

# EU's guidelines on labelling of settlements products

## Situation in the EU and in some States Parties

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- During the 1973 Arab-Israeli War Israel captured 70% of the Syrian Golan and 130.000 of the Syrian population of the occupied area were forcibly transferred.<sup>1</sup> Following forcible transfers the number of indigenous Syrian people remaining in the Golan today stands at 20.000. On the other hand, there are more than 20.000 Jewish settlers in the territory,<sup>2</sup> and in order to accommodate them an estimated of 33 illegal settlements have been built within the Golan region.<sup>3</sup> Approximately only 6% of the occupied territory remains under the indigenous Syrian population's control, the rest has been expropriated for military use or for settlements.<sup>4</sup> In 1981 Israel illegally annexed the occupied Golan and since that moment Israel has considered itself as "sovereign" over that territory. The International Community has never accepted this annexation and considers it null and void.<sup>5</sup>

- The economic and political relations between the European Union (EU) and Israel can be traced back to 1958, when Israel become one of the first nations, after the United States and Greece, to establish relations with the European Community.<sup>6</sup> The first non-preferential trade agreement between both parties was signed in 1964 and operated to reduce Community tariffs and customs duties on certain goods of particular interest to Israel.<sup>7</sup> In 1975, European-Israeli trade links were further strengthened with the signature of the EC-Israel Cooperation Agreement. This agreement promoted the expansion of trade, increased competition on a reciprocal basis, and endeavoured to abolish custom duties and other restrictions on trade.<sup>8</sup> In 1995 EU and Israel signed the "Association Agreement" which entered into force in 2000. This agreement replaces the Cooperation Agreement and "constitutes the framework for EU-Israel political, economic, social, scientific and cultural cooperation within the Euro-Mediterranean Partnership"<sup>9</sup>. In 2004 they signed an additional agricultural trade and it has been in force since January 2010.<sup>10</sup>

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<sup>1</sup> DMC International Displaced Monitoring Centre 2007 "Syria: Forty Year On, People Displaced From The Golan Remain in Waiting". See [http://www.internal-displacement.org/8025708F004BE3B1/\(httpInfoFiles\)/11354A3BE8240C12573850037B6C6/\\$file/Syria\\_IDPs\\_Overview\\_Oct07.pdf](http://www.internal-displacement.org/8025708F004BE3B1/(httpInfoFiles)/11354A3BE8240C12573850037B6C6/$file/Syria_IDPs_Overview_Oct07.pdf).

<sup>2</sup> Foundation for Middle East Peace. Report 22, n 6. "Table: Settlements in the Golan Heights, 2012". 2012. See <http://www.fmep.org/reports/archive/vol.-22/no.-6/settlements-in-the-golan-heights-2012>

<sup>3</sup> Ibidem 2

<sup>4</sup> Jawlan ONG. "The Syrian Golan Heights Under the Israel Occupation." <http://jawlan.org/english/golanheights.htm>

<sup>5</sup> UN Security Council Resolution 479, 1981. See <http://unispal.un.org/UNISPAL.NSF/0/73D6B4C70D1A92B7852560DF0064F101>

<sup>6</sup> Christina Hauswaldt. "Problems under the EC-Israel Association Agreement: The Export of Goods Produced in the West Bank and the Gaza Strip under the EC-Israel Association Agreement". *European Journal of International Law*, V 14, 2003. P 591.

<sup>7</sup> I. Greilsammer and J. Weiler. "Europe and Israel: Troubled Neighbours". European University Institute. 1988. Pp 57.

<sup>8</sup> A.E. Kellerman, K. Siehr and T. Einhorn. "Israel Among the Nations". Martin Nijhoff Publishers 1998. Pp 3.

<sup>9</sup> EU-Israel Association Agreement. See <http://www.enpi-info.eu/library/content/eu-israel-association-agreement>

<sup>10</sup> European Council. L 313/81 of 28/11/2009. See <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:313:0081:0082:EN:PDF>

- Israel is considered one of the largest partners in the Euro med region and is ranked as the EU's 25<sup>th</sup> major trading partner with total trade amounting to roughly 29.4 billion euro in 2011. <sup>11</sup> Additionally, the EU is Israel's major sources of imports (34.5% of the import market) and the second largest market for exports (26.1% of the export market), behind the United States. However, the relationship between these two countries has been the focus of much controversy and debate, in particular about the Israeli government's practice of labelling products originated in illegal Israeli settlements in the West Bank, Gaza, East Jerusalem and the Occupied Syrian Golan, as being Israeli in origin. This practice is a direct violation of the EU-Israel Association Agreement. <sup>12</sup>

