

AGREEMENT BETWEEN
THE GOVERNMENT OF THE STATE OF ISRAEL
AND
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
REGARDING MUTUAL ASSISTANCE
IN CUSTOMS MATTERS

The Government of the State of Israel and the Government of the United States of America;

Considering that the offenses against customs laws are prejudicial to the economic, fiscal and commercial interests of their respective countries;

Considering the importance of assuring the accurate assessment of customs duties and other taxes;

Recognizing the need for international cooperation in matters related to the administration and enforcement of the customs laws;

Convinced that action against customs offenses can be made more effective by cooperation between their Customs Services;

Having regard to the Recommendation of the Customs Cooperation Council on Mutual Administrative Assistance of December 5, 1953;

Have Agreed as follows:

Article 1

DEFINITIONS

For the purposes of the present Agreement,

1. "Customs laws" shall mean such laws and regulations enforced by the Customs Services concerning the importation, exportation, and transit of goods, as they relate to Customs duties, charges, and other taxes, or to prohibitions, restrictions and other similar controls respecting the movement of goods and other items subject to Customs control.
2. "Customs Administrations or Services" shall mean, in the State of Israel, the Department of Customs and Value Added Tax, and in the United States of America, the United States Customs Service, Department of the Treasury.
3. "Provisional measures" include:
 - a. "seizure" or "freezing" which means temporarily prohibiting the transfer, conversion, disposition or movement of property or temporarily assuming custody or control of property on the basis of an order issued by a court or competent authority; and

- b. "forfeiture" which includes confiscation where applicable, and means the deprivation of property by order of a court or other competent authority.
4. "Offense" shall mean any violation of the Customs laws as well as any attempted violation of such laws.
5. "Property" means goods and merchandise of every kind, whether tangible or intangible, and legal documents or instruments evidencing title to or an interest in such assets.
6. "Parties" to this Agreement are:
 - a. the State of Israel; and
 - b. the United States of America.

Article 2

SCOPE OF AGREEMENT

1. All assistance under the present Agreement by either Party will be performed in accordance with its domestic law.
2. The Parties agree to assist each other through their Customs Services to prevent, investigate and repress any offense involving violations of Customs laws in accordance with the provisions of the present Agreement.

Article 3

SCOPE OF ASSISTANCE

1. Assistance, as provided in this Agreement, shall also include, upon a Party's own initiative or request, information apt to ensure the enforcement of the Customs laws and the accurate assessment of Customs duties and other taxes by the Customs administrations. Such information shall include, but not be limited to:
 - a. enforcement actions that might be useful to suppress offenses and, in particular, special means of combating offenses;
 - b. new methods used in committing offenses;
 - c. observations and findings resulting from the successful application of new enforcement aids and techniques; and
 - d. techniques and improved methods of processing passengers and cargo.

2. The Parties agree, in accordance with their respective domestic law, to assist each other in proceedings involving the use of provisional measures directed at property, proceeds and instrumentalities involved in offenses related to customs laws.

3. Assistance as provided in paragraphs 1 and 2 shall be provided for use in all proceedings, whether judicial, administrative or investigative and shall include but not be limited to proceedings on classification, value and other characteristics relevant to the enforcement of the customs laws and proceedings involving fines, penalties, forfeitures and liquidated damages.
4. The Parties shall, if not contrary to their domestic law, also seek to cooperate in:
 - a. initiating, developing or improving specific training programs for their personnel;
 - b. establishing and maintaining channels of communication between their administrations to facilitate the secure and rapid exchange of information;
 - c. facilitating effective coordination between their administrations including the exchange of personnel, experts and the posting of liaison officers;
 - d. the consideration and testing of new equipment or procedures; and
 - e. any other general administrative matters that may from time to time require their joint action.

5. No provision in this Agreement may be interpreted in a manner that would restrict Agreements relating to mutual assistance and cooperation that are already in effect between the Parties.

