

## ANNEX 1

### Implementation of Duty-free Treatment for United States Imports of Products of Israel

#### Notes:

- A. The product descriptions and the articles provided for in each of the tariff items listed in this annex are the product descriptions and articles provided for in the same numbered item or statistical subdivision(s) of such item in the 1985 edition of the Tariff Schedules of the United States Annotated (TSUSA), as published on November 16, 1984, and effective January 1, 1985.
- B. Notwithstanding the provisions of paragraphs 2 and 3 below, to simplify the computation of the amount of duty imposed the rates of duty provided for in subparagraphs 2b and 3a, b, c, d, e, f, and g shall be rounded to the nearest 0.1 percent ad valorem or, if the rate of duty is expressed in monetary units, to the nearest 0.1 cent, in accordance with the following rule:

The rate of duty shall be rounded up to the nearest 0.1 percent or 0.1 cent if the rate of duty provided for in paragraph 2 or 3 has the number 5 or above as the second digit to the right of the decimal point; the rate of duty shall be rounded down to the nearest 0.1 percent or 0.1 cent if the rate of duty provided for in paragraph 2 or 3 has the number 4 or below as the second digit to the right of the decimal point.

1. Articles not covered by the provisions of paragraphs 2, 3, or 4 below shall be free of duty effective September 1, 1985.
2. Articles provided for in the items included in List A shall be subject to the following tariff treatment:
  - a) Effective September 1, 1985, the rate of duty listed opposite the item;
  - b) Effective January 1, 1987, a rate of duty which is 40 percent of the listed rate;
  - c) Effective January 1, 1989, free of duty.
3. Articles provided for in the items included in List B shall be subject to the following tariff treatment:
  - a) Effective September 1, 1985, a rate of duty which is 80 percent of the TSUS column 1 rate of duty on that date.
  - b) Effective January 1, 1986, a rate of duty which is 70 percent of the TSUS column 1 rate of duty on that date.
  - c) Effective January 1, 1987, a rate of duty which is 60 percent of the TSUS column 1 rate of duty on that date.
  - d) Effective January 1, 1988, a rate of duty which is 50 percent of the TSUS column 1 rate of duty on that date.

e) Effective January 1, 1989, a rate of duty which is 40 percent of the TSUS column 1 rate of duty on that date.

f) Effective January 1, 1990, a rate of duty which is 30 percent of the TSUS column 1 rate of duty on that date.

g) Effective January 1, 1992, a rate of duty which is 10 percent of the TSUS column 1 rate of duty on that date.

h) Effective January 1, 1995, free of duty.

4. Articles provided for in the items included in List C shall be subject to the TSUS column 1 rate of duty for the respective item until January 1, 1990. The rates of duty to be applied on and after January 1, 1990, shall be determined after consultations between the Governments of Israel and the United States. Effective January 1, 1995, all such articles shall be free of duty.

List A to Annex 1

The symbol "%". indicates percent ad valorem.

The symbol "/" indicates per stated unit of quantity.

SUS or TSUSA		TSUS or TSUSA	
em number	Rate of duty	item number	Rate of duty
00. 35	12%	117. 60	6. 4%
00.79	8%	117.70	12%
		117. 75	4¢/1b.
05.50	4¢/1b.	117.81	16%
05. 55	10%	117. 88	8%
06.75	8%	118.05	1.2¢/1b.
		118.10	16%
07.45	8%	118.15	16%
07. 62	8%	118. 25	16%
		118.30	14%
12.34	10%	118.35	8%
12.50	10%		
12.52	10%	119.50	2.8¢/doz.
12.54	12%	119.55	2.8¢/doz.
12.58	9.2%	119.65	21.6¢/lb.
12.62	16%	119.70	4.4¢/lb.
12.66	16%		
12.71	9.2%	123.50	8%
1273	12%		
12.74	24%	130.37	20¢/bu. Of 56 lbs.
12.80	9.2%		
12.82	12%	131.25	8%

12.86	20%	131.45	16%
12.90	28%	131.80	8%
		131.85	16%
13.20	8%		
13.25	12%	132.30	12%
13.30	12%		
		135.10	2.8¢/lb.
14.04	14%	135.51	10%
14.20	8.8%	135.90	1.8¢/lb.
		135.95	2.4¢/lb.
16.30	5.6¢/1b.	135.97	2.4¢/lb.
		135.99	1.2¢/lb.
17.00	12%		
17.05	16%	136.80	20%
17.15	12%		
17.20	16%	137.75	10%
17.25	12%	137.78	10%
17.35	8%	137.79	20%
17.42	20%	137.80	10%
17.44	19%	137.88	10%
17.50	8%		
17.55	15%	138.35	14%
38. 41	14%	152. 05	12%
38. 46	14%	152. 42	12.5%
		152.50	4¢/lb.
40.76	10.4%	152.60	12%
		152.65	14%
41.60	9.5%	152.78	12%
41.82	10%		
41.86	10%	154.05	5.6¢/1b. + 8%
41.93	14%	154.53	8%
		154.60	16
44.10	4¢/lb.+20%		1.3¢/1b
44.20	2.6¢/lb. on drained weight + 8%	155.60	1.3¢/1b
		155.65	
45.18	4¢/lb.	161.05	8
45.55	12¢/lb.	161.06	12.8
45.65	14%	161.08	12.8
45.70	22.4%		
		165.25	8¢/gal
46.24	28%	165.44	16¢/gal
46.70	11.2%		
46.78	11.2%	167.10	94¢/gal
46.83	10%	167.20	20.8¢/gal.+\$1.48 proof gallon on ethyl alcohol

			content
46.86	11.2%	167.30	30¢/gal
46.93	4.8¢/lb.	167.32	50¢/gal
46.96	7.6¢/lb.		
46.99	5.6¢/lb.+8%		
47.19	1¢/lb.		
47.22	0.8¢/lb.	168.09	\$2.28/proof gallon
47.26	14%	168.74	\$3.40/proof gallon
47.31	0.8¢/lb.	168.76	\$1.25/proof gallon
47.36	17.5%	168.80	50¢/proof gallon
47.54	9.6%		
47.77	7%	169.08	50¢/proof gallon
		169.13	1.40¢/proof gallon
48.03	3¢/lb.	169.14	1.40¢/proof gallon
48.06	3¢/lb.	169.22	25¢/proof gallon
48.25	16%	169.31	\$2.27/proof gallon
48.28	16%	169.32	\$1.25/proof gallon
48.38	17.5%	169.37	\$2.56/proof gallon
48.77	8%	169.47	\$1.25/proof gallon
48.78	16%	169.49	\$1.25/proof gallon
48.86	14.4%		
		170.01	\$1.82/lb
49.28	14%	170.20	36¢/lb
49.60	7%	170.25	\$1.24/lb
		170.32	10.2¢/lb
50.02	7%	170.35	20¢/lb
50.05	14%	170.40	12.9¢/lb

70. 55	44c/1b.	240. 30	8%
70. 60	12. 55/1b.	240. 50	8. 2%
70.72	\$1.53/1b. + 8.4%		
		245. 30	6%
76. 14	1. 20/1b.		
76.52	18%	309.3130	10%

77. 52-	1. 6~/1b.	310.1109	8.~%
77.67	8%	310.40	11%
78.30	8%, but not less than the rate applicable to component material subject to the highest rate of duty	319.07	6%
		355. 20	12. 5%
		363.01	23.8%
		365.72	12. 8%
82.10	8%	365.76	12.8%
82.92	16%	365.7817	12.8%
		365.8660	12. 8%
83.00	8%		
83.01	8%	366.1855	10.5%
83.05	8%	366.1865	10.5%
		366.1880	10.5%
86.20	12%	366.2160	13.5¢/1b,
86.60	8.8%	366.2180	13.5¢/1b,
		366.20	10.5%
88.30	20¢/1b.	366.2780	10.5%
		366. 65	7.2%
90.25	7.7%		
		367. 6035	8.5%
92.30	72¢/1b.		
		374.05	20%
00.95	7.6%	374.10	20%
		374.15	20%
04. 05	7.7%	374.20	20%
04. 30	13. 3%	374.25	20%
04. 40	6.7%	374.30	20%
		374.40	14.4%
06.65	13.3%	374.50	12%
		374.55	6.5%
20.50	14.4%		
		376.54	126.6%
22.40	10%	376.56	7.6%
22.42	10%		
		378.05	17%
40.10	8%	378.10	10%
40.19	8%	378.20	6.5%
40.21	16%	378.35	6%
40.25	8%	378.40	8%
78.45	6.5%	379.9030	13¢/lb. + 32.5%
78.70	5.8%	379.6555	14¢/lb. + 27.5%

