Israel Market Opening Measures Agreement

MINISTER OF INDUSTRY AND TRADE

June 14, 1998

The Honorable Charlene Barshefsky

United States Trade Representative

Office of the U.S. Trade Representative

Washington D.C.

Dear Charlene,

I would like to thank you for the meeting we held in Washington D.C. on April 2, 1998. With reference to your letter dated June 11 1998, 1 have the honor to confirm the understandings we have reached as expressed in your letter.

I am confident that these measures we have agreed upon will further enhance our bilateral trade, and thereby will strengthen and develop our economic relations under the United States-Israel Free Trade Area Agreement. I am looking forward to continuing to work with you on other trade issues of interest to both our countries.

Yours Sincerely,

Natan Sharansky

EXECUTIVE OFFICE OF THE PRESIDENT THE

UNITED STATES TRADE REPRESENTATIVE

WASHINGTON, DC 20508

The Honorable Natan Sharansky

Minister of Industry and

Trade State of Israel

Dear Mr. Minister:

I enjoyed seeing you again on April 2. I am writing to confirm the agreement we reached during our meeting on a package of measures that will further open our respective markets and enhance the close economic relations established by the U.S. - Israel Free Trade Area Agreement.

As part of the package, we agreed to:

Add Israel to the list of eligible countries for purchases made by borrowers of funds lent under the Rural Electrification Act for telecommunications products and services, as provided by Section 342(g) of the Uruguay Round Agreements Act; and

Exempt Israeli products from the fees imposed under section 13 03 1 (a)(9) and (10) of the Consolidated Omnibus Budget Reconciliation Act of 1985, in accordance with Public Law 101-382.

and you agreed to:

Finalize and officially publish regulations applicable to food packaging requirements so that packaged goods in non-metric sizes can be imported, as long as the seller displays the unit price.

Increase the quota for in-shell almonds from ISO to 3 80 metric tons per year by substituting the following rows for the rows for the same tariff lines contained in our exchange of letters, amending the provisions of the November 4, 1996 Agricultural Agreement, dated October 10, 1997 and November 30, 1997:

| 0802.1100 | Almonds, in shell | Does not apply | Does not apply | 380 | 380 | 380 | 380 | 380 |
|-----------|----------------------------|----------------|----------------|-----|-----|-----|-----|-----|
| 0802.1190 | - not for chocolate | | | | | | | |
| 0802.1191 | -with values NS15.60/kg | | | | | | | |
| 0802.1199 | -others | | | | | | | |

Israel may continue to apply a fee upon the quantity specified at a rate not to exceed \$1.35/kilogram.

We have agreed to implement these measures no later than September 1, 1998.

TANC offers these agreements electronically as a public service for general reference. Every effort has been made to ensure that the text presented is complete and accurate. However, copies needed for legal purposes should be obtained from official archives maintained by the appropriate agency.