Article 4

CONFIDENTIALITY OF INFORMATION AND DOCUMENTS

1. Information, documents and other communications received in the course of mutual assistance may only be used for the purposes specified in the present Agreement, including the use in judicial or administrative proceedings.
2. Inquiries, information, documents and other communications received by either Party shall, upon request, be treated as confidential.
3. Any information, documents or other communications obtained or communicated under this Agreement shall be afforded in the receiving country the same protection in respect of confidentiality and official secrecy as applies in that country to the same kind of information, documents or other such communications obtained in its own territory.

Article 5

COMMUNICATION OF REQUESTS

A. Form and Substance of Requests for Assistance

1. Requests pursuant to the present Agreement shall be made in writing. Documents necessary for the execution of such requests shall accompany the request. When required because of the urgency of the situation, oral requests may also be accepted but shall be promptly confirmed in writing.
2. Requests pursuant to subparagraph 1 of this Article shall include the following information:
 - a. the authority making the request;
 - b. the nature of the proceedings;
 - c. the object of and reason for the request;
 - d. the names and addresses of the parties concerned in the proceedings, if known; and
 - e. a brief description of the matter under consideration and the legal elements involved.

B. Channel of Communication

1. Assistance shall be carried out by direct communication between officials designated by the Heads of the respective Customs Services.
2. In case the Customs Service of the requested Party is not the appropriate agency to comply with a request, it shall, after appropriate consultation, either promptly transmit the request to the appropriate agency, who shall act upon the request according to its powers under the law, or advise the requesting Party of the appropriate procedure to be followed regarding such a request.

Article 6

EXECUTION OF REQUESTS

1. The requested Customs Service shall take all reasonable measures to execute the request, and if required, will endeavor to seek any official or judicial measure necessary to carry out the request.
2. The Customs Service of either Party shall, upon the request of the Customs Service of the other Party, and in accordance with its domestic law, conduct any necessary investigation, including the questioning of experts and witnesses or

persons suspected of having committed an offense, and undertake verifications, inspections and fact-finding inquiries in connection with the matters referred to in the present Agreement.

3. Upon request, the requested Party may, to the fullest extent possible, allow officials of the requesting Party to assist the requested Party in inquiries into, or the official report of, an offense of concern to the requesting Party.
4. Where pursuant to this Article the requesting Party is allowed to assist the requested Party, such actions shall be subject to the domestic law of the requested Party.
5. A request by a Party that a certain procedure be followed shall be complied with, subject to the domestic law of the requested Party.
6. The requesting Party shall, if it so requests, be advised of the time and place of the action to be taken in response to the request so that such action may be coordinated.
7. The assistance provided for in this Article will be undertaken only with the full concurrence of the requested Party.

Article 7

EXEMPTIONS FROM ASSISTANCE

1. In cases where the requested Party is of the opinion that compliance with a request would infringe upon its sovereignty, security, public policy or other substantive national interest, assistance can be refused or compliance may be made subject to the satisfaction of certain conditions or requirements.
2. In the event that the request cannot be complied with, the requesting Party shall be promptly notified of that fact, and provided a statement of the reasons and circumstances which might be of importance for the further pursuit of the matter.
3. Assistance may be postponed by the requested Party on the ground that it will interfere with an ongoing investigation, prosecution or proceeding. In such a case, the requested Party shall consult with the requesting Party to determine if assistance can be given subject to such terms or conditions as the requested Party may require.

Article 8

FILES, DOCUMENTS AND WITNESSES

1. The Customs Services of the Parties shall, upon request, provide documentation relating to transportation and shipment of goods showing value, disposition, and destination of those goods.
2. Originals of files, documents and other materials shall be requested only in cases where copies would be insufficient. Upon specific request copies of such files, documents and other materials shall be properly authenticated.
3. Originals of files, documents and other materials which have been transmitted shall be returned at the earliest opportunity; rights of the requested Party or of third parties relating thereto shall remain unaffected. Upon request, originals necessary for adjudicative or similar purposes shall be returned at the earliest possible date.
4. The Customs Service of one Party shall authorize its employees, upon the request of the Customs Service of the other Party, to appear as witnesses in judicial or administrative proceedings in the territory of the other Party and to produce such files, documents or other materials or authenticated copies thereof, as may be considered essential for the proceedings.

