

INTERNATIONAL AGREEMENTS AND TRADE IN AGRICULTURAL PRODUCE BETWEEN THE EUROPEAN UNION AND ISRAEL-PALESTINE¹

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Abstract:

This article analyses international law, international agreements and EU legislation pertaining to the process of agricultural production on the West Bank and its subsequent export to the European Union (EU). First, we shall analyse the peculiarities of economic relations in the agricultural sector in the context of the Israeli-Palestinian conflict, with particular attention to the production of Israeli settlements on the West Bank.

Subsequently, the study deals with the conditions governing agricultural production and its export to the European Union. Both processes are marked by the existence of Israeli agricultural settlements on the West Bank as well as by a loose interpretation of the Agreements signed with the European Union. We continue by assessing observance (or otherwise) of international law, bilateral agreements and Community law throughout the production chain in the agricultural sector in Palestine. The study concludes with a number of conclusions.

Key words: Agricultural sector / international law / Israel-European Union-Palestine

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1. Introduction

The instability in the Middle East and the Israeli-Palestinian conflict stem from the processes of decolonisation throughout the twentieth century. The breakdown of the Ottoman Empire, and later the end of the British mandate in Palestine, subsequently gave rise to a scenario of unresolved tensions and unmet demands. In 1948, the creation of the State of Israel and the so-called *Nakba* (disaster), which resulted in the exodus of thousands of Palestinians, laid the foundations of the current situation. Since then, episodes have alternated to strengthen the bases of peace agreements which allow Arabs and Israelis to live side by side, coupled with moments of extreme violence to highlight the visibility of each side's claim, all within the framework of major internal divisions and the growing power of the most radical positions on each side.

In this context, the European Union (EU) has participated in the peace negotiations, forming part of the so-called "quartet", together with the United Nations (UN), the United States of America (US) and Russia, and maintains a stance favourable towards the creation of "two States". At the same time, it maintains extensive economic, social, political and military relations with Israel, while being one of the main donors of humanitarian aid in Palestine.

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This article analyses the respect (or otherwise) for international law, bilateral agreements and EU legislation on agricultural production in Palestine and the subsequent sale of these products to the European Union. For this purpose it is assumed that economic interests account to a great extent for Israel's position on Palestine (Grinberg, 2015), keeping the West Bank a "captive market".²

The author argues that there is a breach of international law in the production and trading of agricultural produce in the occupied territories of the West Bank as a result of the Israeli occupation policy and the European Union's own benevolence with regard to the interpretation of and observance of the agreements its signs, among many other aspects. They also maintain that observance of international law in the Palestinian agricultural sector in the context of trade relations with the EU is not a minor matter, since this can be decisive for the development of society as well as for a peaceful solution to the conflict and the stability of the region itself. Moreover, the growing deterioration in living conditions on the West Bank and Gaza is fuelling radical positions in Israel and Palestine that make it difficult to resolve these problems. Section 2 addresses economic relations between Israel, Palestine, the Israeli settlements on the West Bank³ and the European Union. Subsequently, the analysis of agricultural production on the West Bank is dealt with by the Israeli policy on the West Bank and its marketing to the European Union. This section ends by showing compliance or non-compliance with international law, bilateral agreements and EU legislation on the agricultural sector, as well as some brief conclusions.

2. Economic relations in the agricultural sector within the context of the Israeli-Palestinian conflict: the role of production from Israeli settlements on the West Bank

Trade relations in the agricultural sector between Israel and the European Union are framed within the European Union-Israel Association Agreement (Official Journal of the European Communities of 21/06/2000). The agreement expressly refers to the sovereign territory of Israel within the borders recognised by the United Nations and accepted by the European Union. That is, the agreement applies exclusively to the exchange of production in the sovereign territory of Israel, excluding Israeli settlements located on the West Bank, considered by the United Nations (and the European Union) as occupied territories. For its part, bilateral trade between Palestine and the EU subscribes to the Interim Association Agreement on Trade and Cooperation between the European Union and the Palestine Liberation Organisation as a representative of the Palestinian National Authority (Official Journal of the European Communities, 16/07/1997). In both cases, the agreements are in accordance with international law and bring an improvement in the conditions of the most-favoured-nation clause of the World Trade Organisation.

