



U.S.-Israel FTA: Invoice Declaration for Israeli Customs Authority

(Updated July 7, 2021)

Please see below for information regarding Israeli Customs Authority requirements for U.S. exporters shipping to Israel under the terms of the U.S.-Israel Free Trade Agreement.

Invoice Declaration

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 are required to print and sign the following declaration on the invoice or on any other commercial document *:

I, the undersigned, hereby declare that unless otherwise indicated, the goods covered by this document fully comply with the rules of origin and the other provisions of the Agreement on the Establishment of a Free Trade Area between the Government of Israel and the Government of the United States of America.

- The Exporter (whether the exporter is the producer or not)***
- The Producer (is not the exporter)***

Tax Identification:

Name:

Title:

Email:

Signature:

** For this process, a “commercial document” refers to a document issued by the exporter or by the producer **only**, as part of the shipping documentation, including invoice, packing list and pro-forma. A standalone document will also be accepted as a “commercial document” for invoice declaration if all the following conditions are met:*

- 1. The document is a letterhead of the exporter or manufacturer.*
- 2. The document shall include the logo of the exporter or manufacturer, identifying details of the exporter or manufacturer including the address and the date of issue of the document.*
- 3. The document will be prepared and issued only on the computers of the manufacturer or exporter in the United States.*
- 4. The document title will be INVOICE DECLARATION*
- 5. The following information will appear in the rows after the title in the document:*

- Relevant Invoice number*
- Date of issue of the invoice*
- Where the invoice was issued*

"Invoice" for the purposes of this sub-section is one of the following invoices:

- An export transaction invoice issued in the United States and used as an import invoice to Israel.*
- A third-party invoice, including a non-U.S. third party, used as the import invoice to Israel.*

6. In cases where the goods are transferred to distribution warehouses and the transaction invoice is issued by a U.S. or intermediate country entity, please specify in the "INVOICE DECLARATION" document issued in the U.S. the list of the original goods entitled to customs preference.

7. The INVOICE DECLARATION document shall include the language presented in page 1 of this document. The document must be complete to qualify. An Invoice Declaration that does not contain all the requested information will be disqualified.

8. The document will be sent directly from the exporter or manufacturer without the involvement of a third party that is not a party to the transaction.

Bill of lading/airway bills are not eligible documents according to this definition since they are NOT issued by the exporter or producer.

Rules of Origin Provision

American exporters are advised to ensure that they carefully review and understand the language of the FTA's Rules of Origin Provision before they sign the ***Invoice Declaration***:

(Rules of Origin) apply to any article if: (a) that Article is wholly the growth, product, or manufacture of the United States or is a new or different article of commerce that has been grown, produced, or manufactured in the United States; (b) that article is imported directly from the United States into Israel; and (c) the sum of (i) the cost or value of the materials produced in the United States, plus (ii) the direct costs of processing operations performed in the United States is not less than 35 percent of the appraised value of the article at the time it is entered into Israel. 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.

For further information and for the full text of the FTA, please refer to the USTR website at: <https://ustr.gov/sites/default/files/files/agreements/FTA/israel/Israel%20FTA.pdf>

Certificate of Non-Manipulation

To enter Israel under the terms of the FTA, goods must be imported directly from the United States into Israel. Products that are transshipped through a third country will come under closer scrutiny from Israeli Customs and require a *Certificate of Non-Manipulation* from the customs authority of the third country to prove that the goods remained in a bonded warehouse in the

third country and have not been manipulated in that country.

Content Verification Investigations

The Israeli Customs Authorities may initiate a U.S. Content Verification Investigation if they have a reason to question the accuracy of a claim of U.S. origin made on the *Invoice Declaration* and/or if they choose to randomly verify the content origin. To prevent a prolonged Content Verification Investigation and possible delays for goods arriving in Israel, **American exporters are advised to carefully review and understand the Rules of Origin Provision before they sign the Invoice Declaration** (please refer to the “Rules of Origin Provision” on page 1).

Any U.S. exporter or manufacturer signing an *Invoice Declaration* must be prepared to submit a *Verification Declaration* upon request from Israeli Customs, setting forth all pertinent details concerning the production or manufacture of the articles which were the subject of the *Invoice Declaration*.

The information on the *Verification Declaration* should contain at least the following 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 the United States and identification of the direct costs of processing operations;
- C. A description of any material used in production of the article, which are wholly the growth, product, or manufacture of the United States, 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 (non-U.S.) materials used in the article which are claimed to have been sufficiently processed in the United States so as to be materials produced in the United States; and
- E. A description of the origin and cost or value of any foreign (non-U.S.) materials used in the article, which have not been substantially transformed in the United States.

Frequently Asked Questions (FAQs)

Below is a list of frequently asked questions (FAQs) and answers regarding Invoice Declaration procedures for Israeli Customs Authority. The information presented in this FAQ is meant to serve as a general guide. Only the agreement text and the customs regulations issued to implement the agreement are definitive. For complex issues or where interpretation is required, U.S. exporters should seek legal assistance or an advance ruling from the Israeli Customs Authority.

Q. The Agreement states that the Invoice Declaration must be completed on the “invoice, delivery note or on any other commercial document.” What is a “commercial document”?

- For the purpose of this process, a “commercial document” is a document issued by the exporter or the producer only. It must be a document that is normally attached to the shipment for the export transaction. For example: an invoice, a packing list or other types of invoices such as a pro-forma. A standalone document will also be accepted if all the conditions described in the footnote on pages 1-2 of this document are fully met.
- Please note that bills of lading/airway bills are not eligible documents according to this definition because they are not issued by the exporter or the producer.

