



Trócaire Policy Report - September 2012

# Sustaining Injustice:

EU trade with Israeli settlements  
in the occupied Palestinian  
territories

**Trócaire**

# Trócaire's vision:

**Trócaire envisages a just and peaceful world which cherishes people's dignity and respects their rights; where their basic needs are met and they can share resources equitably; where people have control over their own lives and those in power act for the common good.**

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Photographs by Garry Walsh, Alan Whelan and Eoghan Rice

Cover image: The Israeli settlement of Ma'ale Adumim, built on Palestinian land, is home to 35,000 Israeli settlers.

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## List of abbreviations

<b>ECCR</b>	Ecumenical Council for Corporate Responsibility
<b>EU</b>	European Union
<b>IHL</b>	International Humanitarian Law
<b>IHRL</b>	International Human Rights Law
<b>oPt</b>	occupied Palestinian territory
<b>SOAS</b>	School of Oriental and African Studies
<b>UK</b>	United Kingdom
<b>UN</b>	United Nations
<b>UNOCHA</b>	United Nations Office for the Coordination of Humanitarian Affairs
<b>WHO</b>	World Health Organization

# 1. Introduction



Waleed Abohanya stands at his confiscated land. Two thirds of his land has been bulldozed and confiscated by the nearby settlement of Masua, which uses confiscated Palestinian land to grow agricultural produce for export.

# 1. Introduction

Trócaire has been working in Israel and the occupied Palestinian territories (oPt) since 2002, working in partnership with local Israeli and Palestinian organisations to challenge ongoing human rights abuses and to build a lasting and durable peace. Over the last decade, there has been a steady deterioration in the human rights situation on the ground. In particular, the Israeli policy of building settlements on Palestinian land leads to widespread human rights violations and is one of the largest obstacles to peace in the region.

Palestinian communities are under threat from the continued expansion of Israeli settlements and the related policies of land confiscation and house demolitions. Settlements undermine the development of Palestinian communities and infringe on the right to self-determination, equality, property, an adequate standard of living, and freedom of movement. Furthermore, according to the UN, the EU and the International Court of Justice, Israeli settlements are illegal under international law.

The “two-state solution” of an Israeli and Palestinian state living side-by-side in peace and security is widely promoted and recognised by the international community as a solution to the conflict, including by Ireland, the UK and the EU. However, the construction of settlements in the West Bank is rapidly endangering it as a realistic possibility. In July 2012, Tánaiste and Minister for Foreign Affairs and Trade, Eamon Gilmore TD, reiterated the Irish government’s support for a two-state solution but stated that the “relentless construction of settlements in the West Bank (including East Jerusalem) is undermining the viability of a future Palestinian state” and that “the window of opportunity for the two-state solution is rapidly closing”.<sup>1</sup>

This sentiment was shared a month earlier by the UK Secretary of State for Foreign and Commonwealth Affairs, William Hague MP. In a public statement released by the UK Foreign Office in June 2012, the Secretary of State said, “continued systematic settlement activity, and repeated breaches by the Israeli government of international law, is provocative, undermines the prospects of peace between Israel and the Palestinians, and makes the two-state solution ever harder to realise.”<sup>2</sup> Furthermore, in May 2012, the EU Foreign Affairs Council recognised the urgency of the situation on the ground and condemned “developments on the ground, which threaten to make a two-state solution impossible”. They reiterated that “settlements remain illegal under international law”.<sup>3</sup>

Regrettably, statements by the EU, the UK and Ireland have done little to halt the growth of the settlements on the ground. Since the beginning of the Oslo peace process in 1992, the number of Israeli settlers in the West Bank has more than doubled. There are now more than 500,000 settlers living on occupied Palestinian land, and 42% of West Bank land has been allocated for settlements. In comparison, this is roughly equivalent to an area the size of Dublin, Louth, Meath and Westmeath being reduced to the size of just Meath. Statements and declarations have done little to halt this rapid expansion.

Furthermore, while the EU condemns Israeli settlements as illegal and an obstacle to peace, the EU continues to trade with them. Trade between the EU and the settlements is estimated to be at least €96 million a year<sup>4</sup>. Settlement goods such as agricultural produce and manufactured goods are ending up on the shelves of EU retailers. Many European consumers have shown a strong preference for purchasing ethically sourced products, and don’t want to be complicit in violations of international law and human rights abuses.<sup>5</sup>

<sup>1</sup> <http://www.kildarestreet.com/wrans/?id=2012-07-19.704.0> [Accessed July 2012]

<sup>2</sup> <http://www.independent.co.uk/news/uk/politics/william-hague-condemns-israeli-homes-plan-7830940.html> [Accessed August 2012]

<sup>3</sup> EU Foreign Affairs Council Conclusions, 14th May 2012

<sup>4</sup> See section 4.1

<sup>5</sup> In the UK, ethical consumer spending (defined as ‘personal allocation of funds, including consumption and investment, where choice has been informed by a particular issue – be it human rights, social justice, the environment or animal welfare’) amounted to £46.8bn in 2011, a 9% rise on 2010. Despite the recession, the sale of ethical goods has increased year-on-year for the last decade.

The Co-op Bank “The Ethical Consumerism Report 2011”, Pg. 2.

<http://www.co-operative.coop/PageFiles/416561607/Ethical-Consumerism-Report-2011.pdf> [Accessed August 2012]

As long as Israel doesn't feel an increased cost to its policies, it is unlikely to respond to EU statements. EU messages towards Israel are in fact mixed – while statements may condemn the settlements, in practice political and trading relations have been growing closer. By trading with settlements, the EU undermines its own policy of opposing and condemning settlements. In order to have an impact on restricting settlement expansion, European countries must move from words to action. They must apply measures that will give effect to their rhetoric and will be felt by Israel.

Trócaire believes that EU trade in settlement goods helps to bolster settlement economies and helps such settlements become financially viable and more permanent entities. Trading with settlements amounts to tacit support to ongoing violations of international law, and makes empty words of EU statements. Ending trade with settlements would have a strong economic, legal and political impact. EU governments and retailers can assist in ending this trade and can help to bring about a just peace to the region based on international law.