- The Association Agreement of 1995 stipulates that preferential treatment is given only to products “produced or substantially modified” in the territory of the State of Israel. <sup>13</sup> However the EU and Israel interpret differently this regulation. According to Israel, the West Bank, East Jerusalem and the occupied Golan are part of Israel. In relation to the Syrian Golan, Israel has considered itself as sovereign since 1981, when it annexed the territory. <sup>14</sup> On the other hand the EU does not recognise Israel's sovereignty over the occupied territories in general and over the occupied Golan in particular and does not consider it to be part of Israel's territory. <sup>15</sup>

- After signing the agreement of 1995 it was pointed out that “Israel exported products from the settlements and that, upon their arrival to the common market with an Israeli certificate of origin and consequently they benefitted from a preferential customs tariff.” <sup>16</sup> Although imports from settlements represent a fairly insignificant portion of total Israeli exports to the EU, it has become an extremely controversial issue. <sup>17</sup>

- The UK, <sup>18</sup> Denmark <sup>19</sup> and the Netherlands <sup>20</sup> have already applied national guidelines on labelling. In the first two cases, the guidelines are applied for settlements goods from the West Bank and in the third one they are applied to settlements products from the West Bank, East Jerusalem and also the Golan. In all these three cases the guidelines are voluntaries, nevertheless, the response of the food retailers was very positive. <sup>21</sup> In some other countries similar guidelines

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<sup>11</sup> European Commission. See <http://ec.europa.eu/trade/policy/countries-and-regions/countries/israel/>

<sup>12</sup> Euro-Mediterranean Human Rights Network. “A Human Rights Review on the EU and Israel – Relating Commitments to Actions 2003-2004”. December 2004.

<sup>13</sup> 4<sup>th</sup> Protocol of the Association Agreement.

<sup>14</sup> Israel Ministry of Tourism. Golan Heights. See [http://www.goisrael.com/Tourism\\_Eng/Tourist%20Information/Discover%20Israel/Geographic%20Regions/Pages/The%20Golan%20Heights.aspx](http://www.goisrael.com/Tourism_Eng/Tourist%20Information/Discover%20Israel/Geographic%20Regions/Pages/The%20Golan%20Heights.aspx)

<sup>15</sup> European Commission. “Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards” July 19th 2013. See <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:205:0009:0011:EN:PDF>

<sup>16</sup> Ibidem p 14.

<sup>17</sup> Ibidem p 14.

<sup>18</sup> UK Department for Environment, Food and Rural Affairs, “Technical advice: labelling of produce grown in the occupied Palestinian Territories.” December 10th 2009. See <http://archive.defra.gov.uk/foodfarm/food/pdf/labelling-palestine.pdf>.

<sup>19</sup> Danish Ministry of Food, Agriculture and Fisheries, ‘Labelling of foods from Israel and the occupied Palestinian Territories’ October 5<sup>th</sup> 2012.

<sup>20</sup> Haaretz. “Second EU country to recommend labelling. Netherlands calls on stores to label products from Israeli settlements”. March 7<sup>th</sup> 2013. See <http://www.haaretz.com/news/diplomacy-defense/netherlands-calls-on-stores-to-label-products-from-israeli-settlements.premium-1.508024#>

<sup>21</sup> The Ecumenical Council for Corporate responsibility, “UK and Irish supermarkets policies and practices regarding the sourcing of goods produced in Israeli settlements in the occupied Palestinian territories”. June 2011. See [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)

or unilateral decisions from food retailers have been taken.<sup>22</sup>

- Since its creation the EU has committed itself to respect and promote human rights as significant objective in its external policy.<sup>23</sup> The EU has developed a set of positive measures with its partners in order to uphold its commitment to promote human rights.<sup>24</sup> One way to comply with this commitment are the “human rights clauses” included in all its partnership, associations and cooperation's agreements with third countries.<sup>25</sup> The EU Guidelines on promoting compliance with International Humanitarian Law (IHL) also clearly indicate the EU’s willingness to contribute to the promotion of and the compliance with IHL.<sup>26</sup>

