



Introduction to the Israeli Import Reform

The Import Reform

The import reform focuses on changing the methods of regulating imports into Israel, moving to declaration-based tracks instead of inspections, for a significant number of products, while increasing enforcement in the markets. Along with easing the procedures of importing products and increasing enforcement in the markets, it imposes on the importers the responsibility for the safety of the products.

The reform is being led by the Israeli Ministry of Economy and Industry, the Ministry of Finance, the Ministry of Health and the Ministry of Energy. It will apply to imports in the following fields of regulation: standardization (June-2022), energy (September-2022), food and cosmetics (January-2023).¹

The expected benefits from the reform

1. The possibility to rely on international standardization will provide better access for global products, and will allow dealers to increase the variety that they offer to the Israeli consumers.
2. The reliance on declarations will reduce direct costs for importers, as well as marketing time.
3. According to our assessments, the savings for importers derived from the implementation of the reform will exceed 10% in a large variety of products. We expect that these savings will lower the prices for the consumers.
4. The implementation of the reform includes follow-ups and individual inspections regarding its effect, based on SCM (Standard Cost Model).

As mentioned above, the import reform began in June 1st, 2022 in the area of standardization and applied to many non-food consumer products. The implementation of the reform will be completed in January 2023, in the areas of food and cosmetics.

Implementation of the reform in the field of standardization:

Until June 2022, most of the consumer products that are subject to official standards in Israel were under an import track that required inspections in every shipment (group 1). The essence of the reform was the significant reduction of this track, with a few exceptions, and

¹ Another reform in agriculture, based on the same principals, is being promoted by the Ministry of Agriculture and the Ministry of Finance



the transfer of the products to declaration-based tracks (groups 2 and 3), as well as giving the possibility to import on the basis of compliance with an international standard for a large part of the consumer products. This step in the reform entered into force on June 1st 2022.

For the purpose of implementing the aforementioned reform, amendments were made to the Standards Law and to the Import and Export Ordinance, within the framework of the Economic Plan Law promoted by the government. The main changes that were made in the field of standardization are:

1. Massive transition of over 80% of the standards to declaration-based import tracks. The exempt standards (group 1) are defined in the legislation.² As the new law states, the default for importing goods that are obliged to comply with an official Israeli standard is only to submit a declaration (group 3). At the same time, the law allows determining, for certain standards/goods, also a requirement for approval of a model by an Israeli authorized laboratory as a condition for submitting a declaration (group 2). The division of the standards between the different groups is published on the website of the Ministry of Economy & Industry.
2. An additional track allows goods to be imported by presenting a declaration of compliance with an international standard, together with a certificate of inspection from a certified laboratory attesting to compliance with the international standard. This track became possible through adoption of international standardization into Israeli standards. In this track, the importer will undertake to complete the labeling requirements according to the Israeli law and to adapt the goods to the local electricity grid. 299 standards were included in this track and are published on the website of the Ministry of Economy & Industry. In addition, since the reform entered into force, the list is being updated and expanded regularly.
3. In any case, importers who have imported goods within the scope of the official standard, whether in the inspection track (group 1), declaration tracks (groups 2 and 3) or in the international track, are obliged to have a product portfolio for the model as defined in the law. The product portfolio is a collection of documents that attest to compliance with the standards, detailing in which shipments the goods were imported and through which distribution channels they were marketed. Also, the product portfolio should contain technical information about the goods and complaints/inquiries received by the importer.

The manner of submitting requests for customs clearance

1. Submitting applications in the international track:

In addition to the importer's declaration, this track requires submission of a certificate from an ILAC certified laboratory, for compliance with the international standard that is adopted in the Israeli standard, a commitment that the goods are identical to the goods to which the certificate refers to.

² Article 96 (1) in the Import and Export Ordinance



2. Submitting applications in the groups track:

Even if a standard is not included in an import track on the basis of a declaration of conformity to an international standard, it is still possible in most cases to import via the declaration to an Israeli standard track (groups 2 and 3). It is important to check to which group the standard is associated and to act accordingly. If the standard is associated with group 2, the importer must submit a statement along with a certificate of a model inspection, conducted by an authorized laboratory or by the Standards Institution of Israel. If the standard is associated with group 3, the importer must submit a statement only at the releasing stage and to hold a product portfolio for the model and a certified laboratory test regarding the goods' compliance with the Israeli standard.

Implementation of the reform in the field of food:

The food reform deals with all types of food, both with non-sensitive food and sensitive food. Non-sensitive food includes dry food such as pasta, cornflakes, sugars, etc. Sensitive food includes, for example, meat and its products, fish and their products, baby food, dairy products, etc.

