


עריכת מכרז	פרק משני:	משרד האוצר אגף החשב הכללי תכ"ם – התקשרויות ורכישות 
חובת מתן העדפות והסכמים בינלאומיים	תת פרק:	
7.4.2.3	הוראה מקשרת:	
7.4.2.3.1.ט	מספר טופס:	
תת מהדורה: 01	מהדורה:	

This form has to be filled out, duly signed and submitted along with the Supplier's first response to the below mentioned tender/request for proposal.

Failure to comply with this requirement will disqualify the Supplier's bid.

Annex to Invitation to tender/request for proposal no. _____, issued by _____ (hereinafter referred to as "the Buyer") dated _____ for the supply of

Foreign Supplier's Industrial Cooperation Undertaking

As per the Mandatory Tenders Regulations


(Mandatory Industrial Cooperation), 5767-2007 (hereinafter the "Regulations")

We, (name of Supplier)

Having its offices at (full address)

commit to the State of Israel, that in the event of winning the above mentioned tender/request for proposal (hereinafter referred to as "the tender"), we shall put into practice Industrial Cooperation in Israel, in accordance with the outlined below:

1. We are aware of the fact that this undertaking originates from the "Regulations" and the terms used herein have the same meaning as there.
2. The extent of Industrial Cooperation that shall be carried out by us, shall level at least 35% (for suppliers of non-excluded products from GPA member states, the extent of industrial cooperation is 20%), of the value of the contract or of the transaction, that will be concluded with us, in the event of winning this tender in whole or in part, including the exercising of any option related thereto, as well as to spare parts acquisitions, training activities, maintenance, technical assistance, guarantees etc. that will be procured from us, in connection with the main equipment acquired, within the framework of the above mentioned tender.
3. We are aware that the possible ways in fulfilling our undertaking for Industrial Cooperation, are by local subcontracting, investments, Know-How transfer, R&D orders and acquisition of Israeli products, work or services, or any other way approved in advance by the ICA, excluding those listed in clause 10 bellow.

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4. (a) Within the framework of our undertaking, we commit to carry out Local Subcontracting in a value not less than **20%** of the contract/transaction value and additionally, carry out Industrial Cooperation in one or more of the other ways set forth in clause 3 above, in a value not less than **15 or 8%** (subject to the rule outlined in clause 2 above) of the contract/transaction value.

(b) We are aware that once we've committed to carry out Local Subcontracting in the value outlined above, at the end of work done, we'll have to provide the Buyer and the ICA with a signed by a CPA report, indicating the value and nature of Local Subcontracting actually materialized.

5. We are aware of the fact that in accordance with the provisions of the tender, we are required to provide in conjunction with our price proposal, this duly signed undertaking form, along with a detailed fulfillment program for the undertaking completion, in the event that we win the tender.

Failure to provide the fulfillment program as required will disqualify our bid.


6. We are aware that the Industrial Cooperation Authority (ICA) is in charge on behalf of the Government of Israel with appraisal, classification and monitoring of the hereby attached fulfillment program, if we win the tender.

7. Our undertaking for Industrial Cooperation shall be carried out within 3 years as of the effective date of the contract/transaction the subject of the tender. The ICA may upon request, approve an extended period of time, considering the nature of Industrial Cooperation to be implemented, or the complexity of the contract/transaction.

8. The records of ICA pertaining to the execution of our undertaking shall be *prima facie* evidence in any matter relevant to the fulfillment of this requirement in the tender.

9. We are aware that in order to value the extent of Industrial Cooperation activities carried out by us pursuant to this undertaking, the following rules shall apply:

(a) New or incremental procurement by the supplier of Israeli products or services, compared to the supplier's average extent of procurements carried out in the last three years, or the award of orders for local subcontracting, **comprising a level of Israeli**

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added value of at least 35%, shall result in Industrial Cooperation credits in a value of 100% of the business deal nominal price.


