Country/entity	Israel Palestine
Region	Middle East and North Africa
Agreement name	Protocol on Economic Relations
Date	29 Apr 1994
Agreement status	Multiparty signed/agreed
Interim arrangement	Yes
Agreement/conflict level	Intrastate/intrastate conflict

Arab-Israeli Conflicts (1948 -)

This conflict involves Israelis and Palestinians over territory and belonging and has long historical antecedents. The agreements post-1990 are between the Palestinian Liberation Organisation (PLO) and Israel, with some supporting inter-state agreements (i.e. between Israel and Jordan). More recently the importance of the once dominating Palestinian Liberation Organisation (PLO) has diminished not in the least due to the effective disappearance of its left-wing members and the loss of the popularity of their political wing, Fatah. Hamas and other Islamic groups have attained significant relevance in Fatah's stead, with Hamas controlling the Gaza strip (from which Israel ultimately unilaterally withdrew (not coded as a peace agreement).

Geo-political implications of the conflict have been considerable across the MENA region.
Close
Arab-Israeli Conflicts (1948 -
)

Stage	Pre-negotiation/process
Conflict nature	Government/territory
Peace process	Israel-Palestine peace process
Parties	Israel, PLO

Third parties	Agmt annex to Gaza-Jericho Agmt which was 'Witnessed By': The United States of America, The Russian Federation, The Arab Republic of Egypt
Description	to be incorporated into Gaza-Jericho agmt, and take effect on its signing. Parties agree to establish Joint Economic Committee Agreement to be incorporated into the Gaza-Jericho Agreement, and outlines the economic relations between Israel and Palestine, including the establishment of a Joint Economic Committeee, the establishment of import/export duties, monetary and financial duties, taxation, local production, labor regulation, agricultural production, industry, tourism and insurance.

Agreement document	IL_PS_940429_Gaza-Jericho_Agreement,_Protocol_on_Economic_Relations.pdf (opens in new tab) | Download PDF

Groups

Children/youth	No specific mention.
Disabled persons	No specific mention.
Elderly/age	No specific mention.
Migrant workers	Groups→Migrant workers→Substantive Page 13, Annex IV - Protocol on Economic Relations between the Government of the State of Israel and the P.L.O., representing the Palestinian people, Article VII, Labor 1. Both sides will attempt to maintain the normality of movement of labor between them, subject to each side's right to determine from time to time the extent and conditions of the labor movement into its area. If the normal movement is suspended temporarily by either side, it will give the other side immediate notification, and the other side may request that the matter be discussed in the Joint Economic Committee. The placement and employment of workers from one side in the area of the other side will be through the employment service of the other side and in accordance with the other sides' legislation. The Palestinian side has the right to regulate the employment of Palestinian labor in Israel through the Palestinian employment service, and the Israeli Employment Service will cooperate and coordinate in this regard.
Racial/ethnic/ national group	No specific mention.
Religious groups	No specific mention.
Indigenous people	No specific mention.

Other groups	No specific mention.
Refugees/displaced persons	Groups→Refugees/displaced persons→Substantive Page 5, Article III, IMPORT TAXES AND IMPORT POLICY, 17. The Palestinian Authority will have the right to exempt the Palestinian returnees who will be granted permanent residency in the Areas from import taxes on personal belongings including house appliances and passenger cars as long as they are for personal use.
Social class	No specific mention.

Gender

Women, girls and gender	Page 13, Article VII, LABOR … 2. a. Palestinians employed in Israel will be insured in the Israeli social insurance system according to the National Insurance Law for employment injuries that occur in Israel, bankruptcy of employers and maternity leave allowance. b. The National Insurance fees deducted from the wages for maternity insurance will be reduced according to the reduced scope of maternity insurance, and the equalization deductions transferred to the Palestinian Authority, if levied, will be increased accordingly.
Men and boys	No specific mention.
LGBTI	No specific mention.
Family	Page 13, Article VII, LABOR 3. a. Israel will transfer to the Palestinian Authority, on a monthly basis, the equalization deductions as defined by Israeli legislation, if imposed and to the extent levied by Israel. The sums so transferred will be used for social benefits and health services, decided upon by the Palestinian Authority, for Palestinians employed in Israel and for their families. Page 14, 9. a. The Palestinian Authority may integrate the existing health insurance scheme for Palestinians employed in Israel and their families in its health insurance services. As long as this scheme continues, whether integrated or separately, Israel will deduct from their wages the health insurance fees (“health stamp”) and will transfer them to the Palestinian Authority for this purpose.

