



U.S. - Israel Free Trade Agreement



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The U.S. – Israel Free Trade Agreement (FTA) took effect on September 1, 1985, and was the FTA signed by the United States with another country. The FTA eliminated duties on manufactured goods as of January 1, 1995. It also allowed the United States and Israel to protect sensitive agricultural sub-sectors with non-tariff barriers, including import bans, quotas, and fees.

Rules of Origin

Articles can qualify by either being [wholly grown/produced/manufactured](#) in a party or by substantial transformation with a value-added content.

Apply to any article if:

- (a) that article is wholly the growth, product or manufacture of a Party or is a new or different article of commerce that has been grown, produced, or manufactured in a Party;
- (b) that article is imported directly from one Party into the other Party; and
- (c) the sum of

- (i) the cost or value of the materials produced in the exporting Party, plus
- (ii) the direct costs of processing operations performed in the exporting Party

is not less than [35 percent of the appraised value](#) of the article at the time it is entered into the other Party.

Note, the cost or value of materials which are used in the production of an article in one Party, and which are products of the other Party, may be counted in an amount up to 15 percent of the appraised value of the article. Israel includes West Bank, Gaza Strip, or a Qualifying Industrial zone.

For definition of the above terms, see [USTR U.S.-Israel FTA](#).

In addition to the above rules of origin, there may be other ways to qualify your product:

- [Accumulation](#) may allow the producer to reduce the value of the non-originating materials used in the production of the good.
- [De Minimis](#) allows the exporter to disregard a very small percentage of non-originating materials that do not meet a tariff shift rule.
- [Direct Shipment](#) are goods which must be shipped directly from one FTA party to another FTA party.
- [Fungible Goods and Materials](#) refers to goods or materials (components) that are interchangeable for commercial purposes and whose properties are essentially identical.
- [Indirect Materials](#) are goods used in the production, testing or inspection of a good but not physically incorporated into the good.

Claiming/Documenting Origin

Effective January 10, 2018, U.S. exporters to Israel are no longer required to provide Israeli authorities a hard copy Certificate of Origin (commonly referred to as the “Green Form” or “Form A”). Instead, U.S. exporters or the producers are required to complete and sign the U.S. Origin Invoice Declaration.

[View guidelines and FAQs regarding the new U.S. Origin Invoice Declaration](#)

Key Links/Resources

- [USTR U.S.-Israel FTA](#)
- [Textiles Overview](#)
- [CBP Side-by-Side Comparison of FTAs](#)
- [U.S. Commercial Service Israel](#)
- [FTA Tariff Tool](#)
- [FTA Help Center](#)