(b) In some instances, subject to the rules to be published and on a case by case basis, the ICA will be entitled to grant credits exceeding 100% of the business deal price, by virtue of Industrial Cooperation activities of a unique nature, or activities implemented with preferred industry sectors and regions.

10. Furthermore we are aware that:

- (a) Investments, acquisition or funding of R&D projects, which shall be taken into account in calculating the extent of our Industrial Cooperation, shall not include any grant given, if given by the Government of Israel, as part of an investment or funding program as stated above.
- (b) Expenditures such as agent's commission, personnel, office and other expenses the purpose of which are to promote our sales in Israel, shall not be recognized as Industrial Cooperation activities.
- (c) Purchase of shares of Israeli companies to which the Securities Law 5728-1968 applies, to the extent in which the purchaser is not deemed to be "a party with an interest" as defined in the said Law, will not be considered as Industrial Cooperation.
- (d) Any activity of ours with the Israeli industry carried out prior to being awarded with the buyer's contract shall not be eligible for crediting purposes.
- (e) Any Industrial Cooperation activity to be carried out by us which is not part of our fulfillment program will be subject to ICA's prior approval.

11. Aimed at demonstrating our serious intentions regarding the fulfillment of our undertaking, we commit to take the following steps:

- (a) To furnish along with the submission of our bid or price proposal (the latest between the two), a fulfillment program for our undertaking, if we win the above mentioned tender. We will use Attachment A to specify the program including as many details as possible of subjects for Industrial Cooperation with the Israeli industry, implementation mile stones and time frame of completion, having regard to activities as outlined in clause 3 above.
- (b) Part of that program will be the appointment and written notification of a competent person to act as our Industrial Cooperation Coordinator (ICC), who will be responsible

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on our behalf for the fulfillment of this undertaking, for managing the activities in this regard and serve as our contact with the ICA, with the Israeli industry and other business entities. The appointee's name and position in our organization and all other complementary information will be fully outlined in the program submitted.

In case the ICC is replaced at any time in the future, we are committed to notify the ICA within 72 hours from the time the replacement took place.

(c) To take all conventional measures, including the use of consultation services, conducting a professional survey in Israel, visiting business entities in Israel and vice versa, or any other means aimed at the examination of business feasibilities in Israel.

(d) Once every year (on January 31) and until our undertaking is fully satisfied, we shall furnish the ICA with written - in a format to be set by the ICA - reports, having regard to the fulfillment of our undertaking for Industrial Cooperation, which will include the following data:

- (1) Full identifying details of orders for Israeli products, work and services, local Subcontracts, investments or any other Industrial Cooperation activities carried out during the reporting period, subject to the rules set forth in clause 9 above.
- (2) Any additional information that might be required by the ICA, regarding activities we've carried out aimed at the fulfillment of our undertaking.


Non compliance with any of the requirements outlined in clause 11 will be deemed as a violation of our undertaking.

12. All communications on our behalf having regard to the fulfillment of this undertaking will be sent to the ICA at the following address:

Industrial Cooperation Authority
 Ministry of Industry Trade and Labor
 86 Menachem Begin Rd.
 P.O. Box 36049
 Tel Aviv 67138, Israel.
 Tel: (972) 3 5634178 Fax: (972) 3 5634177

and additionally, for U.S. and Canadian companies:

The U.S. Director - ICA
 Government of Israel Economic Mission

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800 Second Ave. 17th Floor,
 New York, NY 10017, U.S.A.
 Tel: (212) 499 5741, Fax: (212) 499 5745

Signature of an authorized officer on behalf of the submitter of the tender:
 If the bid is submitted by an importer and/or a leasing services provider, this document should be signed by an authorized officer on behalf of the foreign manufacturer of the goods or services to be supplied pursuant to the a.m. tender.

Name: _____ Title: _____

Phone No.: _____ Fax No: _____

Signature: _____ Date: _____

Email: _____ Web Site: _____