State definition

Nature of state (general)	No specific mention.
State configuration	No specific mention.
Self determination	No specific mention.
Referendum	No specific mention.
State symbols	No specific mention.
Independence/ secession	No specific mention.
Accession/ unification	No specific mention.
Border delimitation	No specific mention.
Cross-border provision	No specific mention.

Governance

Political institutions (new or reformed)	No specific mention.
Elections	No specific mention.
Electoral commission	No specific mention.
Political parties reform	No specific mention.
Civil society	No specific mention.
Traditional/ religious leaders	No specific mention.
Public administration	No specific mention.
Constitution	No specific mention.

Power sharing

Political power sharing	No specific mention.
Territorial power sharing	Power sharing→Territorial power sharing→Autonomous regions Summary: Agreement provides for economic relations between Palestinian areas and Israel, see below, and economic power-sharing PREAMBLE The two parties view the economic domain as one of the cornerstone in their mutual relations with a view to enhance their interest in the achievement of a just, lasting and comprehensive peace. Both parties shall cooperate in this field in order to establish a sound economic base for these relations, which will be governed in various economic spheres by the principles of mutual respect of each other's economic interests, reciprocity, equity and fairness. This protocol lays the groundwork for strengthening the economic base of the Palestinian side and for exercising its right of economic decision making in accordance with its own development plan and priorities. The two parties recognise each other's economic ties with other markets and the need to create a better economic environment for their peoples and individuals.

Economic power sharing

Power sharing→Economic power sharing→Sharing of resources
Summary: The entire agreement provides for a form of economic power-sharing between Israel and Palestinian areas, see extracts below.

Page 5, Article III, IMPORT TAXES AND IMPORT POLICY,
16. The Joint Economic Committee or a sub-committee established by it for the purposes of this Article will deal inter alia with the following:
a. Palestinian proposals for addition of items to Lists Al, A2 and B. Proposals for changes in rates and in import procedures, classification, standards and licensing requirements for all other imports;
b. Estimate the Palestinian market needs, as mentioned in para 3 above;
c. Receive notifications of changes and conduct consultations, as mentioned in para 6 above;
d. Agree upon the rules of origin as mentioned in para 8 above, and review their implementation;
e. Coordinate the exchange of information relevant to licensing matters as mentioned in para 9 above;
f. Discuss and review any other matters concerning the implementation of this Article and resolve problems arising therefrom.

Page 9, Article IV, MONETARY AND FINANCIAL ISSUES
10… b. Both sides will continue to discuss, through the JEC, the possibility of introducing mutually agreed Palestinian currency or temporary alternative currency arrangements for the Palestinian Authority.

Page 13, Article VII, LABOR
4. Israel will transfer, on a monthly basis, to a relevant pension insurance institution to be established by the Palestinian Authority, pension insurance deductions collected after the establishment of the above institution and the completion of the documents mentioned in para 6.
These deductions will be collected from wages of Palestinians employed in Israel and their employers, according to the relevant rates set out in the applicable Israeli collective agreements. 2/3 of the actual administrative costs in handling these deductions by the Israeli Employment Service will be deducted from the sums transferred. The sums so transferred will be used for providing pension insurance for these workers. Israel will continue to be liable for pension rights of the Palestinian employees in Israel, to the extent accumulated by Israel before the entry into force of this para 4.

Page 14, 5. Upon the receipt of the deductions, the Palestinian Authority and its relevant social institutions will assume full responsibility in accordance with the Palestinian legislation and arrangements, for pension rights and other social benefits of Palestinians employed in Israel, that accrue from the transferred deductions related to these rights and benefits. Consequently, Israel and its relevant social institutions and the Israeli employers will be released from, and will not be held liable for any obligations and responsibilities concerning personal claims, rights and benefits arising from these transferred deductions, or from the provisions of paras 2-4 above.
6. Prior to the said transfers, the Palestinian Authority or its relevant institutions, as the case may be, will provide Israel with the documents required to give legal effect to their aforesaid obligations, including mutually agreed implementation procedures of the principles agreed upon in paras 3-5 above.

Page 14, 9. a. The Palestinian Authority may integrate the existing health insurance scheme for Palestinians employed in Israel and their families in its health insurance services. As long as this scheme continues, whether integrated or separately, Israel will deduct from their wages the health insurance fees ("health stamp") and will transfer

Military power sharing	No specific mention.

