

ORGANIZACIÓN MUNDIAL DEL COMERCIO

S/DCS/W/ISR
24 de enero de 2003

(03-0470)

Comercio de Servicios

Original: inglés

ISRAEL

Proyecto de Lista refundida de Compromisos Específicos¹

El documento adjunto contiene el proyecto de Lista refundida de Compromisos Específicos de Israel, en formato Word. Este documento no sustituye los compromisos jurídicamente vinculantes contraídos por Israel en su Lista de Compromisos Específicos (GATS/SC/44; GATS/SC/44/Suppl.1; GATS/SC/44/Suppl.2).

Adjunto al proyecto de lista refundida figura la Lista de Exenciones del Artículo II (NMF) de Israel (GATS/EL/44) en formato Word.

Los proyectos de la Lista refundida y de la Lista de Exenciones del trato NMF fueron preparados por la Secretaría, a petición de los Miembros, para facilitar el proceso de las negociaciones, incluida la presentación de ofertas iniciales.

¹ Este documento se ha preparado, en inglés solamente, bajo la responsabilidad de la Secretaría y sin perjuicio de las posiciones de los Miembros ni de sus derechos y obligaciones en el marco de la OMC.

ISRAEL – SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE	<p>3) Registration of corporate bodies. The Companies Ordinance (New Version) 5743-1983, requires that a public corporation must have on its board of directors at least two directors representing the public at large, who must be residents of Israel.</p> <p>The same enactment also requires a foreign company that maintains in Israel a place of business or an office for registration or transfer of shares to register as a foreign company and pay the requisite fees. The Partnership Ordinance (New Version), 5735-1975 provides that a foreign partnership, i.e. one formed outside Israel, may only carry on business in Israel if it is registered in the Israel register partnerships. In the case of a limited partnership, registration has to be sanctioned by the Minister of Justice who at his discretion may authorize or refuse registration.</p> <p>4) Presence of Natural Persons</p> <p>1. Unbound except that Israel shall permit, without requiring compliance with labour market tests, the temporary entry of service providers as intra-corporate transfers in the following categories:</p>	<p>4) Unbound except for executives and managers referred to under Market Access.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(a) <u>Executives</u>: persons who primarily direct the management of the organization, establish its goals and generally have a wide decision making authority;</p> <p>(b) <u>Managers</u>: persons who direct the organization or its department and are in a senior level position responsible for the service providing functions of the organization by supervising and controlling and having also authority to hire and fire personnel or recommend such and other personnel actions.</p> <p>2. Unbound: Work permit will be issued in compliance with the labour market tests to those intra-corporate specialists, who possess knowledge at an advanced level of expertise or otherwise essential or propietail to the organization's service, research equipment, techniques or management.</p>		
II. SECTOR-SPECIFIC COMMITMENTS			
<p>1. BUSINESS SERVICES</p> <p>A. <u>Professional Services</u></p> <p>(a) Legal services (CPC 861)</p> <p>(b) Accounting (CPC 862)</p>	<p>1) None</p> <p>2) None</p> <p>3) Israeli resident or citizen</p> <p>4) Unbound except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) Israeli resident or citizen</p> <p>4) Unbound except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(d) Architectural services (CPC 8671)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(e) Engineering services (CPC 8672-8673)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(g) Urban planning (CPC 8674)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
8. <u>Computer and Related Services</u>			
(a) Consultancy services related to the installation of hardware (CPC 841)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(b) Software implementation services (CPC 842)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(c), (d) Data processing and database services (CPC 843 excluding 84330)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
F. <u>Other Business Services</u>			
(a) Advertising (CPC 871)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(b) Market research and public opinion (CPC 864)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(c) Management consulting (CPC 865-866)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(h) Services incidental to mining and oil-field	1) Unbound* 2) Unbound* 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound* 2) Unbound* 3) None 4) Unbound except as indicated in the horizontal section.	
(k) Placement and supply services of personnel - domestic market only (CPC 872)	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	
(m) Related scientific and technical consulting services (CPC 8675)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

