



Israel, China to Begin Negotiating Free Trade Agreement as Tech Ties Strengthen

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An Israeli official announced last week that China and Israel will soon begin negotiations on establishing a free trade zone, [The Times of Israel reported](#) Thursday.

Amit Lang, the director-general of Israel's Ministry of Economy and Industry, announced at the second annual China-Israel Investment Conference that negotiations will begin in the coming days to remove trade barriers between the two nations.

Lang characterized China as a "strategic partner" for trade, noting that Israel established six trade missions in the country, more than in any other.

"Israel is a powerhouse of innovation and hosts more than 270 international companies, including some Chinese corporations which appreciate the opportunities in Israel," Lang said. "We would be happy to see even more Chinese companies and investors become active in Israel. We invite you to familiarize yourselves with our innovation and originality, attractive incentives, tailored support and our ability to do business."

The push to bolster trade between Jerusalem and Beijing comes amid growing interest in Israeli tech startups by Chinese investors.

“As the world’s second-largest economy shifts its identity from a manufacturing and labor-intensive economy to a high-end innovative force, Asian giants including Alibaba Group, Hutchison Water Ltd., and Huawei have set up R&D centers, invested in funds and snapped up Israeli startups and companies,” The Times of Israel explained. “Chinese conglomerates like the Kuang-Chi Group have set up funds and are investing in Israeli companies, while earlier this week Chinese IT corporation Neusoft said it would set up a \$250 million fund to invest in Israeli medical technologies over the next three years, together with the Israeli-Chinese private equity fund Infinity Group.”

Annual GoforIsrael conferences, which seek to bolster the state’s trade ties, were also held in Shanghai and Wuhan last week. Israeli startups such as Zerto, XJet, Tufin, ReWalk, Kaminario, and Mobileye were matched with Chinese investors during the events, including executives from companies like Alibaba, Tencent, Baidu, and Lenovo. The conferences drew over 2,800 people.

[Photo: Israel Foreign Affairs Min. / YouTube]

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