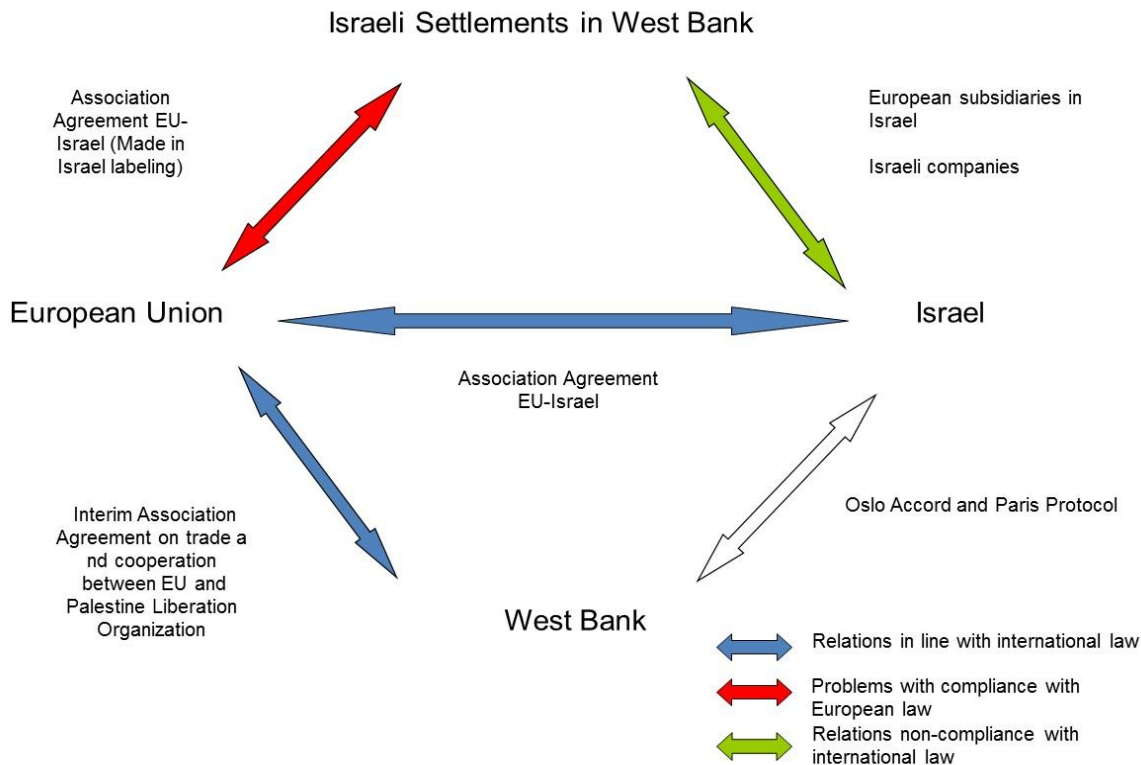
The implementation of these agreements is conditioned by some intrinsic elements of the conflict, particularly by the existence of Israeli settlements on the West Bank. The transfer of the civilian population to the West Bank is intended to legitimise the

² This expression is used by Grinberg (2015) and UNCTAD (2016).

³ Israeli settlements on the West Bank are considered part of the occupied territory, along with East Jerusalem (Palestine) and the Golan Heights (Syria). Settlements in Gaza were dismantled in 2005.

territorial claims of the State of Israel over the regions called Samaria and Judea⁴. But it also has decisive effects on economic relations, since a significant part of business in the Palestinian territory is in the settlements, with more than half a million settlers spread over the West Bank and East Jerusalem. Of the current 142 Israeli settlements, approximately 40 are involved in agriculture in the Jordan Valley (Palestinian Centre Bureau Statistic, 2016).

Figure 1: Economic relations between the European Union, Israel, the West Bank and the settlements



Source: Created by author

Considering the peculiarities previously explained, the economic relations between Israel and the European Union in the agricultural sector can be typified as follows (See Figure 1):

⁴ The Israelis who go to live in the settlements do so for two reasons: 1) religious beliefs, believing that the territory is part of the "Jewish State of Israel" and that it is legitimate to settle there. They also believe that the presence of Palestinian people is a threat and they must therefore strengthen their position in the territory to defend it, and 2) for economic reasons, given that economic opportunities are many and offer significant benefits from the State of Israel.