* Unbound due to lack of technical feasibility.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(p) Photographic services (CPC 875)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
2. COMMUNICATION SERVICES			
A., <u>Postal/Courier Services</u>	1) None	1) None	
B. <u>(CPC 75111-2 and 7512)</u> Above 500g per addressed item	2) Unbound* 3) None 4) Unbound except as indicated in the horizontal section.	2) Unbound* 3) None 4) Unbound except as indicated in the horizontal section	
C. <u>Telecommunication Services</u>	1) The existing monopoly's exclusive rights in domestic Telecommunication services and infrastructure mentioned in paragraphs: a(I), a(III), b, c, f, g, will terminate not later than the year 2001. The government will publish the rules and regulatory policy regarding the way of opening the above mentioned to competition in the future. 2) The government issued two licenses to two operators that won a tender issued by the government for the operation of international services in addition to those offered by the present operator (BEZEQ International, which is a fully (100%) subsidiary of BEZEQ - the local PTT). The companies have exclusivity until 1.1.2002 and the government will reexamine its policy regarding further competition in the field of international services towards the year 2001.		

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<u>Foreign investment</u> (a) No limitation on foreign ownership for value-added service providers. (b) 74% foreign ownership permitted in international service providers. (c) 80% foreign ownership permitted in wireless service providers.		
(a) Voice telephone services (CPC 7521) (i) Public voice telephone: - wire-based - facilities based - local/long distance ¹	1) Only through network of Bezeq, the Israel Telecommunications Corp. Ltd. 2) None 3) Reserved to Bezeq, the monopoly supplier: foreign equity participation in Bezeq is permitted. 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	See annexed, as well as the following (in case of inconsistency between the Annex and the following text, the Annex will prevail): <u>Independence of regulator</u> Regulatory functions are the exclusive purview of the Ministry of Communications. <u>Interconnection</u> The Telecommunications Law (5742-1982) authorizes the Minister of Communications, inter alia to order one operator to allow interconnection of its network to the facilities of another operator; both operators are to negotiate the proper system of reimbursement.
(ii) Public voice telephone: - wire-based - facilities based - International	1) Only through network of three operators 2) None 3) Reserved to three operators. 74% foreign ownership permitted in international service providers 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	

