APS Group on behalf of the Controller of Her Majesty's Stationery Office

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

THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ("the United Kingdom") on the one hand, and THE GOVERNMENT OF THE STATE OF ISRAEL ("Israel") 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 eighteenth day of February, 2019 in the English language.

LIAM FOX	**ELI COHEN**
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".

10. 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."