Human rights and equality

Human rights/RoL general	No specific mention.
Bill of rights/similar	No specific mention.
Treaty incorporation	Page 2, Article III, IMPORT TAXES AND IMPORT POLICY, 2. … b. The import policy of the Palestinian Authority for Lists Al and A2 will include independently determining and changing from time to time the rates of customs, purchase tax, levies, excises and other charges, the regulation of licensing requirements and procedures and of standard requirements. The valuation for custom purposes will be based upon the GATT 1994 agreement as of the date it will be introduced in Israel, and until then - on the Brussels Definition of Valuation (BDV) system. The classification of goods will be based on the principles of "the Harmonized Commodity Description and Coding System". Concerning imports referred to in Article VII of this Protocol (Agriculture), the provisions of that Article will apply.
Civil and political rights	No specific mention.
Socio-economic rights	Human rights and equality→Socio-economic rights→Other Page 14, Article VII, Labor 10.The JEC will meet upon the request of either side and review the implementation of this Article and other issues concerning labor, social insurance and social rights. Page 19, Article VIII Agriculture 11. The Palestinians will have the right to export their agricultural produce to external markets without restrictions, on the basis of certificates of origin issued by the Palestinian Authority. Page 15, Article VII, Labor 13. This Article governs the future labor relations between the two sides and will not impair any labor rights prior to the date of signing of the Agreement.

Rights related issues

Citizenship	No specific mention.
Democracy	No specific mention.
Detention procedures	No specific mention.

Media and communication	No specific mention.
Mobility/access	Page 13, Article VII, LABOR 1. Both sides will attempt to maintain the normality of movement of labor between them, subject to each side's right to determine from time to time the extent and conditions of the labor movement into its area. If the normal movement is suspended temporarily by either side, it will give the other side immediate notification, and the other side may request that the matter be discussed in the Joint Economic Committee. The placement and employment of workers from one side in the area of the other side will be through the employment service of the other side and in accordance with the other sides' legislation. The Palestinian side has the right to regulate the employment of Palestinian labor in Israel through the Palestinian employment service, and the Israeli Employment Service will cooperate and coordinate in this regard. Page 21, Article X, Tourism 6. Tourism companies and agencies licensed by either side shall enjoy equal access to tourism-related facilities and amenities in border points of exit and entry according to the regulations of the authority operating them.

Protection measures

Rights related issues→Protection measures→Other
Page 15, Article VIII Agriculture
2. The official veterinary and plant protection services of each side will be responsible, within the limits of their respective jurisdiction, for controlling animal health, animal products and biological products, and plants and parts thereof, as well as their importation and exportation.

Page 15, Article VIII Agriculture
3. The relations between the official veterinary and plant protection services of both sides will be based on mutuality in accordance with the following principles, which will be applied in all the areas under their respective jurisdiction:
a. Israel and the Palestinian Authority will do their utmost to preserve and improve the veterinary standards.[29][28]
b. Israel and the Palestinian Authority will take all measures to reach equivalent and compatible standards regarding animal disease control, including mass vaccination of animals and avians, quarantines, “stamping out” measures and residue control standards.
c. Mutual arrangements will be made to prevent the introduction and spread of plant pests and diseases, for their eradication and concerning residue control standards in plant products.[29][28]
d. The official veterinary and plant protection services of Israel and the Palestinian Authority will coordinate and regularly exchange information regarding animal diseases, as well as plant pests and diseases, and will establish a mechanism for immediate notification of the outbreak of such diseases.

Page 17, Article VIII Agriculture
9. In order to prevent the introduction of plant pests and diseases to the region, the following procedures will be adopted:
a. The transportation between the Areas and Israel, of plants and parts thereof (including fruits and vegetables), the control of pesticide residues in them and the transportation of plant propagation material and of animal feed, may be inspected without delay or damage by the plant protection services of the recipient side.
b. The transportation between the Areas through Israel of plants and parts thereof (including fruits and vegetables) as well as of pesticides, may be required to pass a phytosanitary inspection without delay or damage.
c. The official Palestinian plant protection services have the authority to issue permits for the import of plants and parts thereof as well as of pesticides from external markets. The permits will be based on the prevailing standards and requirements. The permits will specify the required conditions to be included in the official Phytosanitary Certificates (hence P.C.) based upon the standards and the requirements of the International Plant Protection Convention (I.P.P.C.) and those of the European and Mediterranean Plant Protection Organization (E.P.P.O.) which should accompany each consignment. The P.C.’s will be issued by the plant protection services in the countries of origin.
Dubious or controversial cases will be brought before the sub-committee on plant protection.