- Bilateral EU-Israel trade and investment relations. These are in line with international law and bilateral treaties. They include trade, investment and scientific-technical cooperation between economic stakeholders in Israel and the European Union.
- Indirect trade relations between settlements and the European Union through Israel.
 - o Those relations which are aimed at trade in products originating in Israeli settlements on the West Bank but are labelled as "Made in Israel", and which, to date, have been generally channelled through the Association Agreement, which supposes abolition of agricultural tariffs in the terms expressed in the Agreement.
 - o Exports by Israeli or foreign companies which, after the purchase of agricultural produce from Palestinian producers, are exported to European markets as products originating in Israel, also under the label "Made in Israel".
- Presence of European products - trucks, fertilizers, etc. - in settlements, or financing through subsidiaries of European financial groups, technical assistance services, etc.

In particular, the second type of relations reveals major indications of non-compliance with international law, while the latter type indirectly involves support for business in the second category and, ultimately, support for the Israeli policy of occupation.

3. Agricultural production and marketing on the West Bank

Palestine is undergoing a process of *de-agrarianisation*⁵ derived from the restrictions of occupation. Agriculture has gone from representing 28% of GDP in 1975 to only 4% in 2014, according to official data from the Palestinian Authority. The agricultural production chain on the West Bank, including the settlements, specifically the production and subsequent export to the European Union, will be analysed to identify possible breaches of international law, international agreements and EU regulations.

3.1. Agricultural production on the West Bank within the framework of the economic restrictions imposed.

We tackle the analysis of the conditions of agricultural production on the West Bank, particularly the situation of production factors - land, labour and technology - access to water, demolitions, and felling of fruit trees etc. for agricultural production on the West Bank.

3.1.1. The factors of production

The Oslo Accords set down a share-out of civil and military responsibilities for the West Bank territory between the Israeli and Palestinian authorities. Israel was clearly benefitted by holding absolute power over 60% of the territory, which is also where the fertile areas and agriculturally useful land is located (Table 1).

⁵ Term used by UNCTAD (2016).

Table 1: Areas according to the Oslo Accords

Zones	Percentage of territory	Characteristics	Main use
Zone A	18%	Civil and security control by Palestine Authority	Urban zones ⁶ . No settlement
Zone B	22%	Civil control by Palestine authority and security control by Palestine and Israeli Authority.	Small villages and rural areas. No settlement
Zone C	60%	Civil and Security Control by Israeli Authority. Health and education by Palestine Authority	Agriculturally useful land

Source: Created by author with official information

In addition, access to Palestinian land has been reduced by 60% since 1967. Various mechanisms have been used to this end, such as land appropriation for security reasons and military purposes -30% of area C has that use-, expropriations on the grounds of public needs or in application of Ottoman legislation⁷, the construction of the West Bank Barrier –which has taken up 10% of the land available for agricultural use, according to UNCTAD (2016)– or land purchase by Israelis. Local laws relating to collective land use rights for grazing are no longer applied, as was the case historically. A total of 63% of Palestine's agricultural land is located in Zone C, i.e. an area controlled by the Israeli Military Authority, which entails a high opportunity cost for the Palestine economy, since the use of the best lands is very restricted. In addition, it is in this area where the settlements are located which, together with the so-called Regional Councils account for more than 211 thousand hectares, 63.5% of Zone C and 36.6% of the West Bank according to Btselem⁸. At present, only 15% of the land is farmed by Palestinians, a smaller percentage than in 1967, growing fruit trees, olive trees and date palms (63% of the total), cereals (23%) and vegetables (12%) according to the Palestinian Authority.

It is not possible to estimate the importance for Israel of agricultural production by the settlements, since, as this is a politically sensitive issue there is no transparency of information. It is estimated that between 2% and 33% of Israeli agricultural production comes from the settlements and receives 22% of public investment in the agricultural sector (Palestinian farming and civil society organisations, 2013).

The agricultural production by the settlements is destined essentially for export and very significantly for the European Union. For example, 70% of the grapes produced by settlers in the Jordan Valley are sold to third countries, accounting for

⁶ Nablus, Jenin, Tulkarem, Qalqilya, Ramallah, Bethlehem, Jericho and the 80% of Hebron.

⁷ Ottoman law on land use imposes severe obligations on its owners. If the land is not cultivated for a certain number of years, it can be expropriated by alluding that it is unproductive and detrimental to the community. Its application on the West Bank is perverse, in that very often the land cannot be cultivated by Palestinian peasants as a result of the movement restrictions caused by the check points or the West Bank Barrier.

⁸ This can be consulted at http://www.btselem.org/area_c/taking_over_land (accessed August 31, 2016).

approximately half of all the grape exports from Israel (Al-Had, 2013). A total of 40% of dates produced in the settlements on the West Bank are targeted at the international market (Who Profit, 2012).