- The 8<sup>th</sup> July 2013 the European Union Vice President Catherine Ashton called the EU to insure “the effective implementation of the existing EU legislation relevant for the correct labelling of settlement products by adopting EU guidelines and other implementing acts where necessary.”<sup>27</sup> With this as a basis, the European Commission started to work in a new guideline on labelling settlement products and it “could be adopted as a non-binding commission notice and published in the Official Journal of the EU before the end of 2013”<sup>28</sup>

## Statement

- Israeli settlements in the occupied Golan are illegal under international law and represent a breach of Israel's international obligations as an Occupying Power. Article 49.6 of the Fourth Geneva Convention states that “the Occupying Power shall not deport or transfer parts of its own civilian populations into the territory it occupies”.<sup>29</sup> This provision aims to ensure that “military occupation remains a temporary regime and does not lead to any claim of sovereignty by the Occupied Power.”<sup>30</sup>

- The EU has to stop supporting the settlements by accepting their products as if they were

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Y Net News.”Netherlands: Retailers ban goods from settlements” July 22<sup>nd</sup> 2013. See <http://www.ynetnews.com/articles/0,7340,L-4408239,00.html>

<sup>22</sup> For more information see pp 5-6.

<sup>23</sup> Article 21 of the Treaty of Lisbon states: “The Union’s action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law. The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph. It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations”

<sup>24</sup> Euro-Mediterranean Human Rights Network. “EU-Israel Relations: Promoting and Ensuring Respect for International Law” February 2012. See

[http://www.euromedrights.org/files/PIP\\_report\\_EU\\_Israel\\_relations\\_350764247.pdf](http://www.euromedrights.org/files/PIP_report_EU_Israel_relations_350764247.pdf)

<sup>25</sup> Ibidem p 14.

<sup>26</sup> European Commission. “Guidelines on promoting compliance with international humanitarian law (IHL), Official Journal of the European Union”. 23<sup>rd</sup> December 2005. See

[http://www.consilium.europa.eu/uedocs/cms\\_data/librairie/PDF/QC8308123ENC.pdf](http://www.consilium.europa.eu/uedocs/cms_data/librairie/PDF/QC8308123ENC.pdf).

<sup>27</sup> The Times of Israel. “Full Text of EU foreign policy chief’s letter on settlement labeling” July 23<sup>rd</sup> 2013. See <http://www.timesofisrael.com/full-text-of-eu-foreign-policy-chiefs-letter-on-settlement-labeling/>

<sup>28</sup> Ibidem p 27.

<sup>29</sup> 4<sup>th</sup> Geneva Convention.

<sup>30</sup> Al-Haq. Feasting on the Occupation. Illegality of Settlements Produce and the Responsibility of EU Member States Under International Law. 2013. See <http://www.alhaq.org/publications/Feasting-on-the-occupation.pdf>

coming from Israel, insofar as the export of settlements good to international markets reinforces and consolidates Israel's settlements enterprise. <sup>31</sup> This export trade has transformed “illegally-established Israeli settlements-based productions into sources of private commercial profit and sources of fiscal revenue for the Occupying Power.”<sup>32</sup>

- The EU has to treat in equal way the illegal settlements in the West Bank, East Jerusalem and the Golan. Therefore, it has to apply the same laws and human rights standards to all of them. The future guidelines on labelling should be applied to the settlements of all the occupied territories.

- The impact the EU guideline on labelling could have for the settlements are tremendous since “without economic support and trade with international stakeholders, the very existence of settlements (...) would be seriously threatened.” <sup>33</sup> The EU should follow the model implemented in the UK or in the Netherlands but including also the Syrian Golan.

- The EU is legally obligated not just by international law but also by its own laws to respect and make respect human rights law and international humanitarian law. It has to protect the indigenous people of the occupied territories included the Syrian Golan from violations of international law.

## Occupied Syrian Golan

- Since the EU does not collect separate trade data for settlements and Israel does not provide disaggregated data between Israeli exports and settlement exports neither, it is difficult to determine the exact volume of exports from the settlements to the EU. However, in 2012 Israel informed the World Bank that settlement exports to the EU amount to \$300 million per year (€230 million).<sup>34</sup> During the same year the Israeli Ministry of Foreign Affairs informed orally to the European Parliament 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.” <sup>35</sup> The Parliament has stated that “this information should be treated with caution”<sup>36</sup>

- According to the information provided by the World Bank the settlements exports represent approximately 2% of total Israeli exports to the EU. Nevertheless, it is likely that if “the value of settlement exports to Europe were adjusted to include products wholly or partially produced or packed in settlements, the figure would be significantly higher.”<sup>37</sup>

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<sup>31</sup> World Bank. “Fiscal Crisis. Economic Prospects – The Imperative for Economic Cohesion in the Palestinian Territories”. 23<sup>th</sup> September 2012. See

<http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/AHLCReportFinal.pdf>

<sup>32</sup> Ibidem p 30.

