Press Release: We continue to fight the cost of living - for the first time the State of Israel aligns itself according to the European standard in the field of food

Spokesperson Unit **Budget Division** 

Out of 127 official standards unique to Israel in the field of food, at the beginning of 2023 the formality of 96 full standards for food importers will be canceled, while another 18 standards will be canceled almost completely. For the food manufacturers, the aforementioned 96 standards will be officially canceled in 3 strokes.

The Committee for Examining Food Standards, chaired by the Chairman of the Regulatory Authority Yoel Briss, with members representing the Prime Minister's Offices, Finance, Health, Justice, the Economy, the Competition Authority, and the Consumer Protection Authority, has examined Israeli food standards in recent months. The committee's goal is to compare the regulation as much as possible the Israeli food policy to that practiced in other developed countries, thereby facilitating both the import of food to Israel and its local production in the Israeli food industry. The standards that will be canceled will facilitate the import and production of a variety of products, such as: chocolate products, canned vegetables of all kinds, pasta, rice, crackers, a variety of products Frozen vegetables, spices, ketchup, tea, dairy products and ice cream and more.

The committee established as a criterion for allowing Israeli standards one and only one test: an Israeli standard will remain only if its cancellation would lead to a complete absence of regulation ("vacuum"), which would endanger public health. Regarding the Israeli standards that the committee considered a health necessity to leave them for now, the committee recommended an outline for further improving the regulation and adapting it, as much as possible, to what is customary in developed countries.

Prime Minister Yair Lapid: "The government has made it a point to cut excess regulation in order to ease the cost of living and open the market to competition. Following the government's policy, the Regulatory Authority works in full cooperation with the various government ministries for the sake of the citizens. This move, which we are bringing now, will bring down prices and to open the food market to competition. We will continue to act for the benefit of the citizens of the State of Israel and their well-being."

Finance Minister Avigdor Liberman: "We continue to take additional steps to lower the cost of living and treat the problem from the root, and today we bring great news with the cancellation of the unique food standards for Israel as part of the import reform. Adapting the Israeli regulation to what is accepted in the developed world is the key to increasing competition and lowering prices for the consumer. There is no need to invent the wheel and add bureaucracy with unique and unnecessary regulation."

Minister of Economy and Industry Orna Barbibai: "The revolution in the import of food products is on the rise, today we took another significant step in the fight against the cost of living. As part of the import reform, the unique standards added over the years in islaet will be removed from food products. 96 of them immediately. This is a significant step to increase competition, reduce costs Imports and encouraging more retail chains to enter Israel. I thank the Prime Minister, the Minister of Health, the Minister of Finance and the Chairman of the Regulatory Authority for their cooperation and determination to promote the issue." living. As part of the import reform, the unique standards added over the years in Israel will be

Health Minister Nitzan Horowitz: "Alongside the professional supervision necessary to maintain public health, we are committed to fighting the cost of living, and to removing bureaucratic obstacles where possible.

After many years of trying to promote this, the Ministry of Health is now leading the important move that will bring down prices, and this will be felt right in the pockets of Every citizen. We are also examining the adoption of additional international regulations alongside the official cancellation of additional food standards, all with the aim of enabling the availability and accessibility of food products at low costs, without compromising public health."

Chairman of the Regulatory Authority Yoel Briss: "The adjustment of the regulation in the food sector is important and precedential. The implementation of the move will significantly reduce regulation in the food industry and will contribute to our fight to lower the cost of living in Israel. I thank the Food Division of the Ministry of Health, the Budget Division of the Ministry of Finance, the Ministry of Economy for its wings and all the partners for the hard work in promoting the reform of food imports, for the benefit of the Israeli consumer."

The agreements reached regarding the 127 Israeli food standards are:

For importers - the official standards of 96 complete standards will be canceled as of January 1, 2023.

For the Israeli manufacturers - the official standards of 96 standards will be completely canceled in three steps, until the beginning of 2026 as follows:

- 60 standards will be completely canceled on January 1, 2023.
- 21 standards will be completely canceled on January 1, 2024.
- 15 standards will be completely canceled on January 1, 2026.

21 standards will be almost completely canceled: over 70% of the sections of the standards will be canceled on January 1, 2023, for both importers and manufacturers.

In addition to maintaining the formality of the Israeli standard, the committee will recommend the adoption of American and European standards in relation to 3 standards: honey, instant coffee, and roasted coffee, in a way that will allow importers and local producers to choose which standard to comply with through the amendment of the Fourth Addendum to the Standards Law, subject to the approval of a joint committee of the Health Committee Economy in the Knesset.

The committee will also recommend the adoption of European standards in relation to the olive oil standard through the amendment of the Public Health Protection Law (Food), subject to the approval of the Economic Committee and the amendment of the second addendum to the Food Law.

For 13 standards relating to canning, the Ministry of Health undertakes to act to amend the Food Law by 1.1.26 in order to make it possible to remove the formanty of unest standards and adopt European regulation. If it is not possible to act through the Food Law, the Ministry of Health will examine whether these standards meet the threshold conditions for being added to the fourth supplement to the Standards Law, and the Ministry of Economy will examine the possibility of including them in this supplement. Law by 1.1.26 in order to make it possible to remove the formality of these standards and to