The restrictions imposed in Zone C affect Palestinian agricultural enterprises in various different ways. Peasants take a long time to get to their land as a result of restrictions on the free movement of Palestinian people on the West Bank, resulting from the check points set up (96 permanent and more than 40 mobile points in 2015); informal physical barriers (between 300 and 400); express bans on transit along certain roads, and the construction of the 440 km West Bank Barrier. Restrictions to movement are estimated at approximately \$184 million in losses, or 2.3 percent of Palestinian GDP in 2010, this roughly holding true for 2015 (Palestinian Ministry of National Economy and Applied Research Institute-Jerusalem, 2011 and 2015).

In addition, Palestine has a very precarious labour market with an employment rate of 46% and an unemployment figure of 26% in 2015. The lack of opportunities offered by the precarious Palestinian economy forces workers towards the settlements - and to Israel itself - with around 10.5% of Palestinian employees in 2010. The presence of Palestinian workers in Israel is subject to the requirement to obtain a work and movement permit. While in 1999 there were 115,000 Palestinians working in Israel, after the 2000 *intifada* this figure fell to 9,000 (Avis and Avis, 2010), standing at 45,000 in 2014 (BT'Selem, 2016). Civil society has denounced discriminatory working conditions for the Palestinian population in Israeli agricultural enterprises as well as the existence of child labour. It is estimated that there are more than 1,000 minors working in the settlements (Human Rights Watch, 2015).

These conditions include long working hours, lower wages and poor conditions of occupational safety. In particular, this is due to unprotected exposure to pesticides and the use of dangerous machinery and extreme heat, with no right to medical services or other social rights, resulting from the absence of work contracts, as well as the difficulties in making complaints or receiving any compensation (Avis and Avis, 2010 and Kev Loved, 2012). The population employed in agriculture, fisheries and forestry accounted for 11.7% of the total on the West Bank in 2014, compared to 32% in 1975, according to the Palestinian National Authority.

Moreover, Palestinian agricultural enterprises come up against limitations when importing fertilizers and machinery. These operations are subject to severe security checks on the part of the Israeli authorities, a fact which sometimes involves their prohibition since these products are attributed with possible military uses. In any case, the bureaucracy is long and costly, leading to an increase in prices and a loss of competitiveness in Palestinian agricultural production. These restrictions do not apply to activities in the settlements.

3.1.2. Water and agricultural infrastructure

The West Bank has significant aquifers (Map 1 in Appendix 2) and agricultural production on the West Bank is essentially irrigation-based, so availability and access to water have a strategic nature.

The dispute over resources, including water, has been and remains to be crucial in the Middle East, and particularly in the Israeli-Palestinian conflict (Klara, 2003 and Aye, 2011). Water control on the West Bank has primarily been in the hands of Israel for

decades⁹. In addition, the Oslo Accords granted 15% of the water from West Bank aquifers for the use of Palestinians and 85% for Israelis. In actual fact, Mekorot, the Israeli water authority, controls 90% of the water resources on the West Bank, whether for domestic consumption or agriculture¹⁰.

All of this has its impact on Palestinian agricultural production, having to face lower availability of water, a greater economic effort to acquire it¹¹, and accept water of inferior quality since only wells of less than 120 metres deep can be used, where the water has higher salinity.

In sum, the costs of water use as a result of occupation are estimated at US\$ 1.95bn i.e. more than 24% of Palestinian GDP for 2010 (Table 2), mainly because of the problems associated with irrigation, involving indirect costs of more than US\$ 1.2 bn.

Table 2. Costs of water restrictions as a result of Israeli occupation for occupied Palestinian territory, 2010

	Cost in millions of dollars	Percentage GDP
Total costs	1,955	24.06
Direct cost ¹²	52	0.64
Indirect cost	1,903	23.43
Value Added from irrigation	1,220	15.01
Jordan Valley agriculture	663	8.17
Health costs from water	20	0.25
Palestine GDP	8,124	

Source: Palestinian Ministry of National Economy and Applied Research Institute-Jerusalem. The economic cost of Israeli occupation for occupied Palestinian territory, 2011.

In addition, access to water is hampered by the usual practice of demolitions of water and housing infrastructure, regardless of whether this was authorised or not, financed or not by international cooperation¹³. According to the Union of Agricultural Work Committees, there are between 30 and 35 demolitions per month, together with the destruction of part of the agricultural infrastructure, such as plastics that cover greenhouses. Finally, felling of trees - fruit trees and date palms - is becoming a standard practice on the pretext of security. Since 1967, 2.5 million trees have been destroyed, a total of 9,333 in 2014 and approximately 5,600 trees in January 2015 alone (UNCTAD, 2015).

