



Israel Free Trade Agreement

Background: Following the 1985 bilateral free-trade agreement between the United States and Israel, the two countries signed an Agreement on Trade in Agricultural Products (ATAP) in November 1996. The ATAP, which expired on Dec. 31, 2001, gave Israel greater access into the U.S. dairy market compared with the access given by Israel on similar dairy products shipped from the United States. The ATAP was extended for a time while it was renegotiated and in 2004 was re-approved. This extension expanded the market access terms slightly for U.S. dairy products. Its terms ran through 2008. We currently enjoy access at 2008's permitted levels under an extension of the ATAP for 2009.

For the last several years, the U.S. and Israel have engaged in negotiations again to further expand the ATAP. Details of the Israel agreement can also be found at the following USTR website:

http://tcc.export.gov/Trade_Agreements/All_Trade_Agreements/exp_005439.asp

USDEC position: USDEC is working with USTR and USDA to pursue new opportunities to increase exports into Israel through both the existing ATAP terms and the ongoing negotiation efforts to expand the access granted by Israel.