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Agreement between the Israel Tax Authority and the Customs and Excise Directorate of the Palestinian Authority on the Operation of the Rafah Crossing Point

The Israel Tax Authority and the Customs and Excise Directorate of the Palestinian Authority (hereinafter referred to as the "Parties"):

Recognizing the importance of continuing the application of the Paris Protocol of April 29, 1994 (Annex 5 of the Israeli-Palestinian Interim Agreement of the West Bank and the Gaza Strip of September 28, 1995) (hereinafter – "the Paris Protocol"), and maintaining the resulting "customs envelope" between the Parties; and

Recognizing the need for confidence building measures between the Parties;

Have agreed as follows:

1. The Rafah crossing point (hereinafter – "the crossing point") shall be the only crossing point between the Gaza Strip and Egypt.
2. The crossing point shall be operated in accordance with the provisions of the Paris Protocol, prevailing laws, regulations and procedures, and prevailing international standards and rules.
3. The crossing point shall be operated using clear and transparent procedures.
4. The crossing point may be used only by travelers holding valid Palestinian identification cards. Other travelers must use the Kerem Shalom crossing point.
5. The importation [and exportation] of commercial shipments of goods between Egypt and the Gaza Strip, and the importation of goods, whose place of importation has been stipulated in this Agreement as the Kerem Shalom crossing point, shall be carried out only through the Kerem Shalom crossing point.
6. Fresh fruits and vegetables, as well as other agricultural products, even if intended for personal consumption, may not be imported through the crossing point.
7. Palestinian Customs shall take all necessary steps to prevent the smuggling of illegal narcotic drugs and psychotropic substances, to monitor the movement of money and similar financial instruments in order to combat money laundering and to enforce intellectual property rights, all in accordance with prevailing law and international practice.

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8. [Palestinian Customs shall prevent the importation of weapons and other goods, as detailed in the Appendix to this Agreement, which may be used by terrorist groups in pursuit of their aims and purposes.]
9. Travelers, including returning residents, may use the crossing point to bring in personal effects as defined in Rule 1(e) to Heading 7 of the Annex to the prevailing Customs Tariff. Any other personal belongings or other goods shall be cleared at the Kerem Shalom crossing point.
10. Palestinian customs officials shall be on duty at the crossing point during all hours of operation.
11. Import duties will be imposed by Palestinian customs officials and will be paid at the bank which will operate at the crossing point.
12. The Parties agree on the importance of the widest possible cooperation and information sharing including:
 - the notification, in real time, of the payment of import taxes in the crossing point; and
 - the provision of regular updates on trade policy, customs laws and regulations and customs procedures.
13. Palestinian Customs will provide Israeli Customs, in real time, information on the movement of travelers and their goods by technological means, such as closed circuit TV cameras, computer feeds and the like.
14. Where specific approval by a competent authority is necessary for the importation of a particular good, Palestinian Customs shall require that the traveler present such an approval from the Palestinian competent authority.
15. The level of sanctions for customs offences committed in the crossing point shall be the same as that imposed in Israel on similar offences.
16. Palestinian Customs shall inform Israeli Customs of customs offences in the crossing point and the actions taken in response thereto, including criminal actions, the imposition on fines and the final disposition of the goods.
17. The Palestinian side shall act to prevent smuggling across the Egyptian border into the Gaza Strip.
18. The crossing point will become operational upon completion of the infrastructure.
19. The Parties agree that a certain number of Palestinian customs officials shall be given training by Israeli Customs in the laws, regulations and procedures relevant to the operation of the crossing point.

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20. Except where otherwise stipulated, this Agreement shall not affect the applicable provisions of the Paris Protocol and any other arrangements agreed upon by the Parties over the years, as well as the prevailing laws, regulations and procedures.
21. A Joint Committee composed of Israeli and Palestinian customs officials shall be formed to resolve disputes arising from the implementation of this Agreement and the operation of the crossing point.

Done at _____ on _____.

For the Israel Side

For the Palestinian Side

Witnessed by: _____

Annex A

1. Chloretric salts
2. Perchloretric salts
3. Hydrogen Peroxide (18% concentrate and over).
4. Nitric acid
5. Xylen Musk
6. Mercury (including mercury for medical equipment)
7. Hexamine, Hexamethylenetetramine, Methenamine
8. Potassium Permanganate
9. Sulfuric acid
10. Potassium Cyanide
11. Sodium Cyanide
12. Sulfur
13. Chile Salpeter - solid
14. Ammonium Nitrate – solid
15. Kalk amon with chalk or dolomite - Salpeter, Cal-nitro, nitro-chalk – solid
16. מלחח נורבגית במצב מוצק
17. Potassium Nitrate – Solid
18. Nitrate salts of other metals
19. Red/white phosphorous (free)
20. Fertilizers with ammonium nitrate
21. Aluminum powder
22. Pesticides
 - A. Lannate (commercial name for Methomil)
 - B. תיואנקס
23. Fertilizers
 - A. Ammonium Nitrate – solid
 - B. Urea Nitrate – The restriction is on solid products
 - C. Urea - solid (Chemical + fertilizer)
 - D. Potassium nitrate (chemical + fertilizer), especially fertilizer 13-0-46
 - E. Fertilizer 17-10-27 – solid

Annex B

1. Optical binoculars ✓
2. Telescopes, including telescopic sights (including markers) ✓
3. Laser rangefinders ✓
4. Laser indicators ✓
5. Night vision instruments ✓
6. Underwater cameras and waterproof lenses ✓
7. Direction finding compasses and navigational instruments, including GPS ✓
8. Retro detection devices ✓
9. Diving equipment, including diving compressors and underwater compasses ✓
10. Jet skis ✓
11. External marine propulsion engines, over 25 horsepower and parts whose main function is for said engines ✓
12. Parachutes, windsurfers and model planes ✓
13. Hot air balloons, dirigibles, hang-gliders, model planes, and other non-motorized air craft ✓
14. Gamma and X-Ray measuring instruments and apparatus ✓
15. Instruments and apparatus for chemical and physical analysis ✓
16. Telemetric measuring devices ✓
17. Lathes, (including turning centers) for metal removal ✓
18. Lathe parts, accessories, and accompanying equipment ✓
19. Machines and equipment used for one or more of the following purposes:
milling, tapping, threading and rolling ✓
20. Casting ovens, above 600 degrees Celcius ✓
21. Tractor motorized vehicle ✓
22. Weapons, ammunition, daggers, swords and switch blades with a length of over 10 cm ✓
23. Fire emitting objects or systems, or explosives including fire works ✓
24. Gas tanks intended for thickened carbonated gas, colored bright blue ✓