<sup>33</sup> Ibidem p 30.

<sup>34</sup> Ibidem p 31.

<sup>35</sup> Trócaire. Sustaining Injustice: EU trade with Israel settlements in the occupied Palestinian territories. September 2012. See

[http://www.trocaire.org/sites/trocaire/files/sustaining\\_injustice\\_eu\\_trade\\_with\\_israeli\\_settlements\\_in\\_the\\_opt.pdf](http://www.trocaire.org/sites/trocaire/files/sustaining_injustice_eu_trade_with_israeli_settlements_in_the_opt.pdf)

<sup>36</sup> European Parliament. “Answer given by Mr De Gucht on behalf of the Commission” 22<sup>nd</sup> February 2012. See <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2012-001278&language=EN>

<sup>37</sup> International Federation for Human Rights “Trading Away Peace: How Europe helps sustain illegal Israeli settlements.” October 30<sup>th</sup> 2012. See

[http://www.fidh.org/IMG/pdf/trading\\_away\\_peace\\_-\\_embargoed\\_copy\\_of\\_designed\\_report.pdf](http://www.fidh.org/IMG/pdf/trading_away_peace_-_embargoed_copy_of_designed_report.pdf)

- As claimed by the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the occupied Territories, approximately 20% of the Golan's settlement produce is exported to twenty different countries, including Canada, Australia and the United States and several in Europe.<sup>38</sup> The main products exported from the occupied Golan are grapes, grapevines, apples, watermelons, melons, citrus, tomatoes, corn, onions, olives, beans, parsley, garlic, peppers and herbs.<sup>39</sup> At the same time 38% of Israeli wine exports come from the Golan.<sup>40</sup>

## National labelling regulation

- In 2009 the UK government adopted a guideline on labelling settlement products making the distinction between Israeli settlement products and indigenous products.<sup>41</sup> In May 2012, Denmark announced it would adopt similar labelling guidelines,<sup>42</sup> and the guidelines have been issued in October 2012.<sup>43</sup> These two guidelines do not include the Golan as occupied territories, the new labels created are "produce of the West Bank (Israeli settlement produce)" and "produce of the West Bank (Palestinian produce)". Even though these guidelines are voluntary, they were welcomed by food retailers. In the UK all but one most major supermarkets have decided to stop sourcing own-branded food products from the settlements.<sup>44</sup>

- In March 2013 the government of The Netherlands has called for retail chain in the country to state the origin of products from settlements in the West Bank, East Jerusalem and the Syrian Golan. The letter states that "the government is recommending the label change but that no steps will be taken against retailers who do not comply, and that it is not illegal to import products from the settlements."<sup>45</sup> The document calls for the labelling of the following products: fresh fruit and vegetables, wine, honey, olive oil, fish, meat, chicken, eggs and cosmetics produced in the Golan, the West Bank and East Jerusalem. These products should no longer state on their packaging that they are made in Israel. Rather, they should be labelled as originating in "Israeli settlement in the Golan, East Jerusalem, the West Bank or in Palestinian territories."<sup>46</sup> According to Dutch media at least two large retail chain have stopped selling settlements goods -Aldi and Hoogvliet-, and a third chain assured its customers that the sources of its products are unrelated to the settlements -Jambo-.<sup>47</sup>

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<sup>38</sup>UN General Assembly, 'Report of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the occupied Territories : note / by the Secretary-General', 9 September 2009, A/64339/, para. 90.

<sup>39</sup> Who Profits. "Made in Israel: Agricultural Export from Occupied Territories." May 2012. See [http://whoprofits.org/sites/default/files/agricultural\\_export\\_\\_flash\\_report\\_0.pdf](http://whoprofits.org/sites/default/files/agricultural_export__flash_report_0.pdf)

<sup>40</sup>Golan Heights Winery. (accessed November 15<sup>th</sup> 2013). See: <http://www.israelwines.co.il/MiniDefault.aspx?mi=5> (hebrew).

<sup>41</sup> *Ibidem* p 18.

<sup>42</sup> *Ibidem* p 19.

<sup>43</sup> *Ibidem* p 19.

<sup>44</sup> *Ibidem* p 21.