Q. Why can't I just attach a separate Certificate of Origin, as in the past?

- The Agreement has been amended such that a Certificate of Origin is no longer required to document origin. Instead, the Invoice Declaration is required. Requiring the exporter or producer to include a declaration/signature on a “commercial document” reinforces that the responsibility for certifying a good's origin lies with the exporter or producer rather than a third party. This new system reduces unnecessary expenses and promotes trade facilitation.

Q. We do not have space for the declaration on any of our current “commercial documents.” Can we provide the required Invoice Declaration on a separate document?

- Yes, a standalone document will also be accepted if all the conditions described in the footnote on pages 1-2 of this document are fully met.
- You also have the option of adding an extra page to an existing commercial document, such as a second page to an invoice.

Q. Do I have to follow the exact language/format of the Invoice Declaration?

Yes, we recommend following the exact language and format to minimize the risk that your claim for preferential tariff treatment will be rejected by Israeli customs.

Q. I am an exporter not the manufacturer. Can an employee of my company sign the Invoice Declaration or do I need an employee from the manufacturer to sign the Invoice Declaration?

- Yes, an employee of the exporter may sign the Invoice Declaration. However, please be advised that, according to the Free Trade Agreement, you must be “prepared to submit a verification declaration setting forth all pertinent details, concerning the production or manufacture of the articles, which were used to prepare the Invoice Declaration.” Please see Paragraph 2 of the Joint Committee Executive Decision (<https://ustr.gov/trade-agreements/free-trade-agreements/israel-fta/joint-committee-executive-decision>) for a full list of the minimum details required for a verification declaration.

Q. Who is authorized to sign the Invoice Declaration?

- Only an employee of either the exporter or the manufacturer (producer), physically present in the United States, may issue and sign the Invoice Declaration. Please be sure to include all the required information – name, title, email – for the employee who signs the Invoice Declaration. This will enable the Israeli Customs Authority to contact that employee directly with any questions regarding content verification.

Q. Can the Invoice Declaration be signed electronically?

- No. Unfortunately, the updated U.S.-Israel FTA did not define an electronic signature option. Therefore, Israeli Customs Authority does not accept electronic signatures.

Q. Our goods are made in the U.S. but shipped via a bonded warehouse in Europe. Can the invoice declaration be signed by our European subsidiary?

- No, the Invoice Declaration must be issued and signed by an employee of the exporter or manufacturer (producer) in the United States. A standalone document will also be accepted as a “commercial document” for invoice declaration if the conditions described in pages 1-2 of this document are met.

Q. What is required for “Tax Identification” as stated on the Invoice Declaration?

- For U.S. exports to Israel, the “Tax Identification” required for the Invoice Declaration is typically a Tax Identification Number issued by the U.S. Internal Revenue Service to the exporter or manufacturer (producer). Please visit the IRS website for further explanation. <https://www.irs.gov/individuals/international-taxpayers/taxpayer-identification-numbers-tin>

Q. Is there an official form to use for the Invoice Declaration that is required and can you send it to me? Where can I obtain this form?

- There is no specific, official form. The language of the Invoice Declaration should be printed on the invoice or other commercial document, as noted above.

Q. Do we need to have the Invoice Declaration notarized and sealed?

- No.

Q. Will our package still receive duty-free treatment if we still add the Certificate of Origin/Green Form/”Form A” into the shipment?

- The Certificate of Origin/Green Form/Form A will be accepted by the Israeli Customs Authorities until June 30th, 2018. After June 30th, 2018, Certificates of Origin will no longer be accepted. Instead, shipments claiming preferential tariff treatment must be accompanied by an Invoice Declaration on a commercial document.

Q. If a U.S. export is not claiming duty-free treatment under the US-Israel Free Trade Agreement, does the Government of Israel still require that a standard Certificate of Origin be issued by the exporter to accompany each shipment, or is the Commercial Invoice sufficient?

- The Commercial Invoice is sufficient, as long as the export complies with any other Israeli requirements and is not claiming tariff preferences under any other Israeli Free Trade Agreement. No origin certification or declaration should be made for goods that do not qualify under the Rules of Origin of the U.S.-Israel Free Trade Agreement.

Q. We have a customer in Israel that has purchased goods from us and is asking us to print the US Origin Invoice Declaration on our packing slip, commercial invoice or invoice. Our commercial invoices are all done electronically and our accounting software does not allow us to make modifications like this to our invoices or packing slips. How do you propose that we comply with the parameters of this Invoice Declaration if we cannot modify our invoices? Is there a way around this?

- Unfortunately, there is no way around this.

Q. If a shipment includes multiple items, some of which meet the origin criteria and others that do not, is it possible to adapt the language of the Invoice Declaration to specify which line items on the invoice have been confirmed to comply with the Rules of Origin (instead of having the Invoice Declaration cover all the goods listed on that document)?

- If a shipment includes both originating and non-originating products, you must include a clear indication of which products comply and/or which ones do not comply with the rules of origin. For example, this indication could be specified as part of the description of goods or commodity information. Or a list of the goods that comply and those that do not comply could be added under the text and signature line of the Invoice Declaration.

U.S. exporters with specific questions about the Invoice Declaration may contact Ms. Yael Torres, Commercial Specialist, at the American Embassy in Tel Aviv, Israel, via email: yael.torres@trade.gov in order to be connected with a representative of Israel Custom's Authority.