*This report examines the negative impact of Israeli settlements on Palestinian communities and looks at how the EU's policy of trading with settlements undermines EU condemnation of settlements and supports their economic viability. It examines the various sectors of the settlement economy, the products that are entering EU markets, and the levels of trade between the EU and the settlements.*

*The paper argues that to make a serious contribution towards the long-term peace in the region, the EU, Ireland, and the UK must take action against settlement trade. The paper makes recommendations for governments and retailers to contribute towards an end to settlement trade.*

## 2. Israeli Settlements



Jabril Jahalin stands at the site of his demolished home



## 2. Israeli Settlements

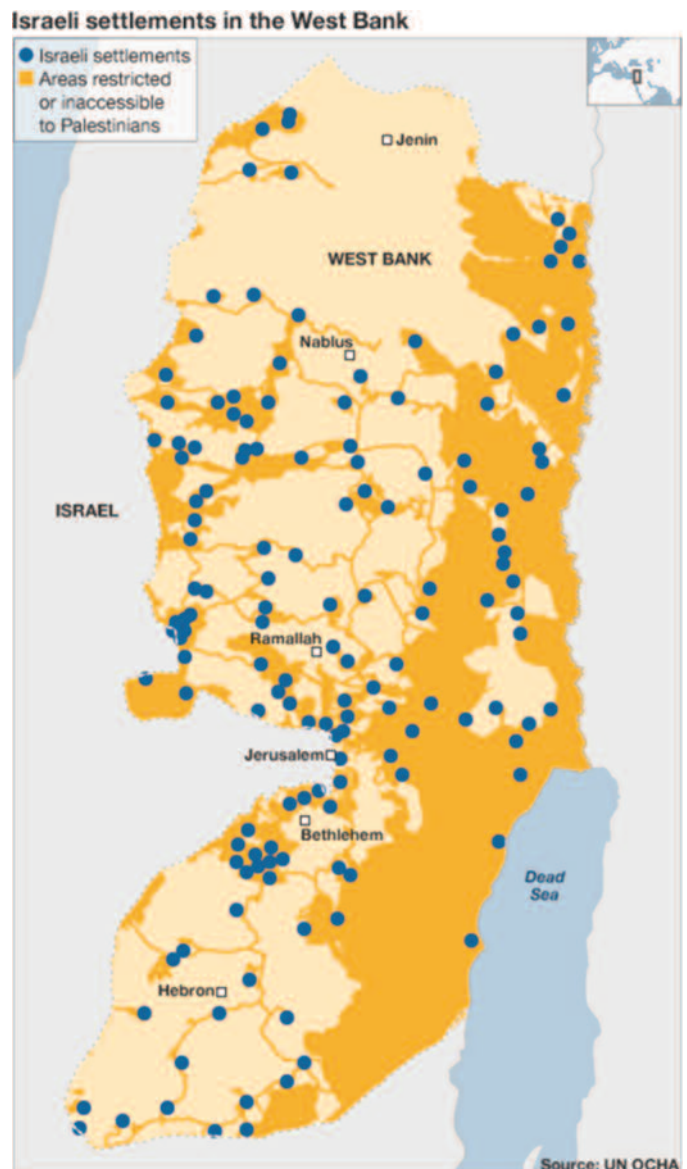


Israeli settlements are areas of Palestinian land where Israeli citizens have established houses, communities, businesses and towns, in many cases subsequently supplemented by infrastructure and the separation wall creating significant areas of Israeli occupied enclaves in Palestinian land.

Settlements constitute a transfer of civilian population into occupied territory, and are thus illegal under International Humanitarian Law (IHL) (see section 2.2 below). In spite of their illegality, over the last 45 years, more than 42% of West Bank land has been allocated to the establishment of over 200 settlements. This is roughly equivalent to an area the size of Dublin, Louth, Meath and Westmeath being reduced to the size of just Meath. There are now over 500,000 Israeli settlers living in the West Bank and Palestinian East Jerusalem.<sup>6</sup>

Since Israel's occupation of the West Bank began in 1967, the settlement enterprise has been promoted and expanded under successive Israeli governments. The settlements are subsidised heavily by the Israeli state through benefits and incentives to encourage settlement growth. As a result of settlement growth and the creation of related infrastructure including new road networks and the separation wall, the geo-spatial landscape of the West Bank has been dramatically altered. As such, the settlements have divided and separated the areas of the West Bank under Palestinian control, creating disconnected Palestinian enclaves and blurring the border between Israel and the West Bank. The carving up of the West Bank undermines the geographical integrity of the occupied Palestinian territories, threatening the viability of a Palestinian state under the hoped for two-state solution.

Israel has also created in the occupied Palestinian territory a regime of separation and discrimination, with two separate systems of law in the same territory. One system, for Israeli settlers, de facto annexes the settlements to Israel and grants settlers the rights of Israeli citizens, and these settlement communities benefit from first-world service provision. The other is a system of military law that systematically deprives Palestinians of their rights. These separate systems reinforce a regime in which rights depend on the national identity of the individual.



<sup>6</sup> B'Tselem "By Hook and By Crook: Israeli Settlement Policy in the West Bank" 2010, pg 57.  
[http://www.btselem.org/download/201007\\_by\\_hook\\_and\\_by\\_crook\\_eng.pdf](http://www.btselem.org/download/201007_by_hook_and_by_crook_eng.pdf)  
 [Accessed July 2012]

## Settlement facts & statistics

- Since 1967, Israel has established about 150 settlements (residential and others) in the West Bank, including East Jerusalem, in addition to some 100 “outposts” erected by settlers without official authorization.
- The settler population is estimated at approximately 500,000; its rate of growth during the past decade stood at a yearly average of 5.3% (excluding East Jerusalem), compared to 1.8% by the Israeli population as-a-whole.
- Nearly 200,000 Israeli settlers reside in settlements established in occupied East Jerusalem, which has been unlawfully annexed to Israel; 35% of the annexed areas were expropriated and allocated to settlements.
- Over 60% of the Palestinian-owned structures demolished in 2011, due to the lack of permit, were located in areas allocated to settlements.
- In 2011, five Palestinians (including two children) were killed and over 1,000 injured (of whom nearly a fifth were children) by Israeli settlers or security forces in incidents directly or indirectly related to settlements, including demonstrations.
- Over 90% of Israeli police investigations into incidents of settler violence during the past six years (2005-2011) were closed without indictment.

Adapted from UNOCHA<sup>7</sup>

## 2.1 Effects of settlements on Palestinian communities

In the West Bank, Trócaire is witnessing the daily reality of settlements and their direct effect on Palestinian communities. Settlements undermine the fundamental human rights of Palestinians, and the human cost of illegal settlements is enormous. As settlements grow, Palestinian communities are increasingly affected by violence, restriction of movement, confiscation of land, demolition of homes, and a lack of access to basic services. Trading with settlements supports their continued viability and growth, which enables these violations of rights to continue. This human cost of settlements makes the question of ending trade with settlements a matter of urgency.

### 2.1.1 Walls, Roads and Checkpoints - Restrictions on movement

During the violence of the second intifada, which followed the collapse of the Oslo peace process in 2000, movement restrictions were enforced in the West Bank as temporary security measures.

However, despite some improvements in movement and access over the last 4 years, the overall restriction regime remains in place. Palestinians still face major obstacles and difficulties moving around the West Bank, particularly moving between different urban centres. Most of the restrictions on movement in the West Bank are aimed at protecting the settler population, and are also caused by the growth of infrastructure for settlements, including by-pass roads, and the separation wall.

There remain over 500 roadblocks and checkpoints throughout the West Bank, which obstruct Palestinian movement. In 2011, an additional 495 ad-hoc checkpoints obstructed movement. Most Palestinian traffic is funnelled onto secondary and often lower-quality routes affecting their access to services and livelihoods. According to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), 200,000 people from 70 villages are forced to use detours between two to five times longer than the direct route to their closest city due to movement restrictions.<sup>8</sup>

The separation wall compounds the restrictions of movement, dividing and isolating Palestinian communities from one another and separating farmers from their lands. The wall reduces the access of thousands of Palestinians to urban centres, workplaces and essential services.