In 2015, the Israeli government approved a reform on non-sensitive food, which was based on wide implementation of the "declarations instead of inspections" method. According to an assessment that we performed in accordance with the SCM methodology, it resulted in an 80% saving in the direct bureaucratic burden and with a 90% time saving throughout the importing procedure. We expect that the current food reform, that is expected to enter into force on January 1 2023, will result in similar saving rates.

The food reform includes regulatory changes that will affect most of the food products. The reform is dealing with three main aspects:

1. The legislation establishes a direct reference to the European regulations, adopting European regulations on chemical and biological pollutants, pesticide residues and mercury compound residues. Given a contradiction between the European regulation and the Israeli regulation, the European regulation will prevail.

The above will not apply to raw meat, raw milk, fresh eggs in their shell and honey. Also, the European regulation of pesticide residues will not apply to fresh fruits and vegetables.

2. The law establishes a declaration-based track for a meaningful part of the sensitive foods. The declaration track will be open for importers who are defined as "proper importers". In order to be considered a "proper importer", one must be registered in the "proper importer" registry and have a quality and safety control plan for every product that is imported through the European track. An importer who meets the aforementioned conditions will submit a request to be registered in the "proper importer" registry, and if he has not received an answer within 10 days, he will be



automatically registered. The registration process became available already in at June 2022.

The reform applies to dairy products from pasteurized milk, honey and its products, products containing gelatin or collagen or both, canned food with low acidity, food products defined as sensitive only because they are required to be transported or stored at a temperature lower than 8 degrees Celsius, mushrooms and their mixtures, microorganisms for use in the food industry, bottled drinking water and mineral water, food colors for retail marketing.

Excluded from the reform:

Designated food, nutritional supplements, baby food, meat and its products, fish and fish products, eggs and egg products, alcoholic beverages, dairy products from unpasteurized milk, leaves of the Khat plant.

3. The law establishes a path to canceling official Israeli food standards, given that the law approves the establishment of up-to-date regulation in place, with the exception of specific standards such as for honey. For the purpose of implementing the aforementioned, a committee was established by law to review all the standards and to recommend the cancellation of formality for the relevant ones. For example, standards that deal with pollutants will be redundant in light of the new regulations.

Implementation of the reform in the field of cosmetics:

The reform in the field of cosmetics updates the regulations in the field of cosmetics in accordance with the method used in the European market, while adding bureaucracy-free import tracks. The reform, expected to enter into force on January 1 2023, deals with both updating the regulation and reducing the bureaucracy by adding new import tracks.

Nowadays, the cosmetics import market is a centralized market, dominated by a few importers. The reliefs within the reform will allow the opening of parallel imports (which today stands at only 2.4% of the import volume) and the introduction of new players, in order to help increase the competition and reduce prices in this market.

The main changes established by the reform in cosmetics are:

1. The reform allows importing on the basis of compliance with the European regulation. An importer will be able to import goods marketed in the European market, providing compliance with the rules of the European regulation, including the appointment of a person or an organization which will be registered as "responsible person" and including access to the product file as required by the European regulation. The responsible person is obliged to verify that the product file complies with the requirements of the law, as a condition for starting marketing and submitting a statement to the Ministry of Health.

This track is based on a notice/declaration that includes the relevant details such as: the name of the manufacturer, the full name of the product in Hebrew and English, the type of product, the name of the responsible person, his address and contact



information, the addresses of the production sites, the common name of each of the products' components, and more. As a basis for all of this, the importer must appoint a responsible person that has access to the product file. The file will contain comprehensive information about the production process, about product safety and other important information as specified in the law.

2. The reform allows parallel import without the requirement of documents originating from a manufacturer. It is an additional parallel import track to the track that exists today. The new track allows imports based on a comparison to the reference product (the imported product based on the direct importer). The factors that will be involved in approving products in this track are the Standards Institution of Israel and other laboratories that will be certified by the Israeli Laboratory Accreditation Authority.

The fourth addendum to the law lists the products to which this track will apply, such as: aftershave, aluminum-free roll-on deodorant, aluminum-free deodorant stick, compressed powder, compressed blush, compressed shimmer, foot cream without salicylic acid, nail polish (not gel), leg wax, shampoo, conditioner, body soap, body lotion, hand cream, hair cream and more.

3. Import on the basis of the current import regulations and in accordance with the license track that exists today, is set to be available for another four years from the date of commencement of the law. This track will assist importers who have difficulty making the adjustments and meeting the requirements of the European model, such as private label importers.

Sources of information:

General website - the import reform: [import reform](#)

The reform website: [import reform - official standardization](#)