



Upcoming change in Israel's food industry: easier import, greater responsibility

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The Israeli regulations regarding production and import of food are about to undergo a major change. The "Law for the protection of public health (food)", known as "The cornflakes law" due to come into force at the end of September 2016, aims to regulate the rights and obligations of all factors involved in production, import and selling of food, in an efficient manner, including adoption of international standards and reducing bureaucratic barriers where possible. By doing so, the government hopes to increase competition in the food industry and lowering of prices to be paid by consumers.

The new law reorganizes existing legislation and at the same time adopts new rules where applicable, based on international accepted standards.

Although the law's purpose is to reduce regulatory barriers, it aims to introduce a clear and uncompromising set of rules guaranteeing the quality, standard and safety of food products in Israel.

For example, the law emphasizes the principle of traceability: the obligation to document and follow closely each step along the entire line of production, import, storage, supply and marketing. In case the tiniest danger to public health is suspected regarding a certain product, the authorities will know where to focus and thus to avoid or minimize its impact.

The law facilitates import of non-sensitive foods (dry products such as rice, crackers and cereals) and allows to import them on base of a declaration by the importer (making prior written approvals by the manufacturer not anymore necessary). This makes it easier for parallel importers who do not have exclusivity agreements with foreign food manufacturers, to import goods via other suppliers.

In addition, the law allows for fast release from customs (one day) once the importer has submitted relevant and accurate documents.

The ministry will remain strict however on import of sensitive foods such as meat, dairy products, baby food and dietary supplements, which shall still require prior approval from the Ministry of Health.

The law, which includes over 300 articles, sets out a standard set of rules but at the same time provides a broad framework allowing the Ministry of Health to impose additional rules and regulations whenever necessary.

Few of the regulations for importers:

- Each importer must be registered and has to submit a declaration supported by a letter of undertaking assuring that the product complies with the rules. The declaration must include the details of the importer, specification of the food imported, the purpose of import (for manufacturing, consumer consumption or

otherwise) its weight and details of manufacturer. If the food is imported through a supplier who is not the manufacturer, his details are also requested.

- All food products have to be marked properly according to new as well as existing rules.
- All documents related to the import of the goods, including copies of labels and packages, have to be documented and kept by the importer for at least one year from the expiration of shelf life of the goods.
- Likewise, the importer shall keep record of all parties to whom the goods were supplied and keep all delivery documents.

Although the new law facilitates import procedures, it puts fierce responsibility on manufacturers and importers and heavy criminal or administrative sanctions apply to those who will violate the law.

The "cornflakes law" marks a new era in Israel's food industry, opening up possibilities for parallel import and as such allows foreign food businesses to explore opportunities in Israel.

The above is general information and does not constitute specific legal advice.

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