<sup>7</sup> UNOCHA “The humanitarian impact of Israeli settlement policies” 2012

<sup>8</sup> UNOCHA “The Humanitarian Impact of the Barrier” 2012

The route of the barrier deviates from the international recognised 'Green Line' (that marks the pre-1967 internationally accepted border between Israel and the occupied Palestinian territories) for 85% of its 700km route, cutting deep into the West Bank. The route of the wall is largely determined by the location of the settlements, as it keeps 85% of the settlement population on the 'Israeli' side of the wall. Examination of the route of the wall reveals that the route even takes into consideration future expansion of the settlements.<sup>9</sup> As such, the wall can be seen as a unilateral attempt by Israel to demarcate future borders deep into Palestinian territory.

### 2.1.2 Water

Israel's citizens, like those of many developed countries worldwide, benefit from unlimited running water to meet their household needs all year round. On the other hand, hundreds of thousands of Palestinians suffer from a severe water shortage throughout the summer. The water shortage violates the basic human rights of Palestinian residents of the occupied territories such as the right to health, to adequate housing, to equality, and to benefit from their natural resources. Settlements restrict and exploit Palestinian natural water resources. Settlements consume 75% of the water of the West Bank, and much of this water is used to produce agricultural items for export.<sup>10</sup>

The World Health Organization (WHO) recommends 100 litres of water per capita per day as the minimum quantity for basic consumption. Daily per capita water consumption in the West Bank for domestic, urban, and industrial use is only 73 litres, and in some areas in the northern West Bank, consumption is only 37 litres. In contrast, per capita water consumption in Israeli towns is 242 litres and in local councils, 211 litres.<sup>11</sup> Settlements enjoy year-round water supply, and the settlement of Ma'ale Adumim has 4 public swimming pools.

### 2.1.3 Demolitions & displacement

In 2011, a record year of displacement, a total of 622 Palestinian structures were demolished by Israeli authorities, of which 36% (or 222) were family homes; the remainder were livelihood-related (including water storage and agricultural structures). This resulted in the displacement of 1,094 people, almost double the number for 2010.<sup>12</sup>

<sup>9</sup> Ibid.

<sup>10</sup> Quaker Council for European Affairs "EU trade with Israeli settlements", 2012

<sup>11</sup> B'Tselem "The Gap in Water Consumption between Palestinians and Israelis", 2012 [http://www.btselem.org/water/consumption\\_gap](http://www.btselem.org/water/consumption_gap) [Accessed July 2012]

<sup>12</sup> ICAHD "The Judaization of Palestine" 2012

### Case Study: Settler Violence.

Sundus Al-Azzeh is an 18 year old Palestinian girl living in the city of Hebron. Hebron is home to 190,000 Palestinians, but 800 radical Israeli settlers live in the very centre of the city. Sundus lives next to these settlers and she and her family have been the victims of attacks and abuse by settlers.



Sundus Al-Azzeh

She is in her final year at school, and has to go through a military checkpoint every day. Often her bags are searched. Outside her school, settler women often gather to shout abuse such as "Slaughter the Arabs" in Arabic and men throw stones and eggs. She has been attacked and beaten up by the settlers.

Sundus says that "the Israeli soldiers protect the settlers and not the children". International volunteers help defend the students on their way to and from school.

"The settlers that live here are crazy. They hate us. We try to be kind to them, but it is impossible. They are difficult. Small settler children that are only 5 years of age call us dogs in Arabic".

"I have a lot of friends in Israel who are kind and peaceful", says Sundus. She came to Ireland with "Schools across Borders" and also had the chance to make contact with Israelis of the same age. She continues to write to them and talk on Skype. "When I tell the Israelis about the settler violence, they are sad but the problem is that when they are 18 they have to join the army and protect these settlers."

Trócaire's partner organisation, B'Tselem, is an Israeli human rights organisation which has provided Sundus with a video camera as part of their video project to document human rights violations. Sundus is now able to film settler and soldier attacks. "I'm a volunteer here so I'm strong," she says. "They have guns but the camera is my gun".

"When I complete my education, I want to be a translator. I want to be a famous woman who can travel to Gaza. If I have a lot of money, I would go to Gaza to help rebuild houses."

Demolitions tend to target some of the most vulnerable Palestinian communities including Bedouin and herder communities, who in many cases have been displaced several times since 1948. Displacement has a particularly overwhelming effect on women and children especially because of the disruption to primary education, and can result in post-traumatic stress disorder, depression, and anxiety.<sup>13</sup>

Thousands remain at risk of demolitions and displacement in Area C of the West Bank and East Jerusalem, most notably in areas of strategic prominence such as communities in the Jerusalem periphery and in the Jordan Valley. Over 60% of the Palestinian-owned structures demolished in 2011 were located in areas allocated to settlements.<sup>14</sup> Demolitions, forced displacement and settlement expansion combine to make up a politically motivated strategy that is used to shape the demographic make-up of the West Bank, confining the 2.4 million Palestinian residents of the West Bank into small enclaves while settlements expand in strategic locations on expropriated land.

## 2.2 Settlements and International Law

The creation of settlements of Israeli civilians in the West Bank violates international humanitarian law (IHL) which establishes principles that apply during war and occupation. Moreover, the settlements lead to the infringement of international human rights law (IHRL).

The Fourth Geneva Convention prohibits an occupying power from transferring citizens from its own territory to the occupied territory (Article 49). The Hague Regulations prohibit an occupying power from undertaking permanent changes in the occupied area unless these are due to military needs in the narrow sense of the term, or unless they are undertaken for the benefit of the local population.

<sup>13</sup> ICAHD "The Judaize Judaization of Palestine" 2012

<sup>14</sup> UNOCHA "Demolitions and Forced Displacement in the West Bank" 2012

<sup>15</sup> International Court of Justice "Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory" <http://www.icj-cij.org/docket/index.php?pr=71&code=mwp&p1=3&p2=4&p3=6&ca> [Accessed July 2012]

<sup>16</sup> B'Tselem, "Land Expropriation and Settlements in the International Law" [http://www.btselem.org/settlements/international\\_law](http://www.btselem.org/settlements/international_law) [Accessed July 2012]

<sup>17</sup> B'Tselem "By Hook and By Crook: Israeli Settlement Policy in the West Bank" 2010, pg 57. [http://www.btselem.org/download/201007\\_by\\_hook\\_and\\_by\\_crook\\_eng.pdf](http://www.btselem.org/download/201007_by_hook_and_by_crook_eng.pdf) [Accessed July 2012]

<sup>18</sup> PCHR, "Annual Report 2011" 2012 <http://www.pchrgaza.org/files/2012/Annual2011E.pdf> [Accessed July 2012]

The International Court of Justice reaffirmed in 2004 that the Geneva conventions apply in the occupied Palestinian territory and confirmed that the settlements are illegal.<sup>15</sup>

The establishment of settlements also results in the violation of the rights of Palestinians as enshrined in IHRL. Among other violations, the settlements infringe the right to self-determination, equality, property, an adequate standard of living, and freedom of movement.<sup>16</sup>

## 2.3 Settlement policy and the international response

Settlement expansion is seen as a major obstacle to bringing about peace. Despite international condemnation and settlements being a major stumbling block during negotiations, settlements have expanded dramatically in the last 20 years.