⁹ In 1967, Israel assigned authority over water infrastructure to military command through Military Order 92. In 1968 it prohibited unlicensed construction of new water infrastructure as well as the need to obtain a licence from that military authority (Order 158 of 1968) to build, assemble, possess or renovate any works related to water use.

¹⁰ This information is extended in Appendix 2.

¹¹ The Palestinian population spends on average 8% of their monthly income on water, this reaching 50% in the Palestinian communities that do not have piped water, while settlement residents only spend 0.9% of their income on paying for water.

¹² Difference between the price paid by the Israelis and the Palestinian population.

¹³ For example, on 13 May a demolition of water piping and storage infrastructures financed with FAO resources took place in the Jordan Valley area.

The end result is a higher production cost for Palestinian plantations, compared to those of settlers. Although there is no official data and the available data is very variable, the extra cost of Palestinian production is around 20%. It is estimated that the production cost of one kilo of Palestinian dates is 1 dollar more expensive than Israeli dates¹⁴.

3.2. Agricultural trade between Israel and the European Union in production “Made on the West Bank”.

The 1994 Paris Protocol¹⁵ recognises the Palestinian National Authority's right to enter into trade agreements, but lays down a number of limitations such as the obligation of Palestinian agents to use the currency of Israel. It also gives Israel the powers to regulate and manage customs procedures at border checkpoints with Jordan and Egypt and to collect customs revenues derived from Palestinian exports. Therefore, exports from the West Bank are, in fact, controlled by Israel.

However, as anticipated, the EU has signed an Interim Agreement with the Palestinian National Authority and another with the State of Israel, which regulates trade between the parties, including a broad tariff reduction for agricultural produce (see Appendix 1).

Since the agreement with Israel refers exclusively to Israel's sovereign territory, i.e. it excludes Israeli settlements on the West Bank, production from them cannot, under the law, benefit from customs exemptions. The problem arises when this production is marketed under the label “Made in Israel”, either because it is incorrectly labelled at source, or because it is exported to Israel and from there re-exported to the European Union, without citing the origin of this production.

The issue of “labelling” in the marketing of agricultural produce has been very present in the discussions in the European institutions since the adoption of the Association Agreement. In 2005 the Official Journal of the European Union published an information note for European importers stating the need for products entering EU territory to have correct labelling, citing the city, town or area they originated from, recalling that the products from the occupied settlements or territories are not covered by the Association Agreement. In November 2015 a new Interpretative Notice was issued (Interpretative Notice : on the indication of origin of goods from Israel since June 1967), recalling the obligation of correct labelling for compliance with Community legislation and distinguishing between “Made in Israel” for goods originating in the sovereign territory of Israel recognised by the United Nations, “Made in West Bank” for the Palestinian production of the West Bank and “Made in Israeli settlements” for the production of Israeli settlements on the West Bank.

However, the responsibility for verifying the origin of the products rests with the states and their customs authorities, who often maintain a very lax attitude in the verifications. It should be added that demands for correct labelling and compliance

¹⁴ Authors' estimates based on the information gathered in the interviews conducted in the field work in May 2015.

¹⁵ The EU's economic relations with Palestine are governed by the Paris Protocol (1994), which was brought forward in the Oslo I Accord (1993) and appended to the Oslo II Accord (1995). More details can be found in Appendix 1.

with the Association Agreement are being postponed so as not to block the negotiation with Israel on other issues related to the stability of the Middle East.

The claims on correct labelling of products have two purposes which may be complementary in terms of a time perspective: (1) in the short term, this may lead to the exclusion of the benefits of the EU-Israel Association Agreement for products from settlements, and (2) in the medium and long term, could lead to a ban on trade from settlements, due to them being considered illegal. The first option appears to be the one supported by the European Commission and the second option maintained by the Palestinian Authority and civil society movements such as the BDS (Boycott, Divestments and Sanctions) Movement.

4. Trade in agricultural produce between Israel and the European Union within the framework of international law, bilateral treaties and Community legislation

The review of the literature, data analysis and field studies through interviews conducted in May 2015 reveal that during the production and marketing process of agricultural produce on the West Bank, international law, bilateral agreements and the legislation of the European Union is being violated. Some of the most significant examples are listed below. Table 3 and Appendix 3 provide some examples of non-compliance with certain principles of the Geneva Convention, the Charter of Human Rights, the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), Security Council Resolutions and the United Nations General Assembly, and the Oslo and Paris agreements, whereas this article will focus on the analysis of the incorrect implementation of the Partnership Agreement with Israel and the Community legislation relating to consumer rights.