5. The officials of the Customs Service of the requesting Party, authorized to investigate offenses of Customs Laws may, in particular cases, with the agreement of the requested Party, be present respectively in the State of Israel or in the United States of America, when its officials are investigating offenses which are of concern to the requesting Party and may ask that the requested Party review relevant books, registers and other documents or data-media and supply copies thereof or provide any information relating to the offense.

Article 9

COSTS

1. The Parties shall normally waive all claims for reimbursement of costs incurred in the execution of the present Agreement, with the exception of expenses for witnesses, fees of experts, and costs of interpreters other than government employees.
2. If expenses of a substantive and extraordinary nature are or will be required to execute the request, the Parties shall consult to determine the terms and conditions under which the request will be executed as well as the manner in which the costs shall be borne.

Article 10

SPECIAL INSTANCES OF ASSISTANCE

1. Upon request, the Customs Services shall inform each other whether goods exported from the territory of one Party have been lawfully imported into the territory of the other Party. The information shall, upon request, contain the Customs procedure used for clearing the goods.
2. The Customs Service of one Party, upon request of the Customs Service of the other Party, shall, to the extent of its ability, exercise special surveillance of:
 - a. means of transport suspected of being used in offenses within the territory of the requesting Party;
 - b. goods designated by the requesting Party as the object of an extensive clandestine trade of which it is the country of destination;
 - c. particular persons known or suspected of being engaged in an offense.
3. The Customs Services of the Parties shall, on their own initiative or upon request, furnish each other all available information regarding activities which may result in offenses within the territory of the other Party. In

serious cases which could involve substantial damage to the economy, public health, or any other vital interest of the other Party, such information shall be supplied without being requested.

4. Subject to their domestic law, the Parties agree:
 - a. to assist each other with respect to the execution of provisional measures and proceedings;
 - b. to dispose of property, proceeds or instrumentalities forfeited as a result of the assistance provided for under this Agreement, in accordance with the legislation of the Party that has forfeited the property, proceeds or instrumentalities;
 - c. that either Party may transfer forfeited property or instrumentalities, or the proceeds of their sale to the other Party, to the extent permitted by their respective domestic law, upon such terms as may be agreed.

Article 11

IMPLEMENTATION OF THE AGREEMENT

The Parties agree that the Department of Customs and Value Added Tax, in the State of Israel and the United States Customs Service, Department of the Treasury of the United States of America shall:

- a. communicate directly for the purpose of dealing with matters arising out of the present Agreement; and
- b. after consultation, shall issue any administrative directives for the implementation of the present Agreement; and
- c. endeavor by mutual accord to resolve problems or doubts arising from the interpretation or application of the Agreement.

Article 12

ENTRY INTO FORCE AND TERMINATION

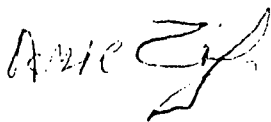
1. This Agreement shall enter into force on the ninetieth day following the date on which the Parties notify one another by an exchange of diplomatic notes that all necessary national legal requirements for entry into force have been fulfilled.

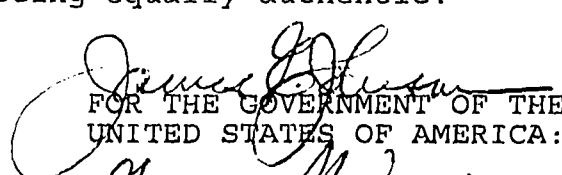
2. The Parties agree to meet in order to review this Agreement upon request or at the end of five years from the date of its entry into force, unless they notify one another in writing that no review is necessary.
3. This Agreement may be terminated by either Party:
 - a. upon receipt by the other Party of written notice through diplomatic channels;
 - b. in which case, it shall cease to be in force six months after such notice has been given.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective governments, have signed this Agreement.

Done at Washington on the 27th day of Iyar, 5756, which corresponds to the 16th day of May, 1996, in the Hebrew and English languages, both texts being equally authentic.


FOR THE GOVERNMENT OF THE
STATE OF ISRAEL:




FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