Other

No specific mention.

Rights institutions

NHRI	No specific mention.
Regional or international human rights institutions	No specific mention.

Justice sector reform

Criminal justice and emergency law	Justice sector reform→Criminal justice and emergency law→Delimitation of powers in Criminal Justice System Page 13, Article VII, LABOR … 12. Palestinians employed in Israel will have the right to bring disputes arising out of employee - employer relationships and other issues before the Israeli Labor Courts, within these courts' jurisdiction. Page 15, Article VII, Labor 12. Palestinians employed in Israel will have the right to bring disputes arising out of employee–employer relationships and other issues before the Israeli Labor Courts, within these courts' jurisdiction.
State of emergency provisions	No specific mention.
Judiciary and courts	Page 13, Article VII, LABOR … 12. Palestinians employed in Israel will have the right to bring disputes arising out of employee - employer relationships and other issues before the Israeli Labor Courts, within these courts' jurisdiction. Page 14, 7. The above arrangements concerning equalization deductions and/or pension deductions may be reviewed and changed by Israel if an authorized court in Israel will determine that the deductions or any part thereof must be paid to individuals, or used for individual social benefits or insurance in Israel, or that it is otherwise unlawful. In such a case the liability of the Palestinian side will not exceed the actual transferred deductions related to the case. Page 15, Article VII, Labor 12. Palestinians employed in Israel will have the right to bring disputes arising out of employee–employer relationships and other issues before the Israeli Labor Courts, within these courts' jurisdiction.
Prisons and detention	No specific mention.
Traditional Laws	No specific mention.

Socio-economic reconstruction

Development or socio-economic reconstruction

Socio-economic reconstruction→Development or socio-economic reconstruction→Socio-economic development

Page 1, PREAMBLE

... This protocol lays the groundwork for strengthening the economic base of the Palestinian side and for exercising its right of economic decision making in accordance with its own development plan and priorities. The two parties recognise each other's economic ties with other markets and the need to create a better economic environment for their peoples and individuals.

Page 13, Article VII, LABOR

… 2. a. Palestinians employed in Israel will be insured in the Israeli social insurance system according to the National Insurance Law for employment injuries that occur in Israel, bankruptcy of employers and maternity leave allowance.

b. The National Insurance fees deducted from the wages for maternity insurance will be reduced according to the reduced scope of maternity insurance, and the equalization deductions transferred to the Palestinian Authority, if levied, will be increased accordingly.

c. Implementation procedures relating thereto will be agreed upon between the Israeli National Insurance Institute and the Palestinian Authority or the appropriate Palestinian social insurance institution.

3. a. Israel will transfer to the Palestinian Authority, on a monthly basis, the equalization deductions as defined by Israeli legislation, if imposed and to the extent levied by Israel. The sums so transferred will be used for social benefits and health services, decided upon by the Palestinian Authority, for Palestinians employed in Israel and for their families.

The equalization deductions to be so transferred will be those collected after the date of the signing of the Agreement from wages of Palestinians employed in Israel and from their employers.

Page 13, Article VII, LABOR

3. a. …These sums will not include

i. Payments for health services in places of employment.

ii. 2/3 of the actual administrative costs in handling the matters related to the Palestinians employed in Israel by the Payments Section of the Israeli Employment Service.

Page 19, Article IX Industry

2. a. The Palestinian side has the right to employ various methods in encouraging and promoting the development of the Palestinian industry by way of providing grants, loans, research and development assistance and direct-tax benefits. The Palestinian side has also the right to employ other methods of encouraging industry resorted to in Israel.