In 1992, as the Oslo peace process was beginning, there were 241,500 settlers in the occupied Palestinian territories. This figure has more than doubled in the past 2 decades, as there are now approximately 500,000 settlers living in the West Bank (including East Jerusalem).<sup>17</sup>

Freezing settlement construction has been repeatedly given by the Palestinian Authority as a precondition to negotiations. The 2003 "Road Map", a peace plan devised by the Quartet (the United States, the European Union, Russia, and the United Nations), was agreed upon by Israel and the Palestinian Authority, and was adopted by the UN Security Council. The "Road Map" proposed a freeze on settlement activity, which was the first time an Israeli government agreed to this, but it was never upheld.

A short-lived 10 month construction freeze on settlements ended in 2010, and since then settlement expansion has increased rapidly. Over the course of 2011, settlement expansion increased at the fastest rate seen in 5 years. In 2011, the Israeli authorities invited bids for the construction of at least 16,167 housing units in Israeli settlements established in East Jerusalem. Plans were also proposed to construct 11,142 housing units.<sup>18</sup>

Given the sheer scale of settlements, and the rate of expansion, commentators are increasingly speaking of a narrowing window of opportunity before the settlement enterprise threatens to render impossible the creation of a viable Palestinian state. In unusually direct language, the European Union Foreign Affairs Council in May 2012

underscored the urgency of the situation on the ground and condemned “developments on the ground which threaten to make a two-state solution impossible”.<sup>19</sup>

Similarly, this recent rapid expansion of settlements has arguably pushed the UK government to release, persistently, uncharacteristically strong statements condemning Israel’s actions. In November 2011, the Secretary of State for Foreign and Commonwealth Affairs William Hague MP declared “this ... is the latest in a series of provocative and unhelpful settlement announcements. I condemn the decision to accelerate such construction.”<sup>20</sup> In June 2012, the Secretary of State reiterated this message, stating “the British Government, and our EU partners, have made it consistently clear that settlement construction is illegal under international law.”<sup>21</sup>

Furthermore, in July 2012, Irish Tánaiste and Minister for Foreign Affairs and Trade, Eamon Gilmore TD, stated that the “relentless construction of settlements in the West Bank (including East Jerusalem) is undermining the viability of a future Palestinian state” and that “the window of opportunity for the two-state solution is rapidly closing”.<sup>22</sup>

However, the international community’s response to settlements, despite universal condemnation, has done little to halt activity on the ground. Action alongside those statements and declarations is needed to ensure that those statements do not end up as just empty words. The EU can use its leverage as a major trading partner with Israel to condition its relationship with Israel on the basis of respect for human rights. By ending trade with illegal settlements, the EU would be taking an important step towards influencing Israel and would not be tacitly supporting the growth of settlements. Given the current absence of peace negotiations, and the lack of any meaningful progress towards a negotiated solution, ending trade with settlements is an important unilateral step that the EU can take in support of human rights without waiting for negotiations to restart. Given the urgency of the situation on the ground, the EU should end trade with settlements before the two-state solution becomes an impossible dream of the past.

**19** EU Council. “Council conclusions on the Middle East Peace Process”. 14 May 2012  
<http://www.consilium.europa.eu/uedocs/NewsWord/EN/foraff/130195.doc>  
 [Accessed July 2012]

**20** Christian Aid (June 2012) ‘Parliamentary Briefing’  
<http://www.christianaid.org.uk/images/mp-brief-june12.pdf> [Accessed August 2012]

**21** <http://www.independent.co.uk/news/uk/politics/william-hague-condemns-israeli-homes-plan-7830940.html> [Accessed August 2012]

**22** <http://www.kildarestreet.com/wrans/?id=2012-07-19.704.0> [Accessed July 2012]

# 3. The economy of Israeli settlements



Arava export packing house, in the Jordan Valley

# 3. The economy of Israeli settlements

Despite international condemnation of Israeli settlements, many settlements now have thriving industries, which are supported by their export to international markets. The profit from this trade helps to ensure that settlements are financially viable and this trade therefore supports ongoing breaches of international law.<sup>23</sup>

As settlements have expanded in the past five decades so too has the economy of the settlements. Although the West Bank is not the most productive area of land in the region, many of the settlements have been established in the most fertile sections of the West Bank, including where water resources are plentiful. While agricultural production is the mainstay of the settlement economy, there are also other important industries including the production of plastic goods, processed food, cosmetics, chemicals, wines and other goods.

Under International Humanitarian Law (IHL), the occupying power is entitled to make use of the economy and resources of the territory under occupation, but this should be only for military necessity and to meet the costs of administering the territory. Exploiting the resources and economy of the occupied territory is not permitted. The entrenched and permanent nature of Israeli settlements and their economy, including large scale agricultural plantations and well-established industrial zones that are tightly integrated into the domestic Israeli economy, goes beyond the scope of what is permissible under IHL.

## 3.1 Agricultural production

Agricultural production is the largest sector of the settlement economy, with most economic activity based in the Jordan Valley. Fresh fruit and vegetables make up a high proportion of the settlement goods exported to Europe, including to the UK and Ireland.

Common agricultural products from the settlements include dates, figs, herbs, avocados, flowers (rose, carnation, and gypsophila), grapefruit, grapes, melons, citrus fruits, tomatoes, cherries, aubergines, cucumbers, peppers, and potatoes.<sup>24</sup>

Although these products are available in supermarkets all year round, they are more likely to be found in European supermarkets during winter months when they are out of season.

<sup>23</sup> The settlements have been massively subsidised by the Israeli state. The occupation as a whole has been estimated to cost \$115 billion USD from 1967 to 2005. SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 4.

<sup>24</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 6. and Quaker Peace and Social Witness "Trade with Israeli settlements" 2011 pg. 9. <http://www.quaker.org.uk/files/Trade-with-Israeli-settlements-Final.pdf> [Accessed July 2012]

### Case study : Dates from the Jordan Valley

*“The agriculture in the Jordan Valley is wonderful. Sixty per cent of the production of dates in Israel comes from the Jordan Valley, and 40 per cent of the export of dates in the world comes from the Valley. Developing and promoting the Jordan Valley and its agriculture is our national task.”*

David Alhayani, Head of the Jordan Valley Regional [Israeli settlements] Council, 4 May 2012<sup>25</sup>

Some of the oldest and well-established Israeli settlements can be found in the Jordan Valley, with the earliest created in 1968. The economic potential of the Jordan Valley was quickly recognised and exploited by Israeli settlers. Due to its climate and extensive water resources, the Jordan Valley is able to produce significant volumes of agricultural produce including fruit such as dates, bananas and grapes, as well as a variety of vegetables, herbs, and flowers.<sup>26</sup>

Settlements in the Jordan Valley enjoy generous financial incentives from the Israeli state; government grants can cover up to 25% of the cost of establishing agricultural enterprises, there are subsidies for agricultural tourist projects, and tax reductions on profits ranging from 25-30% on investments. Growth of produce for export is encouraged, as exporters to the EU are exempted by the Israeli government from paying VAT on exports of fresh fruit and vegetables.<sup>27</sup>

Most of the Jordan Valley agricultural settlements are run as collective farms. These collective farms cover most of the viable agricultural land in the Jordan Valley and produce large volumes of produce for export. Dates from the Jordan valley are one of the most prominent agricultural products, and can be found on supermarket shelves across the world, including in Ireland and the UK.