		379.9605	17%
79.0405	14%	379.9610	17%
79.0410	14%	379.9615	17%
79.0415	14%	379.9620	17%
79.0418	14%	379.9625	17%
79.0425	14%	379.9630	17%
79.0427	14%	379.9636	17%
79.0429	14%	379.9638	17%
79.0440	14%	379.9642	17%
79.0480	14%	379.9644	17%
79.0610	21%	379.9646	17%
79.32610	35%	379.9648	17%
79.2620	35%	379.9655	17%
79.2630	35%	379.9660	17%
79.35	8%	379.9663	17%
79.39	16.5%	379.9665	17%
79.4020	16.8%	379.9690	17%
79.4030	16.8%		
79.4110	8%	383.0295	21%
79.4120	8%	383.0305	14%
79.4130	8%	383.0306	14%
79.4132	8%	383.0330	14%
79.4137	8%	383.0335	14%
79.4141	8%	383.0340	14%
79.4143	8%	383.0343	14%
79.4150	8%	383.0345	14%
79.4190	8%	383.0347	14%
79.4320	8%	383.0350	14%
79.4615	6.4%	383.0396	14%
79.4640	6.4%	383.0606	21%
79.4670	6.4%	383.0622	21%
79.5545	16.8%	383.0624	21%
79.6405	8%	383.0626	21%
79.6410	8%	383.0629	21%
79.6420	8%	383.0631	21%
79.6430	8%	383.0633	21%
79.6440	8%	383.0634	21%
79.6443	8%	383.0636	21%
79.6440	8%	383.0638	21%
79.6447	8%	383.0640	21%
79.6450	8%	383.0657	21%
79.6405	8%	383.0680	21%
79.8906	30%	383.0805	14%
79.4030	30%	383.0810	14%
79.9010	13¢/1b. + 32.5%	383.0815	14%
79.9020	13¢/1b. + 32.5%	383.0820	14%

79.9025	13¢/1b. + 32.5%	383.0825	14%
	`	383.0826	14%
83.0828	14%	383.2058	17%
83.0831	14%	383.2090	17%
83.0833	14%	383.2305	17%
83.0836	14%	383.2310	17%
83.0838	14%	383.2315	17%
83.0841	14%	383.2320	17%
83.0844	14%	383.2325	17%
83.0850	14%	383.2327	17%
83.0852	14%	383.2329	17%
83.0854	14%	383.2331	17%
83.0865	14%	383.2333	17%
83.0868	14%	383.2340	17%
83.0870	14%	383.2351	17%
83.0872	14%	383.2368	17%
83.0873	14%	383.2369	17%
83.0896	14%	383.2370	17%
83.1902	30%	383.2374	17%
83.1904	30%	383.2381	17%
83.1906	30%	383.25	8%
83.1909	30%	383.2722	16.8%
83.1911	30%	383.2724	16.8%
83.1913	30%	383.2726	16.8%
83.1915	30%	383.2728	16.8%
83.1920	30%	383.2730	16.8%
83.1922	30%	383.2732	16.8%
83.1924	30%	383.2736	16.8%
83.1926	30%	383.2738	16.8%
83.1928	30%	383.2807	16.5%
83.1950	30%	383.2809	16.5%
83.2005	17%	383.2826	16.5%
83.2007	17%	383.2828	16.5%
83.2009	17%	383.2835	16.5%
83.2011	17%	383.2838	16.5%
83.2013	17%	383.2842	16.5%
83.2014	17%	383.2844	16.5%
83.2016	17%	383.2850	16.5%
83.2020	17%	383.29	12%
83.2025	17%	383.3010	8%
83.2030	17%	383.3020	8%
83.2035	17%	383.3030	8%
83.2040	17%	383.3032	8%
83.2044	17%	383.3034	8%
83.2045	17%	383,3036	8%
83.2046	17%	383.3037	8%

83.2047	17%	383.3038	8%
83.2049	17%	383.3040	8%
83.2051	17%	383.3060	8%
83.2052	17%	383.3062	8%
83.2056	17%	383.3064	8%
		383.3066	8%
83.3067	8%	383.5096	8%
83.3068	8%	383.5097	8%
83.3080	8%	383.5098	8%
83.3085	8%	383.5099	8%
83.3096	8%	383.5204	5%
83.34	6.4%	383.5208	5%
83.36	8%	383.5212	5
83.3770	6.4%	383.5216	5%
83.39	9%	383.5222	5
83.40	6.4%	383.5224	5
83.42	8%	383.5227	5
83.43	6.4%	383.5234	5
83.4724	13.2%	383.5238	5
83.4726	13.2%	383.5242	5
83.4753	13.2%	383.5252	5
83.4754	13.2%	383.5253	5
83.4756	13.2%	383.5254	5
83.4757	13.2%	383.5257	5
83.4758	13.2%	383.5264	5
83.4760	13.2%	383.5268	5
83.4761	13.2%	383.5272	5
83.4762	13.2%%	383.5276	5
83.4764	13.2%	383.5282	5
83.4765	13.2%	383.5283	5
83.4770	13.%2	383.5285	5
83.4814	12%	383.5373	3
83.4816	12%	383.5374	3
83.4821	12%	383.5375	3
83.4823	12%	383.5377	3
83.4825	12%	383.5377	3
83.49	6.5%	383.5379	3
83.5010	8%	383.5380	3
83.5012	8%	383.5381	3
83. 5014	8%	383.5383	3
83.5016	8%	383.5384	3
83.5020	8%	383.5385	3
83.5026	8%	383.5387	3
83.5027	8%	383.5389	3
83.5028	8%	383.5390	3
83.5029	8%	383.5391	3

83.5032	8%	383.5393	3
83.5033	8%	383.5396	3
83.5034	8%	383.5397	3
83.5037	8%	383.5399	3
83.5051	8%	383.78	7.5
83.5058	8%	383.8028	13¢/1b. + 32.5%
83.5059	8%	383.8030	13¢/1b. + 32.5%
83.5064	8%	383.81	30%
83.5068	8%	383.86	17%
83.5074	8%	383.9070	17¢/1b. + 27.5%
83.5094	8%		
83.9203	17%	404.20	1.3¢/1b. + 13.1%
83.9215	17%	404.38	13.5%
83.9225	17%	404.48	7.2%
83.9230	17%	404.60	1.7¢/1b. + 13.6%
83.9235	17%	404.64	10.5%
83,9240	17%	404.88	1.1¢/1b. +18.8%
83,9242	17%	404.96	7.8%
83.9243	17%		
83.9245	17%	405,02	1.7¢/1b. + 15.6%
83.9246	17%	405.07	1.7¢/1b, + 15,6%
83,9262	17%	405.16	7.2%
83.9264	17t	405.31	1.7¢/1b. + 18.1%
83.9267	17t	405.36	7.3%
83,9268	17%	405.44	7.2%
83.9269	17%	405,68	19.9%
83,9276	17t	405.70	13.5%
83.9296	17%	405,72	7.2%
83.9506	4%	405.80	1.3¢/1b. + 16.2%
83.9508	4%	405.85	1.7¢/1b, +12.5%
83.9510	4%	405.88	7.3%
83.9517	48		
83.9519	48	406.24	7.8%
83.9521	4%	406.28	0.4¢/1b. + 12.5%
83.9523	4%	406.37	1.7¢/1b. +

			16.2%
83.9527	48	406,39	1.7¢/1b. + 16.2%
83.9529	4%	406,44	17.5%
		406. 52	7.4%
86.11	10%	406.52	1.7¢/1b. + 18%
86.5042	7%	406.64	0.1¢/1b, +18.7%
		406.68	0.1¢/lb. + 19.8%
89.62	9%	406.72	1.5¢/lb. + 10%
		406.76	0.9¢/1b. + 12.5%
02,20	1.3¢/1b. +12.5%	406.81	1.1¢/1b. + 12.5%
02,40	7.6%	406.82	1.7¢/1b. + 12.5%
02.44	9.5%	406.83	1,7¢/1b. + 12.5%
02.48	7,88	406.96	1¢/1b, + 15.6%
02.52	10.4%		
02.54	10.4%	407.09	7.4%, but not less than the highest rate applicable to any component material
02,60	7.4%		
02.68	15.2%		
02. 76	7.6%		
02. 84	10%		
02.88	15%	407.14	1.7¢/1b. + 12.5%
03.29	20%	407.16	1,7¢/1b. + 13.6%,but not less than the highest rate applicable to any component material
03.32	7.2%		
03.49	1.7¢/1b. + 13.7%		
03,76	10.6%		
04.00	7.5%		

