Rules of origin under free trade agreements: compliance vs. usability

33rd Authors' Meeting

CustomsClear

The Ukraine-Israel case



Omer Wagner

May 28th. 2026

Back to 2021:
Ukraine – Israel FTA



2025:



1. Goods consigned from (Exporter's business name, address, country)

21010,Ukraine

Reference № IL50500G 3591 0763789

CERTIFICATE OF ORIGIN

2. Goods consigned to (Consignee's name, address, country)

LTD

Israel

Issued in UKRAINE (country)

3. Means of transport and route (as far as known)

By truck , by sea, 1 container
Ukraine - Israel

4. For official use

5. Item number	6. Marks and numbers of packages	7. Number and kind of packages; description of goods	8. Gross weight or other quantity	9. Number and date of invoices
1.	500 plastic buckets on 21 pallets	Natural bee honey, packaged in plastic buckets of 28 kg	G.W./N.W 14749,00 kg/ 14000,00 kg	No. 11/08/2025-1 of 18.09.2025

10. Certification

It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.

Vinnytsia Chamber of Commerce and Industry
67 Soborna st., 21050 Vinnytsia, Ukraine

Zh. Shabatura

Vinnytsia 19.09.2025

Place and date, signature and stamp of certifying authority

11. Declaration by the exporter

The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in

UKRAINE (country)

exported to

ISRAEL (importing country)

Vinnytsia 19.09.2025

Place and date, signature of authorized signatory

2026:

Israeli customs authority to importer:

Please pay 368,314 ILS (~=112,005 Euro)



“The certificate is invalid for preferential treatment under the Ukraine-Israel FTA. You should have submitted Eur.1.”

(signed by Ukraine customs, not by Ukraine chamber of commerce)

Importer:

Ukraine isn’t a member of the EU, how is Eur.1 certificate relevant?

So who's right? (1)

Ukraine - Israel FTA legal text, rules of origin

FREE TRADE AGREEMENT

BETWEEN

THE GOVERNMENT OF THE STATE OF ISRAEL

AND

THE CABINET OF MINISTERS OF UKRAINE

ARTICLE 2.13: RULES OF ORIGIN

1. The rules of origin and methods of administrative cooperation applicable between the Parties are set out in Appendix I and where relevant, the provisions in Appendix II of the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin (hereinafter referred to as "the Convention"), with the exception of paragraphs 2 and 3 below.

So who's right? (2)

Original PEM convention

REGIONAL CONVENTION

on pan-Euro-Mediterranean preferential rules of origin

PROOF OF ORIGIN

Article 15

General requirements

1. Products originating in one of the Contracting Parties shall, on importation into other Contracting Parties, benefit from the provisions of the relevant Agreements upon submission of one of the following proofs of origin:

(a) a movement certificate EUR.1, a specimen of which appears in Annex III a;

(b) a movement certificate EUR-MED, a specimen of which appears in Annex III b;



So who's right? (3)

Israeli customs tariff order, article 14(b)(1):

"Goods will be duty free if one of the following was submitted to customs authority:

From the EU, UK, EFTA, Turkey, Ukraine – Eur.1 Certificate or invoice declaration". **(the words "Eur.Med" were removed).**

For comparison: articles 14(b)(2)-(5):

"From USA, Canada, Mexico, Mercosur, Panama, Colombia, South Korea, UAE, Guatemala, Vietnam – Certificate of origin or invoice declaration, according to the relevant FTA".

What's the solution for the importer?

- Ask for an origin verification process in Ukraine

- Claim he complies with Israeli law- indirect taxes law (overpaid or underpaid taxes, 1965:

- Submitted only true information
- Could not know the certificate will be invalid (Ukraine isn't in the EU)
- Did not pass the tax component to the buyer



Thank You for Your Attention

Omer Wagner, Adv. & Notary

Customs, Indirect Taxation,
Import, Export & International Trade

Stay in Touch

+972-52-858-2883 | omer@omerwagner.co.il

omerwagner@gmail.com | omerwagner.co.il