Firstly, it should be recalled that the Agreement restricts its application exclusively to the sovereign territory of Israel recognised by the European Union. However, the labelling "Made in Israel" for products originating from settlements on the West Bank and the flexibility of customs controls at the European border are allowing settlement produce to enter the Community market with profits reserved for production from Israeli territory. In addition, the Luxembourg Court of Justice has stated that the produce from Israeli settlements on the West Bank cannot be considered as made in Israel and therefore cannot benefit from the customs exemption, although no sanctions have been imposed. That is to say, this way of proceeding implies an incorrect application of the principles of the Agreement and a fraudulent use of its instruments. Secondly, in relation to Community legislation on consumer rights, placing agricultural produce from the settlements on the market under the label "Made in Israel" is a breach of Directive 2000/13/EC on food labelling, which rules that the consumer has the right to have labels to indicate the "true origin" of the products; also of Directive 2005/29/EC on unfair commercial practice, which prohibits misleading presentation of unclear, unintelligible or ambiguous information; and of Regulation 1234/2007, which lays down the obligation to provide information on the origin of products, as a result of specific provisions for certain agricultural produce.

Table 3: International and European law on agrarian relations between Israel, Palestine and the European Union

Law	Article	Description	Production Chain
Geneva Convention relative to the Protection of Civilian Persons in Time of War	Prohibition of the displacement of civilian population to occupied territory. Regulation of actions of occupying power in the occupied territories	Israeli settlements involved in agri-business.	Production
Universal Declaration of Human Rights	Art. 5, concerning torture or cruel, inhuman or degrading treatment or punishment	Degradation of living conditions and business development on the West Bank, particularly in Zone C	Production
	Art. 12, concerning arbitrary interference in private life		Production
	Art. 13, concerning freedom of movement and residence within the borders of each state	Limited rights due to checkpoints, the West Bank Barrier and restricted use of some roads	Production
	Art. 17, concerning the right to own property	Limited Rights due to demolitions and expropriations	Production
	Art. 23, about the right to work	Precarious working conditions for Palestinian people on Settlements	Production
International Covenant on Civil and Political Rights (ICCPR) and International Covenant on Economic, Social and Cultural Rights (ICESCR)	Art.12 of ICCPR, on the right to freedom of movement and freedom to choose one's residence Art. 7 of ICESCR, on favourable working conditions	Precarious working conditions to Palestinian people in Settlement	Production
Resolutions adopted by the United Nations - Security Council and General Assembly-	Resolution 242 (1967) on military presence in occupied territories	Control C Zone in occupied territories	Production and international trade
	Resolution 446 (1979) on settlement	Growth in the number of Settlements and civil population in occupied territories	Production and international trade
	Resolution 61/292 (2010), about water right	Less quantity, worse quality and higher	Production

		price for Palestinian water	
Oslo Accord and Paris Protocol	Economic issues about water management	Less quantity, worse quality and higher price for Palestinian water	Production
Association Agreement between Israel and EU	Application of the agreement exclusively to the sovereign territory of Israel	Wrong labelling on settlement products, such as “ <i>Made in Israel</i> ” and application of Associations Agreement	Production and international trade
European legislation	Directive 2000/13, relating to the labelling, presentation and advertising of foodstuffs	Wrong labelling on settlement’s products, such as “ <i>Made in Israel</i> ”. Not possible to know origin	International trade
	Directive 2005/29, on confusing and misleading information		International trade
	Council Regulations 1234/2007, on geographical indications and designations of origin for agriculture.		International trade

Source: Created by author

Note: Appendix 3 analyses non-compliance with international law on production

Consequently, during the production and export process of agricultural produce originating on the West Bank, a number of articles in international law, bilateral treaties, and EU Community law itself are being infringed.

5. Conclusions

The production and trading of agricultural produce on the West Bank takes place within a framework of violation of international law, bilateral agreements and even Community law, directly derived from the economic, political, social and military conditions on the West Bank and the non-requirement of the EU to abide by their own agreements and legislation.

