



Israel

Israel is a highly developed, western-orientated market whose business practices are similar to much of Western Europe. UK exports to Israel have grown steadily and many British companies have a major presence in the market. Israel is the size of Wales with the population of London. English is spoken by the business community, it is only 2 hours ahead of the UK, 4.5 hours flying time, and the Israeli accounting and legal systems are based on UK practices.

Israel continues to be a growing export market for UK companies. According to official figures published by the Israel Central Bureau of Statistics, annual British exports to Israel have grown steadily in the past few years, with 2018 being a record year, with trade in goods exceeding \$10 billion. Key growth areas for UK exporters include life sciences and food.

The UK's commercial relationship with Israel derives from the EU-Israel Association Agreement. Following the 2016 UK Referendum a TCA (Trade Continuity Agreement) was signed between the UK and Israel, ensuring trade continues uninterrupted after the implementation period ends.

Tech

Technology is the driving force behind Israeli economic growth, especially as a tool for upgrading corporate capability and improving competitiveness. UK technology has much to offer, especially in the growing niches of smart cities, mobility, and autonomous driving. Israel has an excellent reputation for innovation and invention and is a world centre for research and development; R&D is heavily incentivised and funded by the Israeli government. There are many opportunities for UK companies to pursue collaboration agreements with Israeli tech companies. Sectors of particular interest are software, electronics, fintech, biotech, healthcare (digital health and precision medicine), and telecommunications.

Life Sciences

The life sciences sector offers huge opportunities for suppliers of goods and services. UK companies have been under-represented in this market. Initial indications for acceptability of UK products and services are positive, and the Israeli Ministry of Health requirements do not usually present a market access barrier.

Food and Drink

The Israeli food and drink sector has become more sophisticated in recent years and there is a growing market for organic, vegan, and non-dairy products. This has not yet seen a significant take-up by UK suppliers, probably because of insufficient awareness of the market potential. Meanwhile, the drinks sector has seen a huge increase in imports of Scotch whisky and this demand is growing. The current rate of the £ sterling to the Israeli shekel makes the UK more attractive to Israeli importers which also makes Israel clearly a market for UK food and drink companies to consider seriously. An important fact for UK exporters of food and drink to Israel to be aware of is that, as over 75% of the Israeli population is Jewish, and for food and drink to be sold through the main food outlets, these products must be certified as kosher.

Eco and Natural Products

There is a growing interest and market for Eco and Natural products- both local and imported in the Israeli market. These products are currently considered to be quite high end (usually sold in health-food shops, higher end supermarkets, and online) something that is slowly changing. There is a lot of untapped potential in the Israeli market for companies looking to export these kinds of products.

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