¹ International simple resale is not permitted.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iii) Public voice telephone: - local/long distance - radio-based	1) None, but by using Bezeq's network, or by using licensees own network. 2) None 3) Local partner required; no more than 80% of shares may be owned by a foreign entity. 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	Should they not reach an agreement, the Minister may decide on the proper price for the interconnection, based on increment costs which include operating, expenses, and proper return of equity.
(iv) Non-public voice telephone: closed user groups and private networks - Local/long-distance	1) Only through Bezeq's network 2) None 3) Resale of excess capacity is not permitted, must be point-to-point without any transmission to a third party. 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	In the event that a tender will be issued for limited competition in this field (i.e international services), the Minister will determine maximum tariffs.
(b) Packet-switched data transmission (CPC 7523) and (c) Circuit-switched data transmission services (CPC 7523) - Local, Long distance	1) Only through network of Bezeq 2) None 3) Only through network of Bezeq. Foreign equity participation in Bezeq is permitted. 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	
(c) Circuit-switched data transmission services (CPC 7523) - International	1) Only by using three operator's and IBS licensees' network. 2) None 3) Only by using three operator's and IBS licensees' network. 74% foreign ownership permitted in international service providers 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(f) Facsimile services (CPC 7521 + 7529) - Local, Long distance - International	1) Only through network of Bezeq 2) None 3) Only through network of Bezeq. Foreign equity participation in Bezeq is permitted. 4) Unbound except as indicated in horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	
g) Private-leased circuit services (CPC 7522 + 7523) - Non-voice - Local/long-distance - for public or non-public use - Non-voice - for public or non-public use - International	1) Only through Bezeq's network 2) None 3) Only through circuits leased from Bezeq. Foreign equity participation in Bezeq is permitted. 4) Unbound except as indicated in horizontal section 1) Only by using three operators' and IBS licensees' network. 2) None 3) Only by using three operators' and IBS licensees' network. 74% foreign ownership permitted in international service providers 4) Unbound except as indicated in horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in horizontal section.	
(o) Other (i) Paging services	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ii) Satellite services: voice and data	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section.	
Data and message transmission (CPC 7523)	1) None except for: Must be transmitted via the infrastructure of a local licensee. 2) Unbound* 3) None except for: Must be transmitted via the infrastructure of a local licensee. 4) Unbound except as indicated in the horizontal section.	1) None except for: Must be transmitted via the infrastructure of a local licensee. 2) Unbound* 3) None except for: Must be transmitted via the infrastructure of a local licensee. 4) Unbound except as indicated in the horizontal section.	
D. <u>Audiovisual Services</u>			
(a) Motion pictures and video-tape production (CPC 96111-2)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Israeli movies (25% Israeli investments) are entitled to a grant. 4) Unbound except as indicated in the horizontal section.	
Distribution of motion pictures and video-tape (CPC 96113)	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>6. ENVIRONMENTAL SERVICES</p> <p>Sewage and refuse disposal services (CPC 9401-9405) (Not including industrial activities)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> <p>Note: The common practice in this sector is to require a local representative.</p>	
<p>7. FINANCIAL SERVICES</p> <p><u>General Notes:</u></p> <p>1. The commitments in financial services are made in accordance with the General Agreement on Trade in Services and the Annex on Financial Services.</p> <p>2. Israel applies certain restrictions on the convertibility of its currency. Therefore, certain rules concerning the purchase of foreign currency from New Israeli Sheqel (N.I.S.) by permanent residents in Israel are not intended to discriminate against foreign suppliers of Financial Services as such. In this context Israel is "Unbound" to cross-border supply (mode 1) and consumption abroad (mode 2) in certain Financial Services due to limitations and licensing requirements applied by The CURRENCY CONTROL LAW, 5738-1978 on transaction in foreign currency or in foreign security, to which a permanent resident in Israel is a party of, whether the transaction is made in Israel or outside of Israel.</p> <p>3. For prudential reasons within the context of paragraph 2(a) of the Annex on Financial Services, Israel applies, <i>inter alia</i>, measures requiring juridical form of establishment or residence of natural persons in Israel for the supply of Financial Services.</p> <p>4. Modes of supply 1 and 2 in financial services schedules: the absence of any limitation on the ability of a resident consumer to purchase the service in the territory of another Member does not signify a commitment to allow a non-resident service supplier to solicit business or to conduct active marketing in the territory of the Member.</p>			
<p><u>All Insurance and Insurance Related Services</u></p> <p>I. Direct insurance</p> <p>(A) Life insurance including Pension fund</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(B) Non-Life insurance services	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) Compulsory car insurance must be purchased in Israel from an insurance company established in Israel and licenced by the Israeli commissioner of insurance. 3) None 4) Unbound except as indicated in the horizontal section.	
(C) M.A.T	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
II. Reinsurance and retrocession	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1),2) & 3) None: Israel intends to enact regulations requiring registration of Certified Foreign Reinsurers in an Israeli Reinsurance Registrar. 4) Unbound, except as indicated in the horizontal section.	
III. Insurance intermediation such as brokerage and agency	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
IV. Services auxiliary to insurance			
