

Trade in Services

ISRAEL

Schedule of Specific Commitments

Supplement 2

(This is authentic in English only)

---

This text replaces the Financial Services section contained in pages 10 to 13 of document GATS/SC/44.

**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
<p>7. FINANCIAL SERVICES</p> <p><u>General Notes:</u></p> <ol style="list-style-type: none"> <li>The commitments in financial services are made in accordance with the General Agreement on Trade in Services and the Annex on Financial Services.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ol>			

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>All Insurance and Insurance-Related Services</u> I. Direct insurance (A) Life insurance including Pension fund	(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) 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.	

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. Reinsurance and retrocession	(1) None	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.	
	(2) None			
	(3) None			
	(4) Unbound, except as indicated in the horizontal section.			
III. Insurance intermediation, such as brokerage and agency	(1) None	Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
	(2) None			
	(3) None			
	(4) Unbound, except as indicated in the horizontal section.			
IV. Services auxiliary to insurance (a) Consultancy	(1) Unbound	Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
	(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	(1) Unbound	
	(2) Unbound	(2) Unbound	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
(c) Risk assessment	(1) Unbound	(1) Unbound	
	(2) Unbound	(2) Unbound	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.	
(d) Claim settlement services	(1) Unbound	(1) Unbound	
	(2) Unbound	(2) Unbound	
	(3) None	(3) None	
	(4) Unbound, except as indicated in the horizontal section.	(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	
<u>Banking and other Financial Services (Excluding insurance)</u>				
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.		
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.		

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
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, in 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.	

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) 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.	
(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.	



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
XIII. Asset management, such as cash or portfolio management, all forms of collective investment management, custodial, depository and trust services	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) None, except that: Banks are required to carry out asset management activities only through subsidiaries.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) None, except that: Banks are required to carry out asset management activities only through subsidiaries.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	
XIV. Settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) Securities settlement and clearing services in the T.A. Stock Exchange are exclusively provided for the Stock Exchange members.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) Securities settlement and clearing services in the T.A. Stock Exchange are exclusively provided for the Stock Exchange members.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	
XV. Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services	<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>	

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	
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	(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.		