<sup>45</sup>Haaretz. "Second EU country to recommend labelling. Netherlands calls on stores to label products from Israeli settlements". March 7<sup>th</sup> 2013. See

<http://www.haaretz.com/news/diplomacy-defense/netherlands-calls-on-stores-to-label-products-from-israeli-settlements.premium-1.508024#>

<sup>46</sup> *Ibidem* p 45.

<sup>47</sup> *Ibidem* p 21.

- In Switzerland, Migros, the biggest retail chain, announced in 2012 that it would introduce correct labelling of all products, agricultural as well as industrial from settlements in the West Bank by 2013.<sup>48</sup> Outside Europe, South Africa implemented a similar guideline on labelling of products or goods emanating from illegal settlements in East Jerusalem and the West Bank.<sup>49</sup>

## EU labelling regulation

- The Association Agreement of 1995 between the EU and Israel stipulates that preferential treatment will be given only to products “produced or substantially modified” in the territory of the State of Israel.<sup>50</sup> However the EU and Israel interpret differently this regulation. According to Israel, the West Bank, East Jerusalem and the Golan are part of Israel. In relation to the Syrian Golan, Israel has considered itself as sovereign since 1981, when it annexed the territory.<sup>51</sup> On the other hand the EU does not recognise Israel's sovereignty over the occupied territories in general and over the occupied Golan in particular and does not consider it to be part of Israel's territory.<sup>52</sup>

- In 2005, and after years of diplomatic wrangling on the origin issue, the EU and Israel implemented a non-binding “technical arrangement” to enable custom officials to “distinguish Israeli settlement products from those originating within Israel’s internationally recognised borders for the purpose of denying preferential treatment...to settlement products.”<sup>53</sup> According to this arrangement, Israel would list on each proof of origin the names and post codes of production locations allowing member State's customs authorities to examine the proof of origin issued by referring to a list of settlement names and postcodes compiled by the European Commission.<sup>54</sup> However the Euro-Mediterranean Human Rights Network has noted that “the technical arrangement can be circumvented easily and that is undoubtedly happening.”<sup>55</sup>

- In July 2008, the British government investigated agricultural products imported from Israel. It suspected that some products from the settlements were exported carrying postcodes from cities located in Israel. In 2010 the Minister of Finance detailed the finding of this investigation at the House of Commons. According to this enquire the UK Border Agency had identified settlement goods that were wrongly claiming preference.<sup>56</sup> In some cases, “a settlement postcode was given

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<sup>48</sup> Migros magazin. “Migros deklariert produkte aus israelischen siedlungen.” Mai 28<sup>th</sup> 2012. See <http://www.migrosmagazin.ch/migros-welt/neues-aus-der-migros/artikel/migros-woche-22-2012> (german)

<sup>49</sup> Republic of South Africa. Statement of Cabinet meeting of 21 August 2012. See <http://www.gcis.gov.za/content/newsroom/media-releases/cabstatements/22Aug2012>

<sup>50</sup> 4<sup>th</sup> Protocol of the Association Agreement.

<sup>51</sup> Israel Ministry of Tourism. Golan Heights. See [http://www.goisrael.com/Tourism\\_Eng/Tourist%20Information/Discover%20Israel/Geographic%20Regions/Pages/The%20Golan%20Heights.aspx](http://www.goisrael.com/Tourism_Eng/Tourist%20Information/Discover%20Israel/Geographic%20Regions/Pages/The%20Golan%20Heights.aspx)

<sup>52</sup> European Commission. “Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards” July 19<sup>th</sup> 2013. See <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:205:0009:0011:EN:PDF>

<sup>53</sup> Euro-Mediterranean Human Rights Network. “Third Annual Review on Human Rights in EU-Israel Relations – Accommodating to the ‘Special’ case of Israel 2005 - 2006’ June 2007. See <http://www.euomedrights.net/usr/0000002600001339/00000028/00000027/.pdf>

<sup>54</sup> EU-Israel Technical Arrangement. January 25<sup>th</sup> 2005. See [http://ec.europa.eu/taxation\\_customs/customs/customs\\_duties/rules\\_origin/preferential/israel\\_ta\\_en.htm](http://ec.europa.eu/taxation_customs/customs/customs_duties/rules_origin/preferential/israel_ta_en.htm)

<sup>55</sup> Ibidem p 53.