Hadiklaim, is the Israel Date Growers' Cooperative, and is a major exporter of dates from Israel and the West Bank, including Israeli settlements in the Jordan Valley. Hadiklaim supplies dates to major retailers like Tesco and Marks and Spencer, and the dates are often traded under store brand names.<sup>28</sup>

Marks and Spencer have claimed that their suppliers in the UK *“do buy raw material (dates) from the organisation Hadiklaim on our behalf. The contract explicitly prohibits purchase from Palestinian Territories and Hadiklaim source the dates from elsewhere within Israel to satisfy our requirements. Traceability systems are in place to confirm the source of the dates.”*<sup>29</sup>

Such actions from retailers can show that if traceability mechanisms are put in place, and pressure placed on suppliers further down the supply chain, retailers can ensure goods are not sourced from the settlements.



Date tree plantations in the Jordan Valley, in the settlement of Masu'a

<sup>25</sup> Oxfam, “On the Brink : Israeli settlements in the Jordan Valley” 2012, pg 8. [http://www.oxfam.org/sites/www.oxfam.org/files/bp160-jordan-valley-settlements-050712-en\\_1.pdf](http://www.oxfam.org/sites/www.oxfam.org/files/bp160-jordan-valley-settlements-050712-en_1.pdf) [Accessed July 2012]

<sup>26</sup> Ma'an Development Centre “Eye on the Jordan Valley” 2010, pg. 5 <http://www.maan-ctr.org/pdfs/Eyeon%20theJVReportFinal.pdf> [Accessed July 2012]

<sup>27</sup> Ma'an Development Centre “Parallel Realities : Israeli Settlements and Palestinian Communities in the Jordan Valley” 2012, pg. 13 <http://www.maan-ctr.org/pdfs/FSReport/Settlement/content.pdf> [Accessed July 2012]

<sup>28</sup> SOAS / Profundo, “UK economic links with Israeli settlements in occupied Palestinian territory” 2009, pg. 21.

<sup>29</sup> Ibid.



### Major Israeli agricultural exporters:

The majority of agricultural trade between the settlements and the EU is conducted through a small number of Israeli exporters. Mehadrin and Arava are the two largest.

#### 1. Mehadrin

Mehadrin is a publicly listed Israeli company, that is engaged directly as well as through its subsidiaries, in growing, processing and exporting of various fruit and vegetables in Israel and abroad. Since the liquidation of its main competitor Carmel-Agrexco in 2011, Mehadrin is the largest Israeli company exporting produce to the EU. Mehadrin is active in the settlements including sourcing from suppliers in the Jordan Valley.<sup>30</sup> The company has annual sales of approximately €160 million, and over 70% of produce is for export world-wide.<sup>31</sup>

#### 2. Arava

Arava is a private Israeli company, which is also active in the occupied Jordan Valley. Arava exports peppers, tomatoes, melons, grapes, mangos, herbs, cucumbers, aubergines, watermelons and cut flowers to a large number of export markets. Arava has annual sales of approximately €60 million.<sup>32</sup>

<sup>30</sup> Coalition of Women for Peace / Who Profits . <http://whoprofits.org/content/mehadrin-group-update> [Accessed July 2012]

<sup>31</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 21.

<sup>32</sup> Ibid. Pg. 18.

<sup>33</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 8

<sup>34</sup> CENTER FOR ECONOMIC AND SOCIAL RIGHTS, 2003 " *Thirsting for Justice: Israeli Violations of the Human Right to Water in the OPT*"

<sup>35</sup> Quaker Peace and Social Witness "Trade with Israeli settlements" 2011 pg. 10. <http://www.quaker.org.uk/files/Trade-with-Israeli-settlements-Final.pdf> [Accessed July 2012]

<sup>36</sup> Yahoo! Finance : <http://finance.yahoo.com/q/ls?s=SODA&annual> [Accessed August 2012]

<sup>37</sup> QPSW : [http://www.quaker.org.uk/files/Israeli-settlements-trade-action-guide-March-2012\\_0.pdf](http://www.quaker.org.uk/files/Israeli-settlements-trade-action-guide-March-2012_0.pdf) [Accessed July 2012]

<sup>38</sup> Keter website. <http://il.keter.com/files/superbrand-keter-eng.pdf> [Accessed July 2012]

<sup>39</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 35.

## 3.2 Manufactured Goods

Settlements in the West Bank produce a wide range of manufactured and industrial goods including plastic products, metal products, textiles, carpets, cosmetics, food products and wine.<sup>33</sup>

Most of these goods are produced in the industrial zones which have been established in the settlements, where some of Israel's most polluting industries have relocated.<sup>34</sup>

### Major Israeli industrial exporters:

Some companies operating in settlements are sourcing and processing raw materials in both Israel and the occupied territories. Often these goods are labelled as products of Israel, making it difficult to determine whether the goods have been produced or processed in the occupied territories without clarity from retailers or their suppliers.<sup>35</sup>

#### 1. Sodastream/Soda Club:

Sodastream produces home carbonated drinks-making equipment and flavourings. It also operates under the brand name Soda Club. Sodastream had an annual revenue of \$289 million USD in 2011, and trades publicly on NASDAQ.<sup>36</sup>

Sodastream's main production plant is in the Mishor Adumim industrial zone in the West Bank.<sup>37</sup>

#### 2. Keter plastics :

Keter manufactures plastic goods, producing a range of indoor and outdoor plastic furniture, storage units, and kitchen and bathroom goods. Keter has a billion dollar annual sales turnover, operating in 90 countries worldwide, and also manufactures under global brands such as 'Black and Decker' and Disney.<sup>38</sup>

Keter operates four production plants in Israel but have a further two factories in the settlements, one in the industrial zone in Barkan and another in the Lipski industrial plant in Oranit.<sup>39</sup>

#### 3. Ofertex:

Ofertex manufactures non-woven cloths from recycled textile waste. Its main products include floor rags, bathmats, home mats, pet mats and a variety of cleaning cloths. Their factory is located in the industrial zone in the settlement of Barkan.

Ofertex has an Irish subsidiary, Ofertex Industries (IRL), registered in Dublin.

### 3.3 Cosmetics

Cosmetics from the Dead Sea are also a major Israeli export. These popular cosmetic goods utilise minerals extracted from the Dead Sea. Given that the Dead Sea stretches between both the West Bank and Israel, some products may not be settlement goods, but there is evidence of some Dead Sea cosmetics being produced in settlements.