The fulfilment of international commitments is essential to ensure the proper functioning of business and trade, but also to favour the full use of the opportunities for the population, aimed at greater well-being. Even on apparently minor issues, such as the agricultural sector, respect for human, economic, social and political rights is key to achieving peace, and that this is sustainable over time.

However, in addition to the parties - Israel and Palestine - there are third states that violate international law in the exercise of their economic relations. The European Union is deeply concerned about the correct implementation of the agreements signed, as has been seen in the discussion of labelling under the “Made in Israel” trademark, despite coming from settlements on the West Bank. This, at the same time, indirectly conceals a violation of international law during the production process.

It can therefore be said that peace processes are not only negotiated in diplomatic forums, but also in all areas of economic, social and political relations, even if appearing to be minor matters, as discussed in this article.

Assuming that economic interests have led - and continue to lead - the policy on Israel's occupation of the West Bank (Grinberg, 2015), all action aimed at reducing the economic profitability of this policy could contribute to Israel's loss of interest in this territory and make the solution of the "two States" more viable. The European Union, which defends this path, can play an important role, not only as an integral part of the so-called "quartet" in peace negotiations, but also by respecting the agreements it has signed, such as the Association Agreement, and, of course, respecting the spirit of the Euro-Mediterranean Partnership, which aims to maintain peace; strengthen international security; promote international cooperation and consolidate democracy; the rule of law; and respect for human rights and fundamental freedoms.

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Appendices

Appendix 1. Regulatory framework for relations between the European Union, Israel and Palestine

The European Union's economic relations with Israel and Palestine are governed by international conventions that affect both economic relations in the strict sense and commitments in the field of international development cooperation and international law. These form part of the European Union's Foreign and Security Policy, namely the Neighbourhood Policy under the Euro-Mediterranean Partnership, redefined after the 2010 "Arab Springs", with the aim of consolidating common values centred around democracy, human rights, the importance of respect for the law, the market economy and environmental sustainability.

Exchanges of agricultural produce are regulated by special protocols which supplement those agreed on in the free trade agreements, since agricultural trade was excluded or very limited in the timetable for the gradual reduction and elimination of customs tariffs: 1) in 2003 the EU-Israel Agrarian Agreement came into force, freeing up the exchange of a large number of agricultural produce, completely eliminating tariffs and establishing zero quotas for approximately 90% of produce (European Commission, 2003) and 2) since 2012 a similar agreement has opened up trade on a major scale for agricultural, fishery and processed food products from Palestine¹⁶ (European Commission, 2011).

In addition, the EU has provided Israel with access to European Investment Bank loans to promote small and medium-sized industrial enterprises, services and the environment, as well as the participation of Israeli partners in the European Union Framework Programmes in R & D. In this way, economic relations between the parties have been extended far beyond trade.

The EU's economic relations with Palestine are governed by the Protocol of Paris (1994), anticipated in the Oslo I Accord (1993) and appended to the Oslo II Accord (1995) (Government of Israel and the Palestinian Liberation Organisation, 1994). This recognises the Palestinian National Authority's right to enter into trade and cooperation agreements with third countries within the limitations set out in the agreements on Palestinian self-rule¹⁷.

¹⁶ This was signed in 2011 and came into force in 2012. There had been previous agreements on agricultural exchanges, such as the one signed in 2005 and the 1997 Interim Agreement itself, which included that subject.

¹⁷ The Paris Protocol gives Israel the powers of border management, customs and tax collection as well as extensive powers over agriculture, industry and tourism. A customs union was set up between Israel and Palestine, as well as the obligation to use Israeli currency. For their part, in the Oslo Accords both parties recognised the other's existence, legitimacy and right to exist. They also established a 5-year period to negotiate the final resolution of the Israeli occupation through the creation of two States

Appendix2. Water resources on the West Bank

Piping and water transportation infrastructure is antiquated, very often dating back to the times of the Ottoman Empire or British rule. The new infrastructure has been built to supply Israel and the settlements with water, although along its passage it supplies water to Palestinian populations with a certain limit on cubic metres. To this must be added the fact that the construction and repair works of civil works, including water, on the West Bank requires Israeli authorisation. Most of the permits are denied, alluding in many cases to security reasons.

Map 1. Aquifers in Palestine and Israel



Source: Palestinian Academic Society for the Study of International Affairs taken from Social Justice through human rights: The right to water in Palestine: a background.