08.00	8.9%	410.48	10.8%
08.22 pt. 1/	13.5%	410.52	7.2%
08.32	10.7%	410.56	8.6%
08.41	8.5%	410.66	8.7%
08.76	7.6%	410.72	10.2%
		410.76	7.2%
09.30	7.7%	410. 80	7.6%
09.38	8.2%	410. 84	10%
09.42	14.3%		
09.46	1.5¢/1b. + 14%	411.12	7.4%
09.50	1.5¢/1b. + 14.4%	411.24	8%
09.54	20%	411. 26	11.6%
09.58	14.2%	411.72	7.4%
09. 62	9.2%	411. 80	15%
09. 66	20%	411. 82	10.8%
09.68	15%	411. 87	10.84
09. 70	9%	411. 91	8.1%
09.74	20%		
09.76	15%	412. 52	7.8%
09.78	9.5%	412.56	16.2%
09. 82	20%	412. 72	9.1%
09. 84	15%	412. 80	23.5%
09. 86	9%	412. 84	18.9%
09. 92	20%	412. 88	11.8%
09.92	15%	412. 92	16.3%
09. 94	8.1%		
09.92	8.2%	413.04	12.2%
		413.12	9.4%
10. 00	20%	413.16	8.4%
10. 02	15%	413. 20	16.3%
10.04	8.3%	413.30	11.9%
10. 08	20%	413. 32	20%
10.10	15%	413. 36	15.7%
10.12	8.4%	413. 50	10%
10.16	20%	413.51	10%, but not less than the highest rate applicable to any component material
10.18	15%		
10.19	9%		
10.20	20%		
10.22	15%		
10.24	20%		
10.28	8.3%	416.40	10.5%
10.32	20%	416. 45	4.2%

10.34	15%		
10.36	12.5%	417.40	10%
10.40	12.5%	417.42	11.2%
10.44	14%		
18.30	10%	429.24	15.9%
18.40	7.2%	429.26	20%
18.42	7.2%	429.44	12%
18.44	7.2%	429.47	18%
		429.48	3.7%
20.32	10%	429.70	7.2%
20.34	11.2%	429.95	3.7%
21.06	14%	432.25	3.7%, but not less than the highest rate applicable to any material
21.14	8.6%		
21.56	10%		
21.60	11.2%		
22.10	7.8%		
22.12	7.8%	437.04	20¢/1b.
22.14	7.8%	437.38	50¢/1b.
22.40	10.5%	437.47	8%
22.42	10%	437.74	12%
22.60	12.8%		
22.62	12.8%	445.30	12.5%
22.74	14%	445.46	10.1%
		445.52	12.5%
23.84	14%		
23.92	10%	460.20	8%
23.94	7.4%	460.55	14.4%
		460.60	8%
25.00	11.6%	460.70	7.2%
25.12	11.3%		
25.24	3.7%	473.40	8%
25.30	12%	473.58	12%
		473.62	8%
26.22	7.2%		
26.94	8.4%	474.02	0.15¢/piece
26.96	14%		
		485.30	7.2%
27.14	7.8%		

27.22	7.5%	490.05	7.4%
27.24	14%		
27.44	20%	493.42	12.8%
27.46	7.2%	493.65	8%
27.92	1.3¢/1b.	493.66	15%
27.97	18%		
		511.31	16.8%
28.06	14%		
28.30	11.5%	520.61	16.8%
28.34	12%	520.75	6%
28.47	12.3%		
28.52	15.9%	522.24	13.5%
28.84	9%		
28.86	12%	531.37	9%
28.94	7.8%		
32.22	20%	605.03	8.2%
32.24	19%	605.05	10%
32.27	20%	605.08	8.2%
32.31	10.8%	605.27	7.5%
		605.28	8.2%
33.54	8%	605.46	7.5%
		605.47	10%
34.81	2¢/doz. Pcs. + 7%	605.66	16%
34.84	7%		
34.94	9%	606.42	8%
		606.90	8.4%
35.21	12%	606.94	8.4%
35.24	8.2%	606.95	8.4%
35.31	7.2%		
		607.88	8%
36.15	8%	607.90	8%
40.27	13.6%	608.43	8.4%
40.30	14%	608.49	8.4%
40.43	7.5%	608.57	9.2%
40.47	9.6%	608.64	9.2%
40.55	7.2%		
40.65	8.2%	612.61 1-a	7.3%
40.67	10%	612.61 1-b	0.5¢/1b. on copper content + 7%
43.23	2¢/sq. ft.	612.70 1-a	7.3%
		612.70 1-b	0.54/1b. on copper content + 7.2%
44.16	7.2%		
44.51	7.8%	612.71 1-a	7.4%

44.54	8%	612.71 1-b	0.5¢/lb. on copper content + 0.02¢/lb. + 7%
44.64	7.2%		
45.17	7.5%		
45.31	1.6¢ each + 8%	613.15 1-a	11.2%
45.34	2.8¢ each + 8%	613.15 1-b	0.6¢/lb. + 8.8%
45.35	4¢ each + 8%		
45.37	6¢ each + 8%	624.40	11.9%
45.53	11.2%	624.42	9%
45.65	12%		
		626.04	15.2%
46.18	8.4%		
46.23	8%	628.55	8%
46.38	10%		
46.39	9%	629.12	7.2%
46.47	7.8%	629.14	15%
		629.20	15%
47.13	9.6%	629.28	10.5%
47.55	8.4%		
		632.30	14%
48.03	7.5%	632.78	32¢/1b.
42.25	10%	656.25	10%
42.27	7.8%	656.30	8%
42.74	7.2%		
44.15	7%	4%	
44.60	8.2%	661.90	3.9%
46.49-	10%	668.32	8oc each + 8%
46.88	12.3%	668.34	b%
47.10	8%	670.58	10%
74.30	5.8%		
49.23	7.2%	674.31	4.2%
49.43	7.2%	674.33	4.2%
49.44	8.4%	674.34	4.2%
49.53	7%	674.35	4.4%
49.fi	10%		
49.73	10%	680.59	50C each + 7.7%
49.15	10%	680.62	9%
49.91	8%		
		682.20	10%
50.08	0.88 each + 10%	682.55	10%
50.10	0.88 each + 14%		
50.54	13.6%	683.70	25%

50. 56	7.5%		
50.83	8%	684.15	6.8%
50.90	10¢ each + 10%		
50.92	10¢ each + 10%	685.16	6%
		651.01	7.6%
51.13	8.1%		
51.62	8.2%	687.35	12%
51.75	The rate of duty, if any, applicable to each article in the set	690.15	14.4%
		700.05	16%
		700.10	8%
52.55	8%	700.15	8%
52. 72	8. 2%	700. 20	2%
		700.25	13.6%
53.39	7.6	700.26	13.6¢/pair
53.65	8.2	700.27	4%
53.70	7.5	700.29	4%
53.75	8.2	700.30	4%
		700.32	4%
56.05	8	700.35	6.8%
56.20	7.5	700.41	8%
00.43	12%	707.90	8.4%
00.45	8%		
00.51	6.6%	708.05	8%
00.52	20%	708.07	8%
00.53	30%	708.10	8.4%
00.56	4.8%	708.21	7%
00.57	37. 5%	708.25	8%
00.59	37.5%	708.27	8%
00.61	37.5%	708.30	8.4%
00.62	90¢/pair + 20%	708.41	9%
00.63	20%	708.43	7.2%
00.64	48%	708.45	7.2%
00.67	90¢/pair + 37.5%	708.47	7.2%
00.69	90¢/pair + 20%	708.56	16%
00.71	20%	708.58	8%
00.72	12%	708.63	9%
00.73	8%	708.65	The rate applicable to the articles of which the frames and mountings are parts
00.74	6%		
00.75	2.8%		

00.80	10%		
00.83	6.4%		
00.90	7.5%	708.71	8%
00.95	10%	708.72	8%
		708.73	9%
02.45	20%	708.75	9%
		708.80	7.2%
03.20	11%	708.93	9%
03.25	9.4%		
03.30	8.2%	709.01	9%
03.40	22%	709.05	10%
03.45	26%	709.13	8.4%
03.50	8.2%	709.23	6.4%
		709.27	7.9%
06.05	6.4%	709.55	9%
06.07	8%	709.56	7.2%
06.13	8%		
06.15	10%	710.06	9%
06.19	18%	710.21	10%
06.21	18%	710.26	47¢ each + 7.4%
06.32	8.4%	710.27	9%
06.34	8.4%	710.86	7%
06.36	7.2%	710.88	9%
06.41	16%	710.90	10%
06.44	8.2%		
06.45	7.8%	711.30	8.4%
06.47	7.8%	711.31	17%
06.50	8.8%	711.32	8.4%
06.55	7.8%	711.40	10%
06.61	16%	711.75	49¢ each + 7.6%
06.62	16%	711.77	9%
11.86	10%	716.40	90¢ each + 9¢ for each jewel over 7
11.90	15%		
11.93	17%		
		719.-	Column 1 base rate 35¢ each, if self winding + 35¢ each adjustment .
12.12	10%		
12.25	49¢ each + 7.6%		
12.27	9%		
13.05	30¢ each + 6.4%	720.02	30¢ each
13.15	9%	720.10	5.5¢ each + 6.4%