#### **Ahava cosmetics:**

Ahava is a private Israeli cosmetics company which operates from the West Bank. The Ahava factory and visitors' centre is located in the Mitzpe Shalem settlement. This settlement is located on the shore of the Dead Sea in the occupied part of the Jordan Valley. It has been licensed by the Israeli civil administration to excavate mud from the occupied territories for use in its products since 2004.<sup>40</sup>

### 3.4 Conclusion

The settlement economy is currently thriving, with the agricultural, industrial and cosmetic sectors benefitting from access to international export markets. This is in marked contrast to the Palestinian economy, which continues to face difficulties exporting to European markets, given the restrictions on movement imposed by the Israeli occupation. In particular, exports from Gaza are extremely limited, given the economic blockade imposed on the coastal territory (exports from Gaza remain at 2% of their pre-2007 levels<sup>41</sup>).

<sup>40</sup> Coalition of Women for Peace / Who Profits  
[http://whoprofits.org/sites/default/files/ahava\\_report\\_final.pdf](http://whoprofits.org/sites/default/files/ahava_report_final.pdf) [Accessed July 2012]

<sup>41</sup> Gisha. "The Gaza Cheat Sheet - Real Data on the Gaza Closure"  
[http://www.gisha.org/userfiles/File/publications/Info\\_Gaza\\_Eng.pdf](http://www.gisha.org/userfiles/File/publications/Info_Gaza_Eng.pdf) [Accessed August 2012]

### Case Study: Land confiscation & settlement goods

Waleed Abohanya was farming his land when the soldiers came to confiscate his land. There were dozens of them, supported by dozens more policemen. “They arrived with no warning,” he recalls. “When they bulldozed my land clear, it was like they were bulldozing my heart. It felt as though the bulldozer was driving over my stomach. I showed them the deeds for the land but they ignored them. I told them that one day I would be able to take my land back and they started laughing at me. That was the worst part”.



This incident, which took place in 2010, was the second time Waleed had lost land to Israeli settlers. In 1995, Israeli officials arrived at his farm and told him that they would return the following year in order to draw an official border between his land and the settler’s land. The officials did return the following year, but there were no negotiations.

“They arrived on my farm and told me they were taking my land,” he recalls. “I asked them could they at least wait until I had harvested but they would not wait. I asked them could they at least give me a few hours to remove the pipes from the ground but while I was talking to them they entered the land and bulldozed everything.”

Waleed’s farm in the Jordan Valley village of Al-Jiftlik was once 15 acres but today he has just a little over five acres remaining. The rest of his land has been confiscated by the Israeli settlement of Masu’a.

Masu’a is expanding through the confiscation of Palestinian land like Waleed’s. This settlement is used to grow agricultural products such as grapes, dates, flowers and vegetables. Israeli agricultural companies such as Arava are operating in Masu’a and there are packing facilities located inside the settlement. Some of these agricultural products are exported to Europe.

“I fear a lot for the future,” Waleed says. “We are surrounded by confiscated land. They have taken land off me twice and every day I expect them to come back a third time. There is no justice here. Look at how the settlers live and how we live. The settlers confiscate our land and attack us. It is not safe here for us. It is a huge humiliation and a loss of dignity. To see a settler illegally working on your land is the same as them walking on your body as you lie on the ground. The conditions we face now make life very hard and it will get worse. I am 40 years old and for each of those 40 years life has got worse for us.”

Waleed takes hope from international opposition to the settlements, which are illegal under international law. He hopes that the international community will be able to put pressure on Israel to stop the illegal seizure of Palestinian land in the West Bank.

Waleed Abohanya on his farm



# 4. EU trade with settlements



A settlement farm in the Jordan valley growing grapes

## 4. EU trade with settlements

While the EU condemns the illegality of settlements, it continues to support the economic viability of those very settlements by continuing to trade with them. Settlement products such as fresh fruit and vegetables, processed foods, cosmetics, wine, plastic goods, chemicals and flowers are stocked by European retailers. These goods are sold to households across Europe, and the resulting profits return to the settlements. There is a growing concern amongst consumers and rights groups that the EU's trade with Israeli settlements is in contradiction to its stated policy opposing settlements, and that those settlement products should not be allowed into EU markets.

### 4.1 Levels of settlement trade with the EU

The EU is Israel's largest trading partner. In 2011, trade between Israel and the EU amounted to €29.4 billion, and of that, €12.6 billion were exports.<sup>42</sup> These figures include the EU's trade with Israeli settlements. While Trócaire is calling for an end to trade with Israeli settlements, Trócaire is not calling for an end to overall trade between Israel and the EU.

It is difficult to determine the exact volume of exports from the settlements to the EU, as Israel does not provide disaggregated data between Israeli exports and settlement exports. Israel has, however, orally informed the European Commission that settlement exports amount to 0.87% of total Israeli exports to the EU, which would value 2010 exports from settlements at €96.57 million. The commission has stated that "this information should be treated with caution" and it is likely that this would be an under-representation of the real figure.<sup>43</sup> Other estimates have placed the level of trade significantly higher at €160 million.<sup>44</sup>

Despite this being a small amount of total Israeli exports, in contrast it still far exceeds the total amount of Palestinian exports from the Palestinian authority to the EU, which amounted to €12 million in 2011.<sup>45</sup>

Whatever the exact value of trade between the EU and the settlements, this trade bolsters the economy of settlements, contributes to the permanence of settlements, and thereby assists in ongoing breaches of international law.

### The EU-Israel Association Agreement

The EU has a number of association agreements that are part of the European Neighbourhood Policy. These agreements define trade and political relationships with its Mediterranean neighbours.

The EU-Israel Association Agreement is the foundation for relations between the EU and Israel. It was signed in 1995 and came into force in 2000. The agreement covers political dialogue, human rights and democracy, as well as the progressive establishment of free trade between the parties.

Article 2 of the preamble makes clear that the agreement is based on human rights. It states "Relations between the Parties, as well as all the provisions of the agreement itself, shall be based on respect for human rights and democratic principles, which guides their internal and international policy and constitutes an essential element of this Agreement".

<sup>42</sup> European Commission. <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/israel/> [Accessed July 2012]

<sup>43</sup> European Parliament : <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2012-001278&language=EN> [Accessed July 2012]

<sup>44</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009, pg. 16.

<sup>45</sup> European Commission. <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/palestine/> [Accessed August 2012]

## 4.2 Customs & Labelling

Goods from Israeli settlements are not entitled to benefit from the EU's preferential trade with Israel under the EU-Israel association agreement. The EU-Israel association agreement allows Israeli products to enter the EU with reduced levels of import duty, but as settlements are not recognised by the EU to be part of Israel, they are not entitled to benefit from the agreement. The European Court of Justice confirmed that this was the case in 2010.<sup>46</sup>

Since 2005, the EU has operated a technical arrangement for customs authorities to identify between Israeli goods and settlements goods. This is based on a list of postcodes, which customs officials can check against, to ascertain whether the goods are from settlements.