National economic plan	Page 7, Article IV, MONETARY AND FINANCIAL ISSUES 1. The Palestinian Authority will establish a Monetary Authority (PMA) in the Areas. The PMA will have the powers and responsibilities for the regulation and implementation of the monetary policies within the functions described in this Article. 2. The PMA will act as the Palestinian Authority's official economic and financial advisor. 3. The PMA will act as the Palestinian Authority's and the public sector entities' sole financial agent, locally and internationally. 4. The foreign currency reserves (including gold) of the Palestinian Authority and all Palestinian public sector entities will be deposited solely with the PMA and managed by it. 5. The PMA will act as the lender of last resort for the banking system in the Areas. 6. The PMA will authorize foreign exchange dealers in the Areas and will exercise control (regulation and supervision) over foreign exchange transactions within the Areas and with the rest of the world. Page 9, Article IV, MONETARY AND FINANCIAL ISSUES 11. … c. The supervision and inspection of the implementation of all liquidity requirements will be carried out by the PMA. Page 10, Article IV, MONETARY AND FINANCIAL ISSUES 17. The PMA and the BOI will meet annually to discuss and determine the annual amount of convertible NIS during the following calendar year and will meet semi-annually to adjust the said amount. The amounts determined annually and adjusted semi-annually will be based on data and estimates regarding the past and on forecasts for the wi following period, according to the formula mentioned in para 16. The first meeting will be as soon as possible within three months after the date of the signing of the Agreement. Page 19, Article VIII Agriculture 12. Without prejudice to obligations arising out of existing international agreements, the two sides will refrain from importing agricultural products from third parties which may adversely affect the interests of each other’s farmers.
Natural resources	No specific mention.

International funds Page 6, Article III, IMPORT TAXES AND IMPORT POLICY,
19. Donations in kind to the Palestinian Authority will be exempted from customs and other import taxes if destined and used for defined development projects or non-commercial humanitarian purposes. The Palestinian Authority will be responsible exclusively for planning and management of the donors' assistance to the Palestinian people. The Joint Economic Committee will discuss issues pertaining to the relations between the provisions in this Article and the implementation of the principles in the above paragraph.

Page 7, Article IV, MONETARY AND FINANCIAL ISSUES
3. The PMA will act as the Palestinian Authority's and the public sector entities' sole financial agent, locally and internationally.
4. The foreign currency reserves (including gold) of the Palestinian Authority and all Palestinian public sector entities will be deposited solely with the PMA and managed by it.
... 6. The PMA will authorize foreign exchange dealers in the Areas and will exercise control (regulation and supervision) over foreign exchange transactions within the Areas and with the rest of the world.

Page 9-10, Article IV, MONETARY AND FINANCIAL ISSUES
16. a. The excess amount of NIS, due to balance of payments flows, that the PMA will have the right to convert into foreign currency, will be equal to:

Business

Page 2, Article III, IMPORT TAXES AND IMPORT POLICY,
[Summary] Article deals with Import taxes and import policy. Applicable clauses are coded elsewhere.

Page 8-9, Article IV, Monetary and Financial Issues
10. a. The New Israeli Sheqel (NIS) will be one of the circulating currencies in the Areas and will legally serve there as means of payment for all purposes including official transactions. Any circulating currency, including the NIS, will be accepted by the Palestinian Authority and by all its institutions, local authorities and banks, when offered as a means of payment for any transaction.

Page 9-10, Article IV, MONETARY AND FINANCIAL ISSUES
16. a. The excess amount of NIS, due to balance of payments flows, that the PMA will have the right to convert into foreign currency, will be equal to:
1. Estimates of all Israeli "imports" of goods and services from the Areas, valued at market prices (inclusive of taxes), which were paid for in NIS, less:
i. the taxes collected by the Palestinian Authority on all Israeli "imports" from the Areas and rebated to Israel in NIS, and
ii. the taxes collected by Israel on all Israeli "imports" from the Areas and included in their market value, and not rebated to the Palestinian Authority, minus
2. Estimates of all Israeli "exports" of goods and services to the Areas, valued at market prices (inclusive of taxes), which were paid for in NIS, less
i. the taxes collected by Israel on such "exports" and rebated to the Palestinian Authority, and
ii. the taxes collected by the Palestinian Authority on such "exports" and included in their market value, and not rebated to Israel; plus
3. The accumulated net amounts of foreign currency converted previously into NIS by the PMA, as recorded in the BOI Dealing Room.
v. The said flows and amounts will be calculated as of the date of the signing of the Agreement.
Notes to para 16:
i. The estimates of the said "exports and imports" of goods and services will include inter alia labor services, NIS expenditure of tourists and Israelis in the Areas and NIS expenditure of Palestinians of the Areas in Israel.
ii. Taxes and pension contributions on "imports" of labor services, paid to "importing" side and rebated to the "exporting" one, will not be included in the estimates of the sums to be converted, as the "exports'" earnings of labor services are recorded in the statistics inclusive of them, although they do not accrue to the individuals supplying them.