			+2.5t for each jewel if any
13.17	45¢ each + 7%		
15.05	The rates applicable to the cases, plus the rates applicable to the movements, if such cases and movements were imported separately	720.12 720.14	10¢ each + 6.4% + 2.5¢ for each jewel, if any 15¢ each + 6.4% + 2.5¢ for each jewel, if any
15.25	5.5¢ each + 6.4% + 2.5¢ for each jewel, if any	720.16	30¢ each + 6.4% + 2.5¢ for each jewel, if any
15.27	10¢ each +6.4%+2.5¢ for each jewel, if any	720.18	45¢ each + 6.4% + 2.5¢ for each jewel, if any
15.29	15¢ each +6.4%+2.5¢ for each jewel, if any	720.21	8%
15.31	30¢ each +6.4%+2.5¢ for each jewel, if any	720.22 720.32	8% 7.4%
15.33	45¢ each +6.4%+2.5¢ for each jewel, if any	720.40 720.44	0.5¢ each + 9% 10%
15.45	5.5¢ each +6.4%+2.5¢ for each jewel, if any	720.75	9%
15.47	10¢ each +6.4%+2.5¢ for each jewel, if any	720.84	13% +5¢ for each jewel (if any) +0.6¢ for each other piece or part
15.49	15¢ each +6.4%+2.5¢ for each jewel, if any	720.86	6.4% +2.5¢ for each jewel (if any) +0.3¢ for each other piece or part
15.51	30¢ each +6.4%+2.5¢ for each jewel, if any		
15.55	45¢ each +7%+2.5¢ for each jewel, if any	720.90	11%
15.57	45¢ each +7%+2.5¢ for each jewel, if any	720.92 720.94	10% 6.4%
15.60	5.5¢ each +6.4% + 2.5¢ for each jewel, if any	721.05	9%
15.68	45¢ each +6.4% + 2.5¢ for each jewel, if any	722.14 722.40	6.8% 7%
16.09	36¢ each	722.44	7%
16.17	72¢ each	722.46	7%
16.37	\$1.80 each + 9¢ for each jewel over 7	722.50 722.52	7% 7.8%

22. 55	9%	737. 40	7%
		737. 60	6. 4%
24.20	0.2¢/1in.ft.		
24.35	0.2¢/1in.ft.	740.75	8%
25.08	7%	741.10	8%
25.20	12%	741.40	8%
25.46	6.8%		
25.47	6.8%	745.10	11%
		745.50	10%
26.20	8.2%	745.52	8.2%
26.55	6.6%	745.56	9%
		745.61	11%
27.11	7.5%	745.62	11%
27.13	7.5%	745.67	11%
27.14	7. 5%		
27.45	7%	748.15	7%
		748.20	8.4%
30.15	40¢ each + 11%	748.32	8.8%
30.23	8.1%	748.36	10%
30.25	9.1%		
30.29	7.5%	750.10	7.8%
30.37	10%	750.22	11%
30.39	8.4%	750.25	8.1%
30.61	8.4%	750.27	9.6¢ each
30.80	8.4%	750.29	8%
30.85	7.8%	750.32	10%
		750.45	0.2¢ each + 7%
31.15	7.6%	750.80	7.5%
31.20	9.2%		
31.30	7%	751.20	12%
31.65	9%	751.25	7.5%
31.70	9%		
		755.20	7.5%
32.02	12%	755.30	6.9%
32. 06	8. 8%		
32.08	12%	756.02	7.2%
32.12	8.8%	756.04	10%
32.14	8. 8%	756. 06	9%
32. 21	7. 2%	756.15	10%
32.24	8.8%	756.21	1¢ each + 16%
32.26	12%	756.23	0.5¢ each + 8%
32.30	7.2% -	756.40	7%

32.42	10%	756.50	7.8%
32.43	7.8%		
		760.10	6.6%
34.05	8.2%	760.15	8%
		760.34	40¢/1,000 + 7%
35.10	7.8%		
		770.45	8.1%
37.15	7.8%		
71.05	1.59/1b.		
72.57	12%		
73.20	10.5%		
74.35	11.6%		
90.00	6.4%		
90.25	13.6%		
90.59	9%		
90.61	8.7%		
90.62	8.7%		
90.63	9%		
91.05	7.4%		
92.26	7.7%		
69.00	8%		

List B to Annex 1

TSUS or TSUSA Item number	TSUS or TSUSA Item number	TSUS or TSUSA Item number number	TSUS or TSUSA Item number number
141.76	301.38	305.20	309.75
141.92	301.39	305.22	309.80
	301.40	305.28	309.90
146.30	301.41	305.30	309.98
	301.42	305.40	309.99
147.03	301.43	305.50	
147.07	301.44		310.01
147.15	3301.45	307.30	310.05
	301.46	307.50	310.06
300.60	301.47	307.52	310.10
	301.48	307.62	310.1106
301.01	301.49	307.66	310.1110
301.02	301.50	307.6820	310.1114
301.03	301.51	307.6830	310.1135
301.04	301.52	307.3840	310.1150
301.05	301.53	307.6850	310.1155

301.06	301.54		310.1170
301.07	301.55	308.60	310.20
301.08	301.56	308.65	310.21
301.09	301.57	308.66	310.50
301.10	301.58	308.70	310.60
301.11	301.59	308.71	310.80
301.12	301.60	308.75	310.90
301.13	301.70	308.80	310.9140
301.14	301.80	308.90	
301.15	301.82		315.05
301.16	301.84	309.02	315.10
301.17	301.86	309.03	315.15
301.18	301.88	309.05	315.25
301.19	301.92	309.06	315.30
301.20	301.94	309.10	315.35
301.21	301.96	309.20	315.40
301.22	301.98	309.21	315.45
301.23		309.25	315.55
301.24	302.--	309.28	315.75
301.25		309.29	315.80
301.26	303.10	309.30	315.85
301.27	303.20	309.3110	315.90
301.28		309.3140	315.95
TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number
301.29	305.04	309.315 0	
301.30	305.06	309.316 5	316.05
301.31	305.08	309.35	316.10
301.32	305.09	309.41	316.20
301.33	305.10	309.50	316.25
301.34	305.12	309.60	316.30
301.35	305.14	309.65	316.40
301.36	305.16	309.66	316.50
301.37	305.18	309.70	316.55
316.58	320.38 1 /	320.88 1 /	336.55
316.70	320.39 1 /	320.92 1 /	336.62
	320.40 1 /	320.94 1 /	336.64
319.21 1 /	320.41 1 /	320.96 1 /	
319.23 1 /	320.42 1 /	320.98 1 /	337.50
319.25 1 /	320.43 1 /		337.55
319.27	320.44 1 /	321	337.60
319.29	320.45 1 /		337.68
	320.46 1 /	322	337.80
320.01 1 /	320.47 1 /		337.90

320.02 1 /	320.48 1 /	323	
320.03 1 /	320.49 1 /		338.10
320.04 1 /	320.50 1 /	324	338.25
320.05 1 /	320.51 1 /		338.27
320.06 1 /	320.52 1 /'	325	338.40
320.07 1 /	320.53 1 /		338.50
320.08 1 /	320.54 1 /	326	
320.09 1 /	320.55 1 /		339.05
320.10 1 /	320.56 1 /	327	339.10
320.11 1 /	320.57 1 /		
320.12 1 /	320.58 1 /	328	345.30
320.13 1 /	320.59 1 /		345.35
320.14 1 /	320.60 1 /	329	345.5011
320.15 1 /	320.61 1 /		345.5015
320.16 1 /	320.62 1 /	330	345.5018
320.17 1 /	320.63 1 /		345.5031
320.18 1 /	320.64 1 /	331	345.5033
320.19 1 /	320.65 1 /		345.5035
320.20 1 /	320.66 1 /	332.10	345.5037
320.21 1 /	320.67 1 /	332.4020	345.5051
320.22 1 /	320.68 1 /		345.5053
320.23 1 /	320.69 1 /	335.55	345.5055
320.24 1 /	320.70 1 /	335.60	345.5057
320.25 1 /	320.71 1 /	335.70	345.5071
320.26 1 /	320.72 1 /	335.75	345.5075
320.27 1 /	320.73 1 /	335.85	345.5077
320.28 1 /	320.74 1 /	335.95	345.60
320.29 1 /	320.75 1 /		
320.30 1 /	320.76 1 /	336.10	346.05
320.31 1 /	320.77 1 /	336.15	346.10
320.32 1 /	320.78 1 /	336.20	346.20
320.33 1 /	320.79 1 /	336.25	346.22
320.34 1 /	320.80 1 /	336.30	346.24
320.35 1 /	320.82 1 /	336.35	346.30
320.36 1 /	320.84 1 /	336.40	346.32
320.37 1 /	320.86 1 /	336.50	346.40

1/ Effective September 1, 1985, the minimum rate of duty provided for this item in headnote 4 of TSUS schedule 3, part 3, subpart A shall not be applicable to imports of products of Israel.

TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number
346.45	351.46	357.35	361.05
346.50	351.50	357. 40	361. 07
346.52	351.60	357. 45	361.10

346.56	351.70	357.60	361.18
346.6010	351.80	357.70	361.21
346.6030	351.90	357.80	361.23
346.6065		357.90	361.24
346.65	352.10	357.95	361.26
346.70	352.20		361.42
346.80	352.30	358.05	361.43
346.82	352.40	358.06	361.45
346.86	352.50	358.08	361.46
346.90	352.80	358.09	361.48
346.95		358.11	361.50
	353.10	358.14	361.53
347.10	353.50	358.16	361.54
347.15		358.24	361.5610
347.20	355.02	358.26	361.5620
347.26	355.04	358.30	361.5630
347.28	355.15	358.35	361.5660
347.30	355.16	358.40	361.80
347.33	355.18	358.50	361.85
347.35	355.20	358.60	
347.40	355.35		363.02
347.45	355.42	359.10	363.10
347.50	355.45	359.20	363.15
347.55	355.50	359.30	363.20
347.60	355.55	359.40	363.25
347.65	355.60	359.50	363.35
347.68	355.65	359.60	363.40
347.69	355.70		363.50
347.72	355.75	360.04	363.5115
347.75	355.81	360.06	363.55
	355.82	360.10	363.60
348.00	355.85	360.1520	363.65
348.05		360.20	363.70
	356.05	360.25	363.75
349.10	356.10	360.30	363.80
349.15	356.15	360.35	363.90
349.25	356.20	360.36	
349.30	356.30	360.40	364.07
	356.35	360.4445	364.09
350.00	356.45	360.65	364.13
	356.70	360.70	364.14
351.05	356.80	360.76	364.16
351.10		360.77	364.18
351.20	357.05	360.78	364.20
351.25	357.10	360.79	364.21
351.30	357.15	360.81	364.25

351.40	357.20	360.82	364.35
351.44	357.30	360.84	

TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number	TSUS or TSUSA Item Number
379.0420	370.68	366.51	365.00
379.0607	370.72	366.54	365.05
379.0609	370.76	366.57	365.11
379.0615	370.80	366.60	365.14
379.0620	370.84	366.63	365.15
379.0630	370.88	366.69	365.20
379.0640	370.92	366.72	365.25
379.0642		366.75	365.29
379.0646	372.04	366.77	365.31
379.0652	372.06	366.79	365.35
379.0654	372.08	366.81	365.40
379.0660	372.10	366.84	365.45
379.08	372.15		365.50
379.11	372.20	367.05	365.68
379.13	372.25	367.10	365.74
379.15	372.30	367.15	365.77
379.17	372.35	367.20	365.7815
379.20	372.40	367.25	365.7825
379.23	372.45	367.28	365.7855
379.2640	372.50	367.31	365.7865
379.2650	372.55	367.3428	365.80
379.28	372.60	367.35	365.81
379.31	372.65	367.40	365.83
379.3310	372.70	367.45	365.84
379.3320	372.75	367.50	365.8610
379.3323	372.80	367.55	365.8620
379.3325		367.59	365.8640
379.3331	373.05	367.6025	365.8670
379.3333	373.10	367.6040	365.8680
379.3335	373.15	367.6080	365.91
379.3341	373.20	367.65	
379.3360	373.22		366.06
379.3365	373.25	370.04	366.09
379.3370	373.27	370.08	366.12
379.3375	373.30	370.12	366.15
379.3380		370.16	366.1820
379.3390	376.04	370.17	366.1840
379.37	376.08	370.19	366.2120
379.4010	376.12	370.21	366.2140
379.4040	376.16	370.22	366.2720
379.4050	376.20	370.24	366.2740

379.4060	376.24	370.28	366.2760
379.4070	376.28	370.32	366.30
379.4135		370.36	366.33
379.4310	378.30	370.40	366.36
379.4330	378.50	370.44	366.39
379.4610	378.55	370.48	366.42
379.4620	378.60	370.52	366.45
379.4630		370.56	366.46
379.4650	379.00	370.60	366.47
379.4660	379.02	370.64	366.48
383.2350	383.0238	379.8922	379.48
383.2367	383.0242	379.8924	379.49
383.2375	383.0244	379.8926	379.51
383.2378	383.0246	379.8928	379.52
383.2384	383.0248	379.8935	379.54
383.2396	383.0262	379.8940	379.5510
TSUS or TSUSA Item number	TSUS or TSUSA Item number	TSUS or TSUSA Item number	TSUS or TSUSA Item number
383.2706	383.0264	379.9035	379.5520
383.2710	383.0266	379.9040	379.5525
383.2712	383.0268	379.91	379.5530
383.2714	383.0272	379.92	379.5535
383.2715	383.0320	379.94	379.5540
383.2716	383.0352	379.9501	379.5550
383.2718	383.0353	379.9505	379.5555
383.2721	383.0356	379.9510	379.5560
383.2750	383.0357	379.9515	379.5565
383.2752	383.0358	379.9520	379.57
383.2754	383.0359	379.9525	379.58
383.2758	383.0361	379.9530	379.60
383.2805	383.0363	379.9535	379.6210
383.2814	383.05	379.9540	379.6217
383.2816	383.0601	379.9545	379.6219
383.2818	383.0603	379.9550	379.6220
383.2821	383.0604	379.9560	379.6230
383.2822	383.0608	379.9562	379.6240
383.2824	383.0612	379.9564	379.6250
383.3061	383.0614	379.9566	379.6260
383.3069	383.0618	379.9568	379.6270
383.3070	383.0644	379.9570	379.6280
383.3075	383.0648	379.9575	379.6441
383.32	383.0652	379.9580	379.6448
383.33	383.0855	379.9585	379.6455
383.3710	383.0874	379.9601	379.66
383.45	383.0878	379.98	379.68
383.4702	383.0882		379.69

383.4704	383.0886	383.00	379.71
383.4705	383.10	383.0205	379.72
383.4707	383.12	383.0207	379.74
383.4709	383.13	383.0208	379.75
383.4711	383.15	383.0212	379.76
383.4716	383.16	383.0213	379.78
383.4717	383.18	383.0214	379.79
383.4718	383.1932	383.0216	379.81
383.4720	383.1934	383.0217	379.83
383.4721	383.1952	383.0219	379.84
383.4747	383.1954	383.0222	379.86
383.4748	383.1960	383.0223	379.87
383.4750	383.2042	383.0224	379.8904
383.4818	383.2054	383.0226	379.8905
TSUS or TSUSA Item number	TSUS or TSUSA Item number	TSUS or TSUSA Item number	TSUS or TSUSA Item number
383.4820	383.22	383.0228	379.8908
383.5031	383.2301	383.0232	379.8911
383.5041	383.2302	383.0234	379.8915
383.5042	383.2303	383.0236	379.8920
383.9595	383.9061	383.57	383.5043
383.9596	383.9062	383.58	383.5044
383.9598	383.9063	383.60	383.5046
	383.9064	383.62	383.5048
385.15	383.9066	383.63	383.5054
385.20	383.9068	383.65	383.5057
385.25	383.9069	383.66	383.5092
385.30	383.9072	383.68	383.5093
385.40	383.9074	383.70	383.5246
385.50	383.9076	383.72	383.5288
385.53		383.75	383.5289
385.55	383.9205	383.77	383.5293
385.60	383.9210	383.8002	383.5294
385.61	383.9211	383.8007	383.5296
385.63	383.9220	383.8009	383.5297
385.70	383.9255	383.8011	383.5298
385.75	383.9261	383.8012	383.5299
385.80	383.9263	383.8014	383.5304
385.85	383.9270	383.8017	383.5305
385.90	383.9273	383.8019	383.5306
	383.9532	383.8022	383.5307
386.04	383.9534	383.8024	383.5309
386.06	383.9536	383.8026	383.5310
386.07	383.9540	383.8045	383.5311
386.15	383.9542	383.8048	383.5312
386.20	383.9544	383.8050	383.5316