However, in practice, the technical arrangement isn't sufficiently robust to prevent settlement goods entering the EU market as 'made in Israel' and thus claiming preferential access. Customs inspections in the UK have shown that false claims have been detected, including cases where the postcodes given were of head offices in Israel and not the actual place of production in settlements.<sup>47</sup>

The EU heads of missions in Jerusalem and Ramallah voiced similar concerns in their 2010 report on Jerusalem. One of their recommendations called to "Ensure that the EU-Israel Association Agreement is not used to allow the export to the EU of products manufactured in settlements in East Jerusalem".<sup>48</sup>

<sup>46</sup> European Court of Justice "Products originating in the West Bank do not qualify for preferential customs treatment under the EC-Israel Agreement" <http://curia.europa.eu/jcms/upload/docs/application/pdf/2010-02/cp100014en.pdf> [Accessed July 2012]

<sup>47</sup> EMHRN-APRODEV "Eu-Israel relations: promoting and ensuring respect for International Law". Pg 44

<sup>48</sup> BBC News. [http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/10\\_01\\_11\\_eu\\_hom\\_report\\_on\\_east\\_jerusalem.pdf](http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/10_01_11_eu_hom_report_on_east_jerusalem.pdf) [Accessed July 2012]

<sup>49</sup> Quaker Council for European Affairs "EU Trade with Israeli Settlements", pg 10.

<sup>50</sup> SOAS / Profundo, "UK economic links with Israeli settlements in occupied Palestinian territory" 2009

<sup>51</sup> ECCR, "UK and Irish supermarkets' policies and practices regarding the sourcing of goods produced in Israeli settlements in the occupied Palestinian territories" 2011. [http://www.eccr.org.uk/module-Downloads-prep\\_hand\\_out-lid-33.html](http://www.eccr.org.uk/module-Downloads-prep_hand_out-lid-33.html) [Accessed July 2012]

<sup>52</sup> DEFRA (Dec 2009), "Technical advice: labelling of produce grown in the Occupied Palestinian Territories" <http://archive.defra.gov.uk/foodfarm/food/pdf/labelling-palestine.pdf> [Accessed August 2012]

<sup>53</sup> <http://www.quaker.org.uk/files/Trade-with-Israeli-settlements.pdf> [Accessed August 2012]

There are also reports that some Israeli exporters are mixing produce from the settlements with produce from Israel, and shipping and marketing these together as 'made in Israel'.<sup>49</sup> Such practices would contravene the association agreement, constitute tax evasion, and potentially violate EU directives on mislabelling of products.

The capacity of EU customs authorities is limited to checking and enforcing the customs technical arrangement from the EU's side. While EU member states' customs authorities have limited powers and resources, the onus should be placed on Israel, as the exporter, to indicate whether the goods originate from Israel or from the settlements.

## 4.3 Settlement goods and European retailers

The process of verifying trading links between Israeli companies active in settlements and European companies is often complex and difficult to trace. However, a number of research initiatives have shown the active links between companies operating in the settlements and European companies. A joint study conducted by Profundo and the School of Oriental and African Studies (SOAS) detailed 51 British firms trading with Israeli settlement enterprises, in the areas of agricultural products, industrial products, beverages, cosmetics, pharmaceuticals, plastic products, metal products, textiles and other industries.<sup>50</sup> Research by the Ecumenical Council for Corporate Responsibility (ECCR) has investigated the sourcing policies of major Irish and UK retailers of settlements products.<sup>51</sup>

Many EU retailers are stocking products from settlements, primarily fresh fruit and vegetables. However, without EU labelling legislation, it can be very difficult for the consumer to ascertain whether the goods are Israeli goods or goods from the settlements.

In the UK, the Department for the Environment, Food and Rural Affairs (DEFRA) published voluntary labelling guidelines on settlement products, advising retailers to label goods as 'West Bank (Israeli settlement)' or 'West Bank (Palestinian)'.<sup>52</sup> This should enable customers to identify some products as settlement goods. However, the use of this wording is voluntary. According to a recent briefing on settlement goods by the Quakers in the UK, "not all retailers choose to or are able to use [labels]. Furthermore, it has been reported that some Israeli exporters routinely mix settlement produce with that produced on Israeli farms, claiming that the entire consignment has originated in Israel."<sup>53</sup>

Most retailers operating in Ireland (including Dunnes Stores, SuperValu, Superquinn, and Tesco) and many independent retailers are stocking fresh Israeli produce at different times of the year. Without legally-binding and accurate labelling, it is difficult to determine whether the produce originates in Israel or the settlements. Tesco is the only retailer in Ireland where labelling of settlement goods as “Israeli settlement produce” is seen. It is highly likely that across the sector some of the oranges, dates, grapes, herbs, avocados, peppers, potatoes and other fresh produce on sale are being sourced from the settlements.

Furthermore, manufactured goods which may be produced in the settlements (see section 4.2) such as Keter plastic goods are on sale in a number of retailers operating in Ireland, including large DIY and garden furniture stores (including B&Q). Other manufactured goods, including Soda-Club products such as Soda-stream, are also available for purchase in Irish shops (including Argos and Harvey Norman). A number of Dead Sea cosmetics are also available for purchase in Ireland, but it is unclear whether those products originate in the settlements.

Retailers operating in Ireland can take action to ensure that they and their customers are not complicit in supporting the ongoing expansion of settlements by ensuring they do not stock goods from Israeli settlements. Larger retailers often have robust traceability mechanisms, particularly for fresh produce, which can be used to identify settlement produce. These systems can be more accurate in identifying origin of potential settlement goods than the EU’s postcode-based technical arrangement.<sup>54</sup>

As such, retailers can use their influence further down the supply chain to ensure goods that they stock are not sourced from settlements. Pressure from retailers can change the habits of suppliers, and retailers and consumers can use their economic power to end the practice of Israeli companies sourcing or producing goods in the West Bank.

### Case study: Retailers taking action, the case of the Co-op

The UK retailer, the Co-operative Group, has taken the step of ending trade with companies that export produce from Israeli settlements.

In 2012, the Co-op expanded on an existing policy to not stock settlement goods to ‘no longer engaging with any supplier of produce known to be sourcing from Israeli settlements’.

The effect of this means that the Co-op has cancelled its contracts (worth £350,000) with 4 of its Israeli suppliers (Agrexco, Mehadrin, Arava, and Adafresh). It has cancelled these contracts as those companies are known to source from settlements, and says that its contracts will now go to other companies inside Israel that can guarantee they don’t export produce from illegal settlements.<sup>55</sup>

This policy is particularly effective in that it circumvents the limitations of the EU customs technical arrangement and the practice of mixing produce, as the Co-op refuses to trade with exporters who are sourcing from the settlements at all.

<sup>54</sup> UK parliamentary debate on EU-Israel trade agreement <http://www.publications.parliament.uk/pa/cm200910/cmhansrd/chan31.pdf> [Accessed August 2012]

<sup>55</sup> Guardian, UK. <http://www.guardian.co.uk/world/2012/apr/29/co-op-israel-west-bank-boycott> [Accessed July 2012]

#### 4.4 Trade bans on settlement goods

While the introduction of labelling guidelines and regulations would enable consumers to choose whether they wished to buy settlement goods or not, the implementation of trade bans on settlement goods entering the EU or individual member states would be a much stronger and more effective mechanism towards ending settlement trade. Given the grave violations of international law and the urgency of the situation on the ground, governments have the responsibility to take action.