(a) Consultancy	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b) Actuarial services	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
(c) Risk assessment	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
(d) Claim settlement services	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
<u>Banking and other Financial Services</u> (Excluding Insurance)			
V. Acceptance of deposits and other repayable funds from the public	1) Unbound 2) Unbound 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	
VI. Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction	1),2) Such activities may only be carried out through Banking institutions licenced by the controller of foreign exchange to act as an authorized dealer. 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	1),2) Such activities may only be carried out through Banking institutions licenced by the controller of foreign exchange to act as an authorized dealer. 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
VII. Financial leasing	1) Unbound 2) Unbound 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None for banks. Unbound for non banking institutions. 4) Unbound, except as indicated in the horizontal section.	
VIII. All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
IX. Guarantees and commitments	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
X. Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:			
(A) money market instruments (including cheques, bills, certificates of deposits, etc.)	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
(B) Foreign exchange	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(E) Transferable securities	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None 4) Unbound, except as indicated in the horizontal section.	
XI. Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues	1) Unbound 2) Unbound 3) None, except that: Banks are required to carry out such activities only through subsidiaries. 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None, except that: Banks are required to carry out such activities only through subsidiaries. 4) Unbound, except as indicated in the horizontal section.	
XIII. Asset management, such as cash or portfolio management, all forms of collective investment management, custodial, depository and trust services	1) Unbound 2) Unbound 3) None, except that: Banks are required to carry out asset management activities only through subsidiaries. 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) None, except that: Banks are required to carry out asset management activities only through subsidiaries. 4) Unbound, except as indicated in the horizontal section.	
XIV. Settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments	1) Unbound 2) Unbound 3) Securities settlement and clearing services in the T.A. Stock Exchange are exclusively provided for the Stock Exchange members. 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) Unbound 3) Securities settlement and clearing services in the T.A. Stock Exchange are exclusively provided for the Stock Exchange members. 4) Unbound, except as indicated in the horizontal section.	
XV. Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>XVI. Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (V) through (XV), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy</p> <p>9. TOURISM AND TRAVEL-RELATED SERVICES</p> <p>A. <u>Hotel Services</u> (CPC 641)</p> <p>Food serving services (CPC 642-643)</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) None</p> <p>3) Ownership must be in hands of Israeli-registered company.</p> <p>4) Unbound except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) Tourists exempt from V.A.T. on services given by hotels and paid in foreign currency.</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. <u>Travel Agencies and Tour Operators</u> (CPC 7471)	1) Unbound 2) None 3) Ownership must be in hands of Israel-registered Company. Travel Agencies should employ at least one Israel-licensed Travel Expert. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
C. Tourist Guides Services (CPC 7472)	1) Not applicable 2) None 3) Israeli resident or citizen. 4) Unbound except as indicated in the horizontal section.	1) Not applicable 2) None 3) Israeli resident or citizen. 4) Unbound except as indicated in the horizontal section.	

ANNEX

ADDITIONAL COMMITMENTS ON BASIC TELECOMMUNICATIONS SERVICES

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network of service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers;
- and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive Safeguards

1.1. Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in, or continuing anti-competitive practices.

1.2. Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1. This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another

supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2. Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided:

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries of other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates, that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured, that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time; or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and not more burdensome than necessary for the kind of universal service defined by the member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and
- (b) the terms and conditions of individual licence.

The reasons for the denial of licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner.

The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

ISRAEL – FINAL LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or Subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Film, Video and Television Programming Co-production and Distribution	Differential treatment is accorded to works co-produced with persons of countries with which Israel may have co-production arrangements, and to natural persons engaged in such co-productions, as well as to natural and juridical persons engaged in film and video distribution.	All countries	Indefinite	For reasons of cultural policy, including to improve the availability of Israeli audiovisual productions in Israel to promote greater diversity among foreign audiovisual works on the Israeli market, and to promote the international exchange of audiovisual works.
Financial Services - Banking	A licence may be granted to the establishment of foreign service supplier, to the country of origin of which grants Israeli suppliers access to its market in the form of similar commercial presence.	All countries	Indefinite	To obtain equal market access possibilities for Israeli banks.