

Export to Israel

Following the war between Israel and Hamas in the Gaza Strip, hub.brussels repatriated Matthieu Labeau, its General Representative for Israel and the Palestinian Territories.

On the proposal of the Secretary of State for Foreign Trade, the Government of the Brussels-Capital Region decided on Thursday 16 November 2023 not to authorise the General Representative to return to his commercial post on the ground in the short term.



1. General information

- Since October 7 2023, Israel is at war with Gaza and in open conflict in the North and East with Lebanon and Iran. The situation in Westbank is also extremely tense and the Israeli army is very present on the ground.
- This situation might still last for several months.
- Despite the war, the Israeli economy has proven to be very resilient and economic activities are close to normal.
- Israel's GDP is expected to grow by 1,5 to 2% this year and by more than 5% next year.
- Inflation is foreseen to remain in the range between 1 and 3% which is the official target.
- International conferences and trade shows are still happening but on smaller scale.
- Business with Israel is still possible despite the situation and Israeli companies are even looking more than ever for international collaborations.
- Israel is trying to push imports of foreign goods through new laws in the hope of lowering the cost of living which is very high in Israel. Regulations have been also adapted under the following motto: "what is good for Europe is good for Israel". Most products that comply with European regulations can now enter Israel without additional certifications.
- Flying to Tel Aviv is currently more complicated than before the war but most companies should resume their flights to Tel Aviv after the summer, especially if the conflict deescalates. Before the war both Brussels airlines and Ryanair were flying directly from Belgium to Tel Aviv.



2. Additional indicators

Economic indicators

Find the main socio-economic indicators for this country, as well as its trade with Brussels and Belgium, in the publication "[Brussels and the world – Country statistics](#)" on [analytics.brussels](#), [hub.brussels](#)' online data library.

The "[Brussels and the world - General statistics](#)" publication also provides data on trade between the Brussels-Capital Region and the rest of the world, by continent and by major world region. The same type of data is also available for the various regions of Belgium, as well as for Belgium as a whole.

Social and environmental indicators

If you'd like to know where your country stands in terms of social, environmental and economic issues, access a series of [composite indicators from the European Commission](#), structured according to the 17 United Nations Sustainable Development Goals¹ and the European Commission's 6 priority policy areas².

Free trade agreements

European agreements have a major impact on market accessibility and trade with certain countries. The links below, published by the European Commission, will provide you with all the information you need on free trade agreements and trade barriers. Existing agreements, those that have not yet been ratified and those that are expected to be ratified, can be consulted here:

- [Free trade agreements](#)
- [Trade barriers](#)

¹No poverty, Zero hunger, Good health and well-being, Quality education, Gender equality, Clean water and sanitation, Clean and affordable energy, Decent work and economic growth, Industry, innovation and infrastructure, Reduced inequalities, Sustainable cities and communities, Sustainable consumption and production, Measures to combat climate change, Water life, Land life, Peace, justice and effective institutions, Partnerships to achieve the goals.

² A green pact for Europe, An economy serving people, A Europe fit for the digital age, A stronger Europe on the world stage, Promoting our European way of life, A new impetus for European democracy.



3. On-site: a step-by-step guide

Market access and first contacts

- Israel is a developed country with commercial practices similar to Western practices. Consumer behavior has become Westernized, as evidenced by the variety of foreign products available on the local market.
- Belgian or European citizens do not need a visa to enter Israel.
- It is advisable to have product and company presentations in English. English is understood and spoken by the vast majority of the population.
- It is preferable to seek a local contact: importer, agent, distributor, depending on the product.
- For certain sectors such as food, pharmaceuticals, or medical equipment, a local importer is mandatory.
- In some cases, direct sales are possible.
- Given the small size of the country, exclusivity is often requested by local representatives of foreign firms.
- The Israeli market is open to imports and highly competitive. However, increasingly more products are coming from the Far East due to lower prices. But the Israeli buyer is very open to so-called "Western" products, provided they are obtained at an attractive price.
- To penetrate the Israeli market, one must be very patient and sometimes lower prices.
- Travel, go prospecting on-site. Human contact there is very important. The size of the country allows for more than one meeting per day. Travel by train and/or taxi is easy and inexpensive. Israelis appreciate the travel of foreign businessmen.



Exporting

Contracts

- In Israel, there is no distinction between civil and commercial law: a single common law applies to all contracts, regardless of their nature.
- The relationship with an agent or distributor should be defined as clearly as possible, and it is crucial to consider the legal implications. It is recommended to seek the advice of a lawyer, expert in Israeli law.
- Special attention must be paid to antitrust legislation, as it can lead to criminal penalties and make agreements unenforceable.
- Notice is required to terminate an indefinite relationship with an agent or distributor. The duration varies depending on the circumstances and the will of the parties.

Payment/Selling/Invoicing

- There is a VAT registration threshold for foreign companies providing taxable goods or services in Israel. This is currently set at an annual turnover of NIS 93,003 – calculated



on a calendar basis. Foreign businesses surpassing this limit should register immediately, and appoint a local VAT agent. This party is jointly and severally liable for the tax payer's VAT reporting and payments – similar to a Fiscal Representative in Europe.

- Don't make any upfront marketing payments to your distributor without sales guarantee, it has been used as a scam in Israel in the past.

Company types

It is noteworthy that the formation of legal entities is quick in Israel. Generally, the lawyer handles all administrative tasks concerning the competent authorities. There is no need to contact a notary.