386.25	383.9546	383.8052	383.5326
386.40	383.9548	383.8069	383.5333
386.5010	383.9550	383.8071	383.5334
386.5035	383.9552	383.8073	383.5342
386.5037	383.9562	383.88	383.5346
386.5038	383.9564	383.9005	383.5347
	383.9566	383.9010	383.5348
387.10	383.9568	383.9015	383.5349
387.20	383.9570	383.9020	383.5350
387.25	383.9572	383.9025	383.5351
387.32	383.9574	383.9027	383.5353
387.33	383.9576	383.9029	383.5354
387.37	383.9578	383.9032	383.5355
	383.9579	383.9035	383.5357
388.10	383.9580	383.9037	383.5358
388.20	383.9581	383.9040	383.5359
388.30	383.9583	383.9042	383.5361
388.40	383.9584	383.9043	383.5363
	383.9585	383.9052	383.5364
389.10	383.9586	383.9055	383.5365
389.20	383.9587	383.9056	383.5366
389.30	383.9589	383.9057	383.5369
389.40	383.9591	383.9058	383.5370
389.50	383.9593	383.9059	383.55
705.69	704.50	702.60	389.61
705.70	704.55	702.65	389.70
705.72	704.56	702.70	
705.73	704.60	702.75	402.80 pt.1
705.74	704.65	702.80	402.82
705.76	704.70	702.85	
705.78	704.75	702.90	403.56 pt.2
705.83	704.80	702.95	403.64 pt.3
705.85	704.85		403.66
705.86	704.90	703.05	
705.90	704.95	703.10	404.36 pt.4
		703.14	
706.33	705.35	703.16	405.52 pt.5
706.37	705.40	703.65	
706.39	705.42	703.72	407.07 pt.6
	705.43	703.75	
727.82	705.45	703.80	422.78
727.86	705.46	703.85	
	705.48	703.90	429.28
737.21	705.50	703.95	
	705.51		680.37
748.45	705.53	704.05	

748.50	705.54	704.10	696.15
	705.55	704.15	
772.30	705.57	704.20	702.06
772.35	705.58	704.25	702.08
	705.60	704.30	702.12
791.45	705.63	704.32	702.14
791.48	705.66	704.34	702.20
791.70	705.67	704.40	702.54
791.74	705.68	704.45	702.56
791.80			

1. Except pentabromoethylbenzene and tribromocumene.
2. Except tetrabromobisphenol A.
3. Except decabromodiphenyl oxide, and octabromodiphenyl oxide.
4. Except tetrabromophthalic anhydride.
5. Except ethylenebistetrahydrophthalimide.
6. Except dibromoethyldibromocyclohexane.

List C to Annex 1

TSUS Item number	TSUS Item number
402.80 pt.1	140.30
	140.40
403.51	140.60
403.56 pt.2	140.65
403.59	140.74
403.64 pt.3	
	141.65
404.36 pt.4	141.66
405.52 pt.5	148.42
	148.44
407.07 pt.6	148.46
	148.48
420.82	148.50
	148.56
740.11	
740.12	165.27
740.13	165.29
740.70	165.32
	165.36
	192.18

1. Only pentabromoethylbenzene and tribromocumene.
2. Only tetrabromobisphenol A.

3. Only decabromodiphenyl oxide, and octabromodiphenyl oxide.
4. Only tetrabromophthalic anhydride.
5. Only ethylenebistetrahydrophthalimide.
6. Only dibromoethyldibromocyclohexane.

## ANNEX 2

### Implementation of Duty-Free Treatment for Israeli Imports of Products of the United States of America

#### Notes:

- A. The product descriptions and the articles provided for in each of the tariff items listed in this annex are the product descriptions and articles provided for in the same numbered item in the Tariff Schedules of Israel (TSI), as published in the Customs Tariff and Exemption Order (Substitution of Schedule), 5744-1984, and as effective January 1, 1985.
- B. Notwithstanding the provisions of paragraphs 2 and 3 below, to simplify the computation of the amount of duty imposed the rates of duty provided for in subparagraphs 2b and 3a, .b, c, d, e, f, and g shall be rounded to the nearest 0.1 percent ad valorem, or if the rate of duty is expressed in monetary units, to the nearest lowest currency value specified in the TSI, in accordance with the following rule:

The rate of duty shall be rounded up to the nearest 0.1 percent or to the lowest currency value specified in the TSI if the rate of duty provided for in paragraph 2 or 3 has the number 5 or above as the second digit to the right of the decimal point in the case of ad valorem duties, or as the first digit to the right of the lowest currency value specified in the TSI in the case of specific duties; the rate of duty shall be rounded down to the nearest 0.1 percent or to the lowest currency value specified in the TSI if the rate of duty provided for in paragraph 2 or 3 has the number 4 or below as the second digit to the right of the decimal point in the case of ad valorem duties, or as the first digit to the right of the lowest currency value specified in the TSI in the case of specific duties.
- C. As regards tariff headings 3005.1000, 8904.1000, 9905.9900, 9906.9900, for which no duty rates are specified in the TSI, the duty rates and tariff reduction formula under this Annex shall be in accordance with the duty rates and tariff reductions applicable to all articles comprising such tariff headings.

1. Articles not covered by the provisions of paragraphs 2, 3 and 4 below shall be free of duty effective September 1, 1985.

2. Articles provided for in the items included in List A shall be subject to the following tariff treatment:

- a) Effective September 1, 1985, the rate of duty listed opposite the item;
- b) Effective January 1, 1987, a rate of duty which is 40 percent of the listed rate;
- c) Effective January 1, 1989, free of duty.

Provided that prior to January 1, 1989 the rates of duty will not be lower than the rates of duty applied to imports originating in the European Economic Community.

3. Articles provided for in the items included in List B shall be subject to the following tariff treatment:

- a) Effective September 1, 1985, a rate of duty which is 80 percent of the general rate of duty of the TSI on that date;
- b) Effective January 1, 1986, a rate of duty which is 70 percent of the general rate of duty of the TSI on that date;
- c) Effective January 1, 1987, a rate of duty which is 60 percent of the general rate of duty of the TSI on that date;
- d) Effective January 1, 1988, a rate of duty which is 50 percent of the general rate of duty of the TSI on that date;
- e) Effective January 1, 1989, a rate of duty which is 40 percent of the general rate of duty of the TSI on that date;
- f) Effective January 1, 1990, a rate of duty which is 30 percent of the general rate of duty of the TSI on that date;
- g) Effective January 1, 1992, a rate of duty which is 10 percent of the general rate of duty of the TSI on that date;
- h) Effective January 1, 1995, free of duty.

Provided that prior to January 1, 1989 the rates of duty will not be lower than the rates of duty applied to imports originating in the European Economic Community.

4. Articles provided for in the items included in List C shall be subject to the general rate of duty of the TSI for the respective item until January 1, 1990. The rates of duty to be applied on and after January 1, 1990, shall be determined after consultations between the Governments of the United

States and Israel. Effective January 1, 1995, all such articles shall be free of duty.

### ANNEX 3

#### [Rules of Origin]

1. This Agreement shall 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.

2. No article shall be considered a new or different article of commerce under this Agreement and no material shall be eligible for inclusion as domestic content under this Agreement by virtue of having merely undergone (1) simple combining or packaging operations or (2) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

3. For the purposes of this Agreement, the expression "wholly the growth, product, or manufacture of a Party" refers both to any article which has been entirely grown, produced, or manufactured in a Party and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in a Party, as distinguished from articles or materials imported into a Party from a non-participating country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into the Party.

4. For the purposes of this Agreement, "country of origin" requires that an article or material, not wholly the growth, product, or manufacture, of a Party, be substantially transformed into a new and different article of commerce, having a new name, character, or use, distinct from the article or material from which it was so transformed.

5. For purposes of determining the 35 percent domestic content requirement under this Agreement, 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. Such materials must in fact be products of the importing Party under the country of origin criteria set forth in this Agreement.

6. (a) For the purposes of this Agreement, the cost or value of materials produced in a Party includes:

(i) The manufacturer's actual cost for the materials;

(ii) When not included in the manufacturer's actual cost for the materials, the freight, insurance, packing, and all other costs incurred in transporting the materials to the manufacturer's plant;

(iii) The actual cost of waste or spoilage (material list), less the value of recoverable scrap; and

(iv) taxes and/or duties imposed on the materials by a Party, provided they are not remitted upon exportation.

(b) Where a material is provided to the manufacturer without charge, or at less than fair market value, its cost or value shall be determined by computing the sum of:

(i) All expenses incurred in the growth, production, or manufacture of the material, including general expenses;

(ii) An amount for profit; and

(iii) Freight, insurance, packing, and all other costs incurred in transporting the material to the manufacturer's plant. If the pertinent information needed to compute the cost or value of a material is not available, the appraising officer may ascertain or estimate the value thereof using all reasonable ways and means at his disposal.

7. For the purposes of this Agreement, direct costs of processing operations performed in a Party mean those costs either directly incurred in, or which can be reasonably allocated to, the growth, production, manufacture, or assembly, of the specific article under consideration. Such costs include, but are not limited to the following, to the extent that they are includible in the appraised value of articles imported into a Party:

(a) all actual labor costs involved in the growth, production, manufacture, or assembly, of the specific article, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel;

(b) dies, molds, tooling and depreciation on machinery and equipment which are allocable to the specific article;

(c) research, development, design, engineering, and blueprint costs insofar as they are allocable to the specific article; and

(d) costs of inspecting and testing the specific article.