Page 10, Article IV, MONETARY AND FINANCIAL ISSUES
18. a. The exchange of foreign currency for NIS and vice-versa by the PMA will be carried out through the BOI Dealing Room, at the market exchange rates.
b. The BOI will not be obliged to convert in any single month more than 1/5 of the semi-annual amount, as mentioned in para 17.
c. There will be no ceiling on the annual foreign currency conversions by the PMA into NIS. However, in order to avoid undesirable fluctuations in the foreign exchange market, monthly ceilings of such conversions will be agreed upon in the annual and semi-annual meetings referred to in para 17.
d. Banks in the Areas will convert NIS into other circulating currencies and vice-versa.

Page 11, Article IV, MONETARY AND FINANCIAL ISSUES
18… e. The Palestinian Authority will have the authorities, powers and responsibilities regarding the regulation and supervision of capital activities in the Areas, including the licensing of capital market institutions, finance companies and investment funds.

Taxation

Socio-economic reconstruction→Taxation→Power to tax
Page 2, Article III, IMPORT TAXES AND IMPORT POLICY,
2. … b. The import policy of the Palestinian Authority for Lists Al and A2 will include independently determining and changing from time to time the rates of customs, purchase tax, levies, excises and other charges, the regulation of licensing requirements and procedures and of standard requirements. The valuation for custom purposes will be based upon the GATT 1994 agreement as of the date it will be introduced in Israel, and until then - on the Brussels Definition of Valuation (BDV) system. The classification of goods will be based on the principles of "the Harmonized Commodity Description and Coding System". Concerning imports referred to in Article VII of this Protocol (Agriculture), the provisions of that Article will apply.

Page 3, Article III, IMPORT TAXES AND IMPORT POLICY,
4. The Palestinian Authority will have all powers and responsibilities to independently determine and change from time to time the rates of customs, purchase taxes; levies, excises and other charges on the goods on List B, attached hereto as Appendix III, of basic food items and other goods for the Palestinian economic development program, imported by the Palestinians to the Areas.

Page 3, Article III, IMPORT TAXES AND IMPORT POLICY,
5. a. With respect to all goods not specified in Lists Al, A2 and B, and with respect to quantities exceeding those determined in accordance with paras 2(a) & 3 above (hereinafter - the Quantities), the Israeli rates of customs, purchase tax, levies, excises and other charges, prevailing at the date of signing of the Agreement, as changed from time to time, shall serve as the minimum basis for the Palestinian Authority. The Palestinian Authority may decide on any upward changes in the rates on these goods and exceeding quantities when imported by the Palestinians to the Areas.
b. With respect to all goods not specified in Lists A1 and A2, and with respect to quantities exceeding the Quantities, Israel and the Palestinian Authority will employ for all imports the same system of importation, as stipulated in para 10 below, including inter alia standards, licensing, country of origin, valuation for customs purposes etc.

Page 3, Article III, IMPORT TAXES AND IMPORT POLICY,
7. The Palestinian Authority will levy VAT at one rate on both locally produced goods and services and on imports by the Palestinians (whether covered by the three Lists mentioned above or not), and may fix it at the level of 15% to 16%.

Page 4, Article III, IMPORT TAXES AND IMPORT POLICY,
11. a. The Palestinian Authority will determine its own rates of customs and purchase tax on motor vehicles imported as such, to be registered with the Palestinian Authority. The vehicle standards will be those applied at the date of the signing of the Agreement as changed according to para 10 above. However, the Palestinian Authority may request, through the sub-committee on transportation, that in special cases different standards will apply. Used motor vehicles will be imported only if they are passenger cars or dual-purpose passenger cars of a model of no more than three years prior to the importation year. The sub-committee on transportation will determine the procedures for testing and confirming that such used cars comply with the standards' requirements for that model year. The issue of importing commercial vehicles of a model prior to the importation year will be discussed in the joint sub-committee mentioned in para 16 below.
b. Each side may determine the terms and conditions for the transfer of motor vehicles registered in the other side to the ownership or use of a resident of its own side, including the payment of the difference of import taxes, if any, and the vehicle having been tested and found compatible with the standards required at that time by its own registration administration, and may prohibit transfer of vehicles.