On the 18 September 2012, the Progressive Alliance of Socialists and Democrats (S&D), the second largest political grouping in the European Parliament, declared that “products from Israeli settlements do not comply with EU law”. According to the S&D vice-president Véronique de Keyser, “products produced in the occupied territory cannot be considered ‘lawfully traded’”<sup>56</sup>.

Furthermore, James Crawford, professor of international law at Cambridge University, has argued that it is lawful for the EU to block the importation of produce from settlements. Moreover, the EU would not be in breach of its World Trade Organisation obligations since, “as a matter of international law, the West Bank and Gaza cannot be considered to be Israel’s territory”.

The Crawford opinion also states that it is legal for individual member states to ban trade with settlements, and that this would be legal under EU law.<sup>57</sup>

The European Commission has also confirmed that a member state can unilaterally adopt measures to restrict trade if, on the basis of Regulation 260/2009, it “can justify its action on grounds of public morality, public policy or public security ... and in doing so it does not infringe EC law”.<sup>58</sup>

The practical implementation of a trade ban would face the same difficulties that the current customs technical arrangement has in distinguishing between settlement goods and Israeli goods as they initially enter the EU market. However, it would create a strong deterrent for the exporters of settlement goods in the first instance. A small number of precedent-setting prosecutions of importers that were shown to be still importing settlement goods would likely lead to the larger retailers halting this practice.<sup>59</sup>

Ireland has publicly declared that it is considering taking a position in the EU supporting a trade ban on settlement goods. The Tánaiste and Minister of Foreign Affairs & Trade, Eamon Gilmore, speaking in Dáil Éireann on 22 May 2012 announced, if “matters continued to worsen” in the occupied Palestinian territories, Ireland may propose “the exclusion from the EU of settlement products”. The Tánaiste expanded saying “we do not support bans or boycotts on Israel, and this is not in question, but the products of illegal settlements constitute a separate and specific matter”.<sup>60</sup>

Furthermore, on 19 September 2012, the Irish Joint Committee on Foreign Affairs and Trade, a cross-party parliamentary committee, also recommended that Ireland push for the introduction of an EU trade ban on settlement produce. The committee also called on the Tánaiste to implement a national ban on imports from the settlements.<sup>61</sup>

Whilst there has been a reluctance by the UK Government to connect their recent condemnation of settlement expansion with trade and economic ties between the UK and settlements, there is a strong, vibrant and established campaign in the international development sector and by faith groups calling on a ban on settlement goods to be implemented in UK as well as through EU institutions.<sup>62</sup>

Taking measures to ban imports of settlement goods would be the strongest approach towards ending the EU’s trade with Israeli settlements. Given that implementing an EU-wide ban on settlement trade would need consensus amongst all EU member states, Ireland and the UK should also consider showing leadership by implementing an individual member state ban at national level. This would set a strong political, economic and legal precedent which could encourage other member states to follow suit.

<sup>56</sup> Group of the Progressive Alliance of Socialists & Democrats in the European Parliament “Products from Israeli settlements do not comply with EU law” [http://www.socialistsanddemocrats.eu/gpes/public/detail.htm?id=137287&section=NER&category=NEWS&request\\_locale=EN](http://www.socialistsanddemocrats.eu/gpes/public/detail.htm?id=137287&section=NER&category=NEWS&request_locale=EN) [Accessed September 2012]

<sup>57</sup> <http://www.tuc.org.uk/tucfiles/342/LegalOpinionIsraeliSettlements.pdf> [Accessed July 2012]

<sup>58</sup> Joint answer given by Mr De Gucht on behalf of the Commission, Written questions : P-011312/10 , E-000047/11 <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2011-000047&language=EN> [Accessed July 2012]

<sup>59</sup> EMHRN-APRODEV “EU-ISRAEL RELATIONS: PROMOTING AND ENSURING RESPECT FOR INTERNATIONAL LAW”. Pg 45

<sup>60</sup> Oireachtas debates. <http://debates.oireachtas.ie/dail/2012/05/22/00004.asp> [Accessed August 2012]

<sup>61</sup> Irish Times “Call for ban on Israeli settlement imports” <http://www.irishtimes.com/newspaper/breaking/2012/0919/breaking57.html> [Accessed September 2012]

<sup>62</sup> Christian Aid (June 2012) ‘Parliamentary Briefing’ <http://www.christianaid.org.uk/images/mp-brief-june12.pdf>  
Oxfam (July 2012), ‘On the brink’ [http://www.oxfam.org/sites/www.oxfam.org/files/bp160-jordan-valley-settlements-050712-en\\_1.pdf](http://www.oxfam.org/sites/www.oxfam.org/files/bp160-jordan-valley-settlements-050712-en_1.pdf)



# 5. Conclusion and recommendations



The separation wall in Bethlehem

## 5. Conclusion and recommendations

The ongoing expansion of illegal Israeli settlements on Palestinian land is leading to serious human rights abuses including land confiscation, violence, house demolitions and violations of the right to property and the right to self-determination.

EU trade with illegal Israeli settlements is undermining the EU's own stated policies condemning settlements as illegal and an obstacle to peace. While the EU has stressed the urgency of halting settlement expansion, and how settlements constitute a threat to the 'two-state solution', by trading with settlements the EU is tacitly supporting them, aiding their economic viability, and thus adding to their permanence.

Trócaire calls on Ireland, the UK and the EU to give meaning to their opposition to illegal settlements by taking action on trade with settlements. Rectifying this situation presents the EU with an opportunity to ensure coherence between its official policy regarding the settlements and its trade policy with them. Ending trade with Israeli settlements is a practical unilateral measure that the EU or the Irish/UK governments can take. It would have a strong legal, economic, political and symbolic impact.

European retailers can also contribute towards ending the human rights violations caused by settlement expansion. Retailers can follow the ethical example set by companies such as the Co-op that have taken the decision not to source products from settlements. Ending trade with settlements is a principled, ethical and practical step that can be taken to ensure European consumers are not supporting practices which work against peace for Israelis and Palestinians.

***We therefore make the following recommendations:***

### **For the European Union:**

The EU should continue all efforts to halt ongoing human rights violations and support a long-term, viable and just peace for Israelis and Palestinians. In support of this, the EU must ensure its ongoing policies related to Israeli settlements do not undermine this goal. The EU must:

- Introduce an EU-wide ban on trade with Israeli settlements.

***While settlement imports continue:***

- There should be a legally enforceable requirement to mark the origin of all goods (including manufactured goods) originating in Israel, the settlements and occupied Palestinian territory.
- The EU should revise the technical arrangement for customs with Israel, to introduce a more robust customs regime for settlements products, where the burden of proof for identifying settlement products is placed on the exporting country, Israel.
- Official EU trade figures should differentiate between trade with the EU and Israel (within its recognised 1967 borders), and trade with the EU and the settlements.

### **For the Irish and UK governments:**

- The Irish and UK governments should push within the EU for the introduction of an EU-wide trade ban on settlement produce.
- The Irish and UK governments should demonstrate leadership by implementing individual member state bans on settlement produce.

### **For retailers operating in Ireland:**

- Retailers should cease stocking goods from Israeli settlements.
- Retailers should cease trading with any Israeli suppliers which source products from Israeli settlements.



**Working for a just world.**

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