

PREAMBLE

The Government of the State of Israel (“Israel”) and the Government of the Republic of Panama (“Panama”), hereinafter referred to as “the Parties”, resolved to:

STRENGTHEN the special bonds of friendship and cooperation between them;

CONTRIBUTE to the harmonious development and expansion of world trade and provide a catalyst to broader international cooperation;

REDUCE obstacles to their bilateral trade;

STRENGTHEN their economic relations and to promote economic cooperation, in particular for the development of trade and investments;

PROMOTE the development of their trade with due regard to fair conditions of competition;

CREATE an expanded and secure market for their goods and services and establish clear and mutually advantageous rules in order to foster a predictable environment for their trade and investments;

EXPLORE the possibility of promoting the harmonious development of their trade as well as the expansion and diversification of their mutual cooperation in fields of common interest, including fields not covered by this Agreement;

REAFFIRM their membership in the World Trade Organization and their commitment to comply with their respective rights and obligations under the *Marrakesh Agreement Establishing the World Trade Organization* and other agreements to which they are both parties; and

HAVE AGREED, in pursuit of the above, to conclude the following Free Trade Agreement (hereinafter referred to as “this Agreement”):