Those items that are not included as direct costs of processing operations are those which are not directly attributable to the articles under consideration or are not costs of manufacturing the product. These include, but are not limited to:

(i) profit; and

(ii) general expenses of doing business which are either not allocable to the specific article or are not related to the growth, production, manufacture, or assembly, of the article, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions, or expenses.

8. For the purposes of this Agreement, "imported directly" means:

(a) direct shipment from one Party into the other Party without passing through the territory of any intermediate country; or

(b) if shipment is through the territory of an intermediate country, the articles in the shipment do not enter into the commerce of any intermediate country and the invoices, bills of lading, and other shipping documents, show the other Party as the final destination; or

(c) if shipment is through an intermediate country and the invoices and other documents do not show the other Party as the final destination, then the articles in the shipment, upon arrival in that Party, are imported directly only if they

(i) remain under the control of the customs authority in an intermediate country;

(ii) do not enter into the commerce of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the latter's sales agent;

(iii) have not been subjected to operations other than loading and unloading, and other activities necessary to preserve the article in good condition; and

(iv) comply with the origin requirements for articles exported to a Party from the other Party under this Agreement as stated in the documents required under the certification procedure.

9. All articles entered under this Agreement shall be documented by a certificate, specimens of which are given in the attachment to this Annex, signed by the exporter to be completed in accordance with the rules specified in the certificate. The certificate should contain sufficient information to identify the articles described on the certificate as the articles to be exported and a statement as to the percentage of value added in a Party and that the articles comply with the country of origin requirements set forth in this Agreement. The certificate will be presented to the Customs authorities of the importing Party in accordance with its internal regulations.

Notwithstanding the above, either Party may waive production of the certificate on a case by case basis for articles imported into such Party and for which the benefits of this Agreement are claimed, if the Party is otherwise satisfied that the imported articles comply with the country of origin requirements set forth in this Agreement.

The exporter or person signing the certificate of origin shall be prepared to submit a declaration setting forth all pertinent details, concerning the production or manufacture of the articles, which were used to prepare the certificate of origin. The information on the declaration should contain at least the following pertinent details:

A. a description of the article, quantity, numbers and marks of packages, invoice numbers, and bills of lading;

B. a description of the operations performed in the production of the article in a Party and identification of the direct costs of processing operations;

C. a description of any materials used in production of the article which are wholly the growth, product, or manufacture of either Party, and a statement as to the cost or value of such materials;

D. a description of the operations performed on, and a statement as to the origin and cost or value of, any foreign materials used in the article which are claimed to have been sufficiently processed in a Party so as to be materials produced in that Party; and

E. a description of the origin and cost or value of any foreign materials used in the article which have not been substantially transformed in a Party.

This declaration shall be prepared and submitted upon request by a Party. A declaration should only be requested when a Party has reason to question the accuracy of the statements on a certificate of origin, or when a Party randomly verifies certificates of origin.

10. In order to further the administration of this Agreement, the Parties agree to assist each other in obtaining information for the purpose of reviewing transactions made under this Agreement in order to verify compliance with the conditions set forth in this Agreement.

11. The Parties will consult from time to time on the interpretation of these provisions and on practical problems which may arise with a view to prevent unnecessary barriers to trade which are inconsistent with the objectives of this Agreement. In this connection, amendments of the present rules could be proposed.

Attachment

Specimens of Certificates of Origin

An original of Attachment I shall be used for exports of the United States and an original of Attachment II shall be used for exports of Israel.

Attachment I

1. Goods consigned from exporter's business (name, address):	References No. U. S. - ISRAEL FREE TRADE AREA  CERTIFICATION OF ORIGIN (combined declaration and certificates)
2. Goods consigned to (consignee's name, address)	(see notes overleaf)
3. Means of transport and route (as far as known)	4. For official use

5. Items number	6. Marks and number of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see notes overleaf)	9. Gross Weight or other quantity	10. Number and date of invoices
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<p><b>11. CERTIFICATION</b> The _____ _____</p> <p>A recognized chamber of commerce, board of trade, or _____ under the laws of the State of _____ has examined the manufacturer's invoice or shipper's affidavit concerning the origin of the merchandise and, according to the best of its knowledge and belief, finds that the products named originated in the United states of America.</p> <p>_____ Certifying Official</p>	<p><b>12. DECLARATION BY THE EXPORTER</b> The undersigned hereby declares that the above details and statements are correct` that all the goods were produced in the United States of America and that they comply with the origin requirements specified for those goods in the U.S - Israel free Trade Area Agreement for goods exported to Israel.</p> <p>_____ signature of exporter</p> <p>sworn to before me this _____ day of _____ 19__</p> <p>_____ Signature of Notary Public</p>
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Attachment II

1. Goods consigned from exporter's business (name, adress):	References No. CERTIFICATE OF ORIGIN FOR: (Indicate one of the following) 1) UNITED STATE-ISRAEL FREE TRADE AREA (declaration only)
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## NOTES

1. Conditions. The main conditions<sup>2</sup> for admission under the Trade Area (FTA) Agreement between Israel and the United States of America are:
  - (a) The goods must be consigned direct from Israel to the United States of America but in most cases shipment through one or more intermediate countries is accepted provided that the goods did not enter into the commerce of that country and otherwise complied with the direct shipment requirements of the Agreement.
  - (b) The goods comply with the origin criteria specified in the Agreement. Indication of the origin requirements is given in paragraph 2.
  - (c) Each article in a consignment must qualify separately in its own right concerning the rules of origin and direct shipment.
2. Origin requirements for goods originating in Israel.

The Agreement shall apply to any article if:

- (a) That article is wholly the growth, product, or manufacture of Israel or is a new or different article of commerce that has been grown, produced or manufactured in Israel.
- (b) The sum of (a) the cost or value of the materials produced in Israel plus (b) the direct cost of processing operations performed in Israel is not less than 35 percent of the appraised value of the article at the time it is entered into the United States of America.

No article shall be considered a new or different article of commerce under the Agreement and no material shall be eligible for inclusion as domestic content under the Agreement by virtue of having merely undergone (a) simple combining or packaging operations or (b) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

The expression "wholly the growth, product, or manufacture of Israel" refers both to any article which has been entirely grown, produced or manufactured in Israel and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in Israel, as distinguished from articles or materials imported into Israel from a third country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into Israel.

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<sup>2</sup> The conditions specified on this Form are for reference purposes only and do not change in any way or manner the binding rules or origin as specified in Annex III of the FTA Agreement between Israel and the United States of America.

"Country of origin" Requires that an article or material, not wholly the growth, product, or manufacture of Israel, be substantially transformed into a new and different article of commerce, having a new name, character or use, distinct from the article or material from which it was so transformed.

For purposes of determining the 35 percent Israeli content requirement under the Agreement, the cost or value of materials which are used in the production of an article in Israel, and which are the products of the United States of America, may be counted an amount up to 15 percent of the appraised value of the article. Such materials must in fact be products of the United States of America under the country of origin criteria set forth in the Agreement.

### 3. Entries to be made in Box 8.

Products must be either wholly obtained in accordance with the rules of the Free Trade Area Agreement or sufficiently worked or processed to fulfill the requirements of the Free Trade Area Agreement.

(1) Products wholly grown, produced, or manufactured in the United States of America: enter the letter P in Box 8.

(2) Products sufficiently worked or processed in Israel: v enter in Box 8 a Y value for the sum of the cost or value of the domestic materials and the Direct cost of processing expressed as a percentage of the ex-factory price of the exported products. (Example: Y=35%.)

### 4. The Declaration of the exporter on this certificate shall be required.

#### Generalized System of Preferences

The Notes included in Form A will apply to the use of this form for the purposes of the Generalized System of Preferences.

ANNEX 4

[Commitment on Subsidies]

Dear Ambassador Brook:

Our two governments have just concluded a historic agreement establishing a Free Trade Area between Israel and the United States of America.

One of the fundamental objectives of the agreement is to remove trade barriers and other non-tariff distortions to trade, including the elimination of export subsidies. In furtherance of these objectives, I am honored to propose the following agreement by the Government of Israel with regard to major programs which contain or have contained export subsidy elements.

I am pleased to inform you that the Government of Israel will accede to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade no later than the effective date of this Agreement.