Limited Liability Capital Company

This type of company is the most common in Israel and can be compared to S.A. and SRL. The public limited company can be private or public. For both types of companies, there is no requirement for minimum paid-in capital, but registered capital is required. It is similar to Anglo-Saxon law companies.

Private Limited Company:

Between 1 and 50 shareholders and one director.

Restrictions on the transfer of company shares. Not public.

This is the equivalent of the Belgian SRL. Due to its flexibility, this formula is particularly suitable for SMEs.

Public Limited Company

At least 7 shareholders, with no upper limit.

Public companies are listed on the Tel Aviv Stock Exchange.

Partnership

Minimum of 2 members, maximum of 20.

There are general partnerships with joint and several liabilities of the partners, and limited partnerships in which at least one partner must have unlimited liability.

Joint Venture

The Joint Venture is a contractual agreement, of an associative nature, and not a legal structure. It involves cooperation between companies from different countries.

Cooperative

Each cooperativist has limited liability according to the amount specified in the company's statutes, with a maximum of 20% of the share capital. This type of entity is uncommon and is used mainly in the agricultural and public transport sectors.

Not-for-Profit Organization

These must be registered in the register of non-profit organizations.

Discover all subsidies for Brussels businesses on the Brussels Economy and Employment website.



Interesting markets for a first export

Medical equipment, biotech and pharma

Israel has very high level hospital and health care services that are looking for cutting edge solutions

High-tech

Israel is one of the most advanced high-tech ecosystems in the world. It is a priority market if you are looking for tech collaborations, technologies to boost your company or to sell services or products to tech companies.

Food

Despite the kosher regulations, the rising purchase power and cost of living make Israel an interesting market for some agricultural and food products.

Infrastructure

Israel is building new public transportations, roads, energy infrastructures etc. with the help of many foreign companies.

It is important to note that we only support exportations and collaborations for projects located inside the green line of 1967.

Trade show calendar: <https://10times.com/israel/tradeshows>



4. Business culture

Etiquette Rules

Appointments are often spontaneous, and while punctuality is generally not the strong suit of Israelis, it is somewhat respected for business meetings.

Using first names is common in Israel (Hebrew, like English, does not use formal address), and people quickly switch to using first names. This doesn't mean there is a lack of respect. Dress code is quite informal, especially in the summer, which is hot and humid.



How to Approach a First Professional Meeting

The business environment is professional and Westernized. Israeli businessmen come well-prepared to business meetings. Israelis sometimes tend to be straightforward, going straight to the point without any complexities. This can be perceived as somewhat aggressive by Europeans, who are generally more reserved. This should not be taken personally in business interactions. Israelis are passionate and expressive, as well as curious.

Negotiation

Israelis are excellent negotiators. Be ready for tough but friendly negotiations. Do not hesitate to put your conclusions on paper. Israelis sometimes want to conclude negotiations immediately. This is not a sign of weakness or desperation, but rather a different perception of time. Due to the complex political situation, tomorrow is not always certain, and Israelis sometimes give the impression of wanting everything right away! Appointments can be made at short notice. Israelis enjoy negotiation. Do not be offended by what might seem like a ridiculous offer.

Work Hours

The work week starts on Sunday and ends on Thursday afternoon. The hours are similar to European hours, but Israelis work longer hours (42h/week).

5. What can we do for you?

Local contact points

The General Delegates and Local Representatives of the Region employed by hub.brussels are official representatives of the Brussels Government abroad, they support Brussels companies that want to export, and search and prospect for new investors.

They have the information, expertise and in-depth knowledge about the specifics of different foreign markets. Based on that knowledge, they help to refine and fine-tune your export plans, with advice on regulations, competition, market entry conditions, permits, etc. Furthermore, they can support you with your questions regarding exports, certain sectors within the jurisdiction, contacts with intermediaries, business culture, and much more.

Matthieu Labeau

Israel - Palestinian Territories

Embassy of Belgium
Sason Hogi Tower
Abba Hillel Street 12/A
5250606 Ramat Gan
Israel

+32 484 57 09 11
+972 3 613 81 62
+972 54 714 97 90

telaviv@hub.brussels

Key addresses

Ambassade de Belgique en Israël

<https://israel.diplomatie.belgium.be/fr/ambassade-et-consulats/ambassade-tel-aviv>
Abba Hillel Street, 12/a Sason Hoogi Tower
5250606 Ramat Gan

Consulat Général de Belgique (Jérusalem)

<https://jerusalem.diplomatie.belgium.be/fr/consulat-general-jerusalem>
5, Baibars Street, Sheikh Jarrah 9711769
Jérusalem

Federation of Israeli Chambers of Commerce

<https://www.chamber.org.il/en/>
84 Hahashmonaim Steet, 67132 Tel Aviv

Manufacturers Association

<https://eng.industry.org.il/>
Hamerd Street 29 street Tel Aviv p.o box
50022 6150001 Tel Aviv

Israel Innovation Authority

<https://innovationisrael.org.il>
Technology Park, Derech Agudat Sport,
Ha'poel 2 Jerusalem 9695102

Israel Advanced Technology Industries

<http://www.iati.co.il/>
Medinat HaYehudim 89 Building E, 11th floor
P.O. Box 12591
4676672 Hertzliya Pituach

Start Up nation Central

<https://www.startupnationcentral.org/>
28 Lilienblum St., Tel Aviv, Israel

Useful websites to delve into

<https://finder.startupnationcentral.org/>
https://www.gov.il/en/departments/topics/customs_israel_tax_authority/govil-landing-page