Banks

Socio-economic reconstruction→Banks→Central bank
Page 7, Article IV, MONETARY AND FINANCIAL ISSUES
3. The PMA will act as the Palestinian Authority's and the public sector entities' sole financial agent, locally and internationally.
4. The foreign currency reserves (including gold) of the Palestinian Authority and all Palestinian public sector entities will be deposited solely with the PMA and managed by it.
... 6. The PMA will authorize foreign exchange dealers in the Areas and will exercise control (regulation and supervision) over foreign exchange transactions within the Areas and with the rest of the world.

Page 7-8, Article IV, MONETARY AND FINANCIAL ISSUES
… 5. The PMA will act as the lender of last resort for the banking system in the Areas.
… 7. a. The PMA will have a banking supervision department that will be responsible for the proper functioning, stability, solvency and liquidity of the banks operating in the Areas.
b. The banking supervision department will predicate its supervision on the international principles and standards reflected in international conventions and especially on the principles of the "Basle Committee".
c. The supervision department will be charged with the general supervision of every such bank, including:
- The regulation of all kinds of banking activities, including their foreign activities;
- The licensing of banks formed locally and of branches, subsidiaries, joint ventures and representative offices of foreign banks and the approval of controlling shareholders;
- The supervision and inspection of banks.
8. The PMA will relicense each of the five branches of the Israeli banks operating at present in the Gaza Strip and the West Bank, as soon as its location or the authorities regarding it come under the jurisdiction of the Palestinian Authority. These branches will be required to comply with the general rules and regulations of the PMA concerning foreign banks, based on the "Basle Concordat". Para I0 d, e, and f below will apply to these branches.
9. a. Any other Israeli bank wishing to open a branch or a subsidiary in the Areas will apply for a license to the PMA and will be treated equally to other foreign banks, provided that the same will apply to the Palestinian banks wishing to open a branch or a subsidiary in Israel.
b. Granting of a license by both authorities will be subject to the following arrangements based on the "Basle Concordat" valid on the date of signing of the Agreement and to the host authority's prevailing general rules and regulations concerning opening of branches and subsidiaries of foreign banks. In this para 10 "host authority" and "home authority" apply only to the Bank of Israel (BOI) and the PMA.
c. A bank wishing to open a branch or establish a subsidiary will apply to the host authority, having first obtained the approval of its home authority. The host authority will notify the home authority of the terms of the license, and will give its final approval unless the home authority objects.
d. The home authority will be responsible for the consolidated and comprehensive supervision of banks, inclusive of branches and subsidiaries in the area under the jurisdiction of the host authority. However, the distribution of supervision responsibilities between the home and the host authorities concerning subsidiaries will be according to the "Basle Concordat".
e. The host authority will regularly examine the activities of branches and subsidiaries in the area under its jurisdiction. The home authority will have the right to conduct on site examinations in the branches and subsidiaries in the host area. However, the supervision responsibilities of the home authority concerning subsidiaries will be according to the "Basle Concordat".

Land, property and environment

Land reform/rights	No specific mention.
Pastoralist/ nomadism rights	No specific mention.
Cultural heritage	Land, property and environment→Cultural heritage→Tangible Page 20, Article X, Tourism 2. Each side shall, under its respective jurisdiction, protect, guard and ensure the maintenance and good upkeep of historical, archaeological, cultural and religious sites and all other tourist sites, to fit their status as well as their purpose as a destination for visitors.

Environment

Page 15, Article VIII Agriculture
2. The official veterinary and plant protection services of each side will be responsible, within the limits of their respective jurisdiction, for controlling animal health, animal products and biological products, and plants and parts thereof, as well as their importation and exportation.

Page 15, Article VIII Agriculture
3. The relations between the official veterinary and plant protection services of both sides will be based on mutuality in accordance with the following principles, which will be applied in all the areas under their respective jurisdiction:
a. Israel and the Palestinian Authority will do their utmost to preserve and improve the veterinary standards.
b. Israel and the Palestinian Authority will take all measures to reach equivalent and compatible standards regarding animal disease control, including mass vaccination of animals and avians, quarantines, “stamping out” measures and residue control standards.
c. Mutual arrangements will be made to prevent the introduction and spread of plant pests and diseases, for their eradication and concerning residue control standards in plant products.
d. The official veterinary and plant protection services of Israel and the Palestinian Authority will coordinate and regularly exchange information regarding animal diseases, as well as plant pests and diseases, and will establish a mechanism for immediate notification of the outbreak of such diseases.

