

## **Highlights of the Canada-Israel Free Trade Agreement**

### **Barrier-Free Access to Israel**

- Immediate elimination of tariffs on virtually all industrial goods, with phase-out of the two remaining tariffs on industrial goods (i.e., women's bathing suits, certain cotton fabrics) within two and a half years.
- Major increase in market access for key Canadian agricultural and fish export interests, including grains, grain products, oilseeds, pulse crops, beef and various processed food products, covering 80 per cent of Canada's exports of agricultural and fish products to Israel.
- Canadian producers and exporters gain access to the Israeli market comparable to the preferred access already enjoyed by U.S. and European producers under Israel's free trade agreements with the United States and the European Union.
- Canadian sectors expected to benefit include grains and grain products, as well as manufactured items such as telecommunications, environmental and other high-technology goods.

### **Other Benefits**

- Quantitative restrictions and other import and export non-tariff barriers are not allowed, except as provided explicitly under the Agreement.
- Clear and straightforward rules of origin, with U.S.-made inputs allowed as originating inputs under specified circumstances.
- Binding dispute settlement panel process.
- Further discussion on improving agricultural market access package in two years' time.
- Supply-managed dairy, poultry and egg products excluded from the elimination of tariffs under the Agreement.
- The Auto Pact is unaffected.
- Cultural industries are exempted.
- Other areas of trade, such as trade in services and government procurement, continue to be governed by World Trade Organization rights and obligations.