<sup>56</sup> Debate at the House of Commons on the EU-Israel Trade, 27 January 2010, Column 313 WH. See <http://www.publications.parliament.uk/pa/cm200910/cmhansrd/chan31.pdf>

on the custom documents, but it was still claiming preference, and sometimes the produce was in packages that clearly indicated a settlement address but the custom documents had claimed preference. In other cases, the postcode given referred to a head office in Israel and not the actual place of production in the occupied territories.”<sup>57</sup>

- Article 2 of the EU-Israel Association Agreement imposes an important human rights provision which states that “relations between the parties, as well as the provisions of the Agreement itself, shall be based on respect for human rights and democratic principles, which guide their internal and international policy and constitute an essential element of this Agreement.”<sup>58</sup> Furthermore, Article 79(2) of the same agreement states that “if either Party consider that the other Party has failed to fulfil an obligation under the Agreement, it may take appropriate measures. Before so doing, except in cases of special urgency, it shall supply the Association Council with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.”<sup>59</sup>

- The primary purpose of the incorporation of the standard ‘essential element’ clause into all the association agreements was that of enabling the EU to effectively sanction an Euro-Mediterranean Partner’s disrespect for fundamental human rights by suspending the agreement.<sup>60</sup> Since Israel’s breach of Article 2 of the Agreement “involves...a violation of jus cogens erga omnes obligations and a serious and persistent violation of human rights”,<sup>61</sup> this would seemingly constitute a case of ‘special urgency’ under Article 79(2). The European Parliament as well as the United Nations Special Rapporteur on the Right to Food has called upon the EU Commission to suspend the Association Agreement. However the EU Commission has done nothing to make Israel respect article 2, apart from issuing legally correct declarative statements denouncing Israel’s practice of rejecting its obligations under international law.<sup>62</sup>

- The Fourth Geneva Convention<sup>63</sup> along with the Treaty on the European Union (TEU)<sup>64</sup> binds all the European Countries to ensure compliance by Israel with international humanitarian law. Furthermore, Article 11 of the TEU states that one of the main objectives of the EU’s Common Foreign and Security Policy is to “develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.”<sup>65</sup> Trade with Israeli settlements – which are illegal under international law – “contributes to their economic viability and serves to legitimise them.”<sup>66</sup> Therefore, failing to invoke Article 79(2) and taking any effective steps or concrete measures against Israel’s persistent breaches of international humanitarian and human rights law is “tantamount to a breach of its own legally binding obligations”<sup>67</sup>. Israel’s defiance of international law poses a threat not only to the international legal order, but to the international

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<sup>57</sup> Ibidem p 14.

<sup>58</sup> Ibidem p 9. Article 2.

<sup>59</sup> Ibidem p 9. Article 79.

<sup>60</sup> Ibidem P 12.

<sup>61</sup>Public Interest Lawyers legal action letter to Commission President, José Manuel Barroso and High Representative for the Common Foreign and Security Policy, Javier Solana. September 1<sup>st</sup> 2009. See [http://www.savegaza.eu/images/stories/letter\\_to\\_council\\_of\\_ministers.pdf](http://www.savegaza.eu/images/stories/letter_to_council_of_ministers.pdf)

<sup>62</sup> J Molony, M. Stewart and N Tuohy – Hamill. “From Settlement to Shelf: The Economic Occupation of the Syrian Golan” Al-Marsad, The Arab Centre for Human Rights in the Golan. December 2009. P 106.

<sup>63</sup> Ibidem p 59.

<sup>64</sup> Treaty on the European Union. Article 6(2).

<sup>65</sup> Ibidem p 64. Article 11.

<sup>66</sup> The Times ‘Fury at UK move to label settlement produce as Israel talks of ‘concern’’. December 11<sup>th</sup> 2009. See <http://www.timesonline.co.uk/tol/news/uk/article6952943.ece>

<sup>67</sup> Ibidem p 62. P 112.

order itself.

## **Conclusion**

- The EU does not recognise the Israel's sovereignty over the West Bank, East Jerusalem nor the Golan. However, the EU attitude toward the illegal settlement's goods has been ambiguous and only three countries of the EU have applied guidelines on labelling.
- While settlement exports may represent a relatively small proportion of total Israeli exports, they still amount to a considerable quantity in absolute terms and are of vital importance for the economic viability of many settlements. Trade with settlements bolsters their economy and contributes to their permanence and growth.
- The EU has committed itself to respect and promote human rights as significant objective in its external policy. Therefore it is important for the EU to respect international humanitarian law and human rights law in order to reduce the negative effects of the occupation on the indigenous people.