

Summary of the Canada-Israel Free Trade Agreement

The key feature of the Canada-Israel Free Trade Agreement is the extensive elimination of tariffs on Canadian and Israeli goods. With the exception of two products, all tariffs on industrial products are eliminated immediately upon implementation of the Agreement. The package of tariff concessions for the agriculture and fish sectors covers a wide range of products of export interest to both countries, involving about 80 per cent of current agri-food trade between the two Parties. Supply-managed products are excluded from tariff elimination under the Agreement.

Other areas of trade will continue to be governed by the rights and obligations under the World Trade Organization (WTO). These include national treatment, non-tariff barriers, technical barriers, temporary entry of business persons, trade in services, trade-related investment measures, government procurement, subsidies and countervailing duties, anti-dumping duties and intellectual property rights.

Cultural industries are exempted from the provisions of the Agreement. The Auto Pact is not affected.

The scheduled date of implementation for the Agreement is January 1, 1997.

Tariffs: Industrial Products

- With two exceptions, tariffs are removed immediately on all industrial goods of Canadian and Israeli origin.
- The two exceptions are the Canadian tariff on women's swimwear and the Israeli tariff on certain cotton fabrics, both of which will be phased out over two and a half years.
- Tariffs are also eliminated for goods that undergo repair or alteration in the other Party.

Tariffs: Agricultural and Fisheries Products

- Duty-free access or low rates of duty for specific items of export interest to both Canada and Israel, including grains, grain products, oilseeds, pulse crops, selected fresh produce, beef, maple sugar, sugar-containing products, alcoholic beverages and various processed food products.
- Supply-managed dairy, poultry and egg products are excluded from the elimination of tariffs under the Agreement.
- The Parties will renew discussions within two years with a view to further liberalization of agrifood trade.