Page 15-16, Article VIII Agriculture
5. Transit of livestock, animal products and biological products from one side through the area under the jurisdiction of the other side, should be conducted in a manner aimed at the prevention of diseases spreading to or from the consignment during its movement. For such a transit to be permitted, it is a prerequisite that the veterinary conditions agreed upon by both sides will be met in regard to importation of animals, their products and biological products from external markets. Therefore the parties agree to the following arrangements.

Page 16, Article VIII Agriculture
6. The official veterinary services of each side have the authority to issue veterinary import permits for import of animals, animal products and biological products to the areas under its jurisdiction. In order to prevent the introduction of animal diseases from third parties, the following procedures will be adopted:
a. The import permits will strictly follow the professional veterinary conditions for similar imports to Israel as prevailing at the time of their issuance. The permits will specify the country of origin and the required conditions to be included in the official veterinary certificates which should be issued by the veterinary authorities in the countries of origin and which should accompany each consignment. Each side may propose a change in these conditions. The change will come into force 10 days after notice to the other side, unless the other side requested that the matter be brought before the Veterinary Sub-Committee specified in para 14 (hereinafter - VSC). If it is more stringent than the prevailing conditions - it will come into force 20 days after the request, unless both sides decide otherwise through the VSC, and if more lenient - it will come into force only if agreed upon by both sides through the VSC. However, if the change is urgent and needed for the protection of animal and public health, it will come into force immediately after notice by the other side and will remain in force unless and until both sides agree otherwise through the VSC.
b. The official veterinary certificates will include the provisions regarding OIE Lists A & B Diseases as specified in the I.A.H.C. When the I.A.H.C. allows alternative requirements regarding the same disease, the most stringent one will be adopted unless otherwise

Water or riparian rights or access	Page 21, Article X, Tourism 5. Each side will protect the environment and the ecology around the tourist sites under its jurisdiction. In view of the importance of beaches and maritime activities for tourism, each side will do its best efforts to ensure that development and construction on the Mediterranean coast, and especially at ports (such as Ashqelon or Gaza), will be planned and carried out in a manner that will not adversely affect the ecology, environment or the functions of the coastline and beaches of the other side.

Security sector

Security Guarantees	Page 21, Article X, Tourism 8. Each side will make its own arrangement for compensation of tourists for bodily injury and property damages caused by political violence in the areas under its respective jurisdiction.
Ceasefire	No specific mention.
Police	Page 23, Article XI Insurance Issues 10. c. The two sides will exchange, through the Sub-Committee, the relevant information regarding the implementation of this Article, including police reports, medical information, relevant statistics, premiums, etc. The two sides will provide each other with any other assistance required in this regard.
Armed forces	No specific mention.
DDR	No specific mention.
Intelligence services	No specific mention.
Parastatal/rebel and opposition group forces	No specific mention.
Withdrawal of foreign forces	No specific mention.
Corruption	No specific mention.
Crime/organised crime	Page 20, Article IX Industry 4. Both sides will cooperate in the prevention of deceptive practices, trade in goods which may endanger health, safety and the environment and in goods of expired validity.
Drugs	Page 20, Article IX Industry 4. Both sides will cooperate in the prevention of deceptive practices, trade in goods which may endanger health, safety and the environment and in goods of expired validity.
Terrorism	No specific mention.

Transitional justice

Transitional justice general	No specific mention.
Amnesty/pardon	No specific mention.

Courts	No specific mention.
Mechanism	No specific mention.
Prisoner release	No specific mention.
Vetting	No specific mention.
Victims	No specific mention.
Missing persons	No specific mention.
Reparations	No specific mention.
Reconciliation	No specific mention.

Implementation

UN signatory	No specific mention.
Other international signatory	'Witnessed By': The United States of America, The Russian Federation, The Arab Republic of Egypt
Referendum for agreement	No specific mention.
International mission/force/ similar	No specific mention.
Enforcement mechanism	Page 2, Article II THE JOINT ECONOMIC COMMITTEE Both parties will establish a Palestinian-Israeli Joint Economic Committee (hereinafter - the JEC) to follow up the implementation of this Protocol and to decide on problems related to it that may arise from time to time. Each side may request the review of any issue related to this Agreement by the JEC. Page 14, Article VII, Labor 10.The JEC will meet upon the request of either side and review the implementation of this Article and other issues concerning labor, social insurance and social rights.