In the meeting of July 11, 1984 between Minister Patt and yourself it was agreed that export subsidy elements exist in the following major programs for encouraging exports maintained by Israel:

Programs for financing exports or processing for exports

- (a) Export Shipment Fund
- (b) Export Production Fund
- (c) Imports for Export Fund
- (d) Medium Term Capital Goods Export Credits

I am honored to inform you that the Government of Israel commits itself, pursuant to Article 14 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (the Subsidies Code), and relating to exports of products other than certain primary products<sup>1</sup>, not to institute any new export subsidy programs, and not to increase the level of subsidization<sup>2</sup> in these programs above their level as existed on July 11, 1984, and to eliminate the subsidy elements in these programs as follows:

- With regard to the Export Shipment Fund and the foreign currency portion of the Export Production Fund, the Government of Israel will continue its current practice of providing no export subsidy elements.

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<sup>1</sup> Certain primary products. shall be defined in accordance with footnote 29 to Article 9 of the Subsidies Code.

<sup>2</sup> Level of subsidization" shall be defined, for the purposes of this letter, as the percentage point spread between the lending rates for each program and the rates which the Government of Israel (or special institutions controlled by and/or acting under the authority of the Government of Israel) actually has to pay for the funds so employed (or, if applicable, would have to pay if it borrowed on international capital markets in order to obtain funds of the same maturity and denominated in the same currency as the program funds) .

- With regard to local currency financing under the Export Production Fund, Israel will freeze the export subsidy element for four years from the date of accession to the Subsidies Code, and will eliminate the export subsidy element by six years from the date of accession to the Subsidies Code.
- With regard to the Imports for Export Fund, Israel will freeze the export subsidy element for one year from the date of accession to the Subsidies Code, and will eliminate the export subsidy element by two years from the date of accession to the Subsidies Code.
- With regard to the Medium Term Capital Goods Export Credits or any other officially-sanctioned export financing with a maturity of two years or more, Israel will apply the interest rates provisions of the Arrangement on Guidelines for Officially Supported Export Credits of the Organization for Economic Cooperation and Development for any loans granted on and after the effective date of this Agreement.

On and after April 1, 1985, neither Party shall impose requirements to export as a condition for receiving any type of investment incentive.

It is understood that the parties will consult upon request of either party, or whenever special circumstances so require including balance of payments circumstances concerning the functioning of this agreement.

Sincerely,

## NOTES

1. Conditions. The main conditions<sup>1</sup> for admission under the Free Trade Area (FTA) Agreement between the United States of America and Israel (the Agreement) are:
  - a) The goods must be consigned direct from the United States of America to Israel but in most cases shipment through one or more intermediate countries is accepted provided that the goods did not enter into the commerce of that country and otherwise complied with the direct shipment requirements of the Agreement.
  - b) The goods comply with the origin criteria specified in the Agreement. Indication of the origin requirements is given in paragraph 2.
  - c) Each article in a consignment must qualify separately in its own right concerning the rules of origin and direct shipment.
2. Origin requirements for goods originating in the United States of America.

The Agreement shall apply to any article if:

- a) That article is wholly the growth, product, or manufacture of the United States of America or is a new or different article of commerce that has been grown, produced, or manufactured in the United States of America.
- b) The sum of (a) the cost or value of the materials produced in the United States of America plus (b) the direct cost of processing operations performed in the United States of America is not less than 35 percent of the appraised value of the article at the time it is entered into Israel.

No article shall be considered a new or different article of commerce under the Agreement and no material shall be eligible for inclusion as domestic content under the Agreement by virtue of having merely undergone (a) the simple combining or packaging operations or (b) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

The expression "wholly the growth, product, or manufacture of the United States of America" refers both to any article which has been entirely grown, produced, or manufactured in the United States of America and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in the United States, as distinguished from articles or materials imported into the United States of America from a third country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into the United States of America.

"Country of origin" requires that an article or material, not wholly the growth, product, or manufacture of the United States of America, be substantially transformed into a new and different article of

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<sup>1</sup> The conditions specified on this Form are for reference purposes only and do not change in any way or manner the binding rules of origin as specified in Annex III to the FTA Agreement between the United States of America and Israel .

commerce, having a new name, character, or use, distinct from the article or material from which it was so transformed.

For purpose of determining the 35 percent U.S.A. content requirement under the Agreement, the cost or value of materials which are used in the production of an article in the United States of America, and which are the products of Israel, may be counted in an amount up to 15 percent of the appraised value of the article. Such materials must in fact be products of Israel under the country or origin criteria set forth in the Agreement.

3. Entries to be made in Box 8.

Products must be either wholly obtained in accordance with the rules of the Tree Trade Agreement or sufficiently worked or processed to fulfill the requirements of the Free Trade Area Agreement.

(1) Products wholly grown, produced, or manufactured in the United States: enter the letter P in Box 8.

(2) Products sufficiently worked or processed in the United States of America: enter in Box 8 a Y value for the sum of the cost or value of the domestic materials and the direct cost of processing expressed as a percentage of the ex-factory price of the exported products. (Example: Y=35%.)

4. The Declaration of the exporter on this certificate shall be notarized by a notary public and certified by an appropriately constituted local business organization, such as a chamber of commerce or board of trade.

## DECLARATION ON TRADE IN SERVICES

### PREAMBLE

The Governments of Israel and the United States of America,

RECOGNIZING the significance of trade in services to their economic and social progress and to the world economy;

NOTING the importance of open international markets for trade in services;

ACKNOWLEDGING that the Treaty of Friendship, Commerce and Navigation between their two nations establishes bilateral rights and obligations which provide for open trade in a broad range of services;

RECOGNIZING that other bilateral and multilateral agreements for certain services sectors are in effect between their two nations;

Declare that, although the principles set forth below shall not be legally binding, they shall endeavor to the maximum extent possible to conduct their policies affecting trade in services between them in accordance with those principles;

Express their desire to work toward international acceptance of these principles in trade in services.

### PRINCIPLES

1. Definition: Trade in services takes place when a service is exported from the supplier nation and is imported into the other nation.

Services encompass, but are not limited to, transportation; travel and tourism services; communications; banking services<sup>1</sup>, insurance; other financial activities; professional services, such as consulting in construction, engineering, accounting, medicine, education, and law, and the providing of other professional services such as management consulting; computer services; motion pictures; advertising.

2. Each Party will endeavor to achieve open market access for trade in services with the other nation, taking into account the different regulatory regimes for specific service sectors in the two nations.

3. Each Party will endeavor to assure that trade in services with the other nation is governed by the principle of national treatment. Each Party will endeavor to provide that a supplier of a service produced within the other nation is able to market or distribute that service under the same conditions as a like service produced within the first nation, including situations where a commercial presence within the

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<sup>1</sup> For the purposes of this Declaration, commercial banking services are limited to the activities of representative offices.

nation is necessary to facilitate the export of a service from the other nation or is required by that Party<sup>2</sup>.

4. In situations where services are regulated by political subdivisions, the authorities of each Party responsible for overseeing the operation of this Declaration will consult with such political subdivisions in an effort to assure that such regulations are consistent with the principles of this Declaration.

5. Each Party will endeavor to assure that its regulatory agencies will accord national treatment to suppliers of the service from the other nation, to the extent that such treatment is consistent with those agencies' legal authority, including their exercise of discretion in fulfilling their statutory mandates. The authorities of each Party responsible for implementing this Declaration shall consult with their own regulatory agencies in an effort to achieve consistency with the principles of this Declaration.

6. Each Party recognizes that there may be established public monopolies in the service area with reserved special rights. Nonetheless, each Party will endeavor to provide that, subject to their reserved special rights, such monopolies shall make their purchases and sales of services involving either imports or exports affecting the commerce of the other nation in accordance with the principles of this Declaration.

7. Each Party will make public its domestic laws and regulations affecting trade in services and notify the other Party of laws and regulations which discriminate against a service exported from the other nation. Each Party will provide to the nationals and companies of the other nation reasonable access to established domestic review and judicial proceedings relative to regulations on trade in services.

8. Each Party agrees to consult with the other periodically to discuss specific problems that arise concerning trade in services between the two nations and to review existing regulatory regimes of the two Parties as they affect trade in services.

9. The Parties will review the effectiveness of this Declaration not later than eighteen months from the date that this Declaration is signed. In this review, the Parties will explore further opportunities to strengthen open trade in services between the two nations, including the possibility of transforming the provisions of this Declaration into legally binding rights and obligations.

In Witness Whereof, the respective representatives, having been duly authorized, have signed this Declaration.

Done in duplicate, in the Hebrew and English languages, both equally authentic, at Washington, D.C., this twenty second day of April, 1985, which corresponds to the first day of Iyar 5745.

FOR THE GOVERNMENT OF  
ISRAEL

FOR THE GOVERNMENT OF  
THE UNITED STATES OF AMERI

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<sup>2</sup> For example, in the area of commercial banking, the concept of a commercial presence refers to the activities of representative offices, but not to agencies, branches or subsidiaries of commercial banks