As a result of this and the numerous demolitions of water infrastructure, the average water consumption is between 17 and 75 litres per day and person - well below levels registered by settlers (600 litres) and Israelis (250 litres), as well as below the minimum 100 litres set by the World Health Organization. In addition, 50% of the water used in Israel comes from the West Bank and half the water goes to agriculture

(CDTI, 2015 and the YESHA Council – the Jewish Communities of Judea and Samaria and Gush Kati, 2013).

The water subsidy policy has facilitated intensive water use, causing irreparable damage to aquifers. For example, the average amount of water at the Allenby Bridge fell from 1,250 to 152: 203 million cubic metres between 1952 and 2007 (United Nations Convention to Combat Desertification, 2007, and Rabi, 2011).

Appendix 3. Violation of international law on agricultural production on the West Bank

Firstly, the Geneva Convention relative to the Protection of Civilians in Time of War - Fourth Geneva Convention¹⁸ - prohibits the displacement of the civilian population from the occupying power to the occupied territory and regulates the action of the occupying power in the occupied territories (Section III: Articles 47 to 78). It provides protection to the civilian population in the occupied territories and a series of obligations for the occupier in matters of childcare and education, health services and limitations on the destruction of property.

However, Israel, acting as the occupying power, does not fulfil its obligations under international law. Israel maintains a deliberate policy of colonisation on the West Bank through the expansion of settlements, much of this devoted to agricultural production in the Jordan Valley. It is estimated that over half a million civilians have moved to the West Bank, benefitting from the economic and social incentives for both individuals and businesses. In addition, Israel fails to comply with the obligation to respect movable and immovable property, with multiple examples of demolitions of peasant houses and water infrastructure (wells, reservoirs, etc.) that directly affect agricultural production.

Secondly, farming, in the context of the Israeli-Palestinian conflict, is practiced within the framework of violation of a number of articles of the 1948 Declaration of Human Rights, namely:

- Article 12: “No one shall be subjected to arbitrary interference with his private life, family, home or correspondence, or attacks on his honour or reputation. Everyone has the right to the protection of the law against such interference or attacks.” Israel's civil and military actions in Zone C, particularly with regard to demolitions and cutting down crops constitutes interference with private life, since it alters the conditions chosen by each family when deciding on their place of residence and livelihood. This is particularly evident in the Jordan Valley, an eminently agricultural area, where settlements are growing at the same time as the Palestinian population is being harassed to facilitate the depopulation of the area.

¹⁸ The Convention, as established in Article 2, applies "in all cases of total or partial occupation of the territory of a High Contracting Party, even if this occupation does not encounter military resistance". The Geneva Conventions are considered to be part of the body of Customary international law, making it binding on countries not signatories to the Conventions each time they engage in armed conflict. However, Israel signed the Fourth Convention in 2007.

- Article 13: "Everyone has the right to move freely and to choose their residence within the territory of a State (...) to leave any country, including his own, and to return to his own country." The obstacles imposed by the construction of the Wall, much of it within the West Bank, the checkpoints and the restriction on the use of certain roads on the West Bank to the Palestinian population obstructs the enjoyment of this right. A large number of peasant farmers are restricted in their farming as a result of the impossibility and serious problems of getting from home to land. This sometimes gives rise to the application of the above-mentioned Ottoman law.
- Article 17: Everyone has the right to own property alone as well as in association with others. No-one shall be arbitrarily deprived of his property." This issue is violated through forceful expropriations of land and the demolition of buildings.
- Article 23: "Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment. Everyone, without any discrimination, has the right to equal pay for equal work. Everyone who works has the right to just and favourable remuneration, ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection. Everyone has the right to form and to join trade unions for the protection of his interests." Current conditions of employment for the Palestinian population in the agricultural enterprises of the settlements - long days, the absence of any rights, salaries lower than those of the non-Arab population, etc. - clearly reveal non-observance of this article on West Bank settlers' farms.

Thirdly, there is also non-compliance with the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). In the first case, Article 12 states that "Everyone lawfully within the territory of a State shall, within that territory, have the right to freedom of movement and freedom to choose his residence. Everyone shall be free to leave any country, including his own." These rights may only be subject to restrictions when provided for by law and when necessary to protect national security, public order, public health or morals - or the rights and freedoms of others - and are compatible with the other rights recognised in the Covenant. Moreover, "No one shall be arbitrarily deprived of the right to enter his own country."

For its part, Article 7 of the ICESCR states the recognition of "just and favourable conditions of work" in particular in order to guarantee fair wages, dignified conditions, and opportunities for promotion, rest and holidays. In addition, the Convention on the Rights of the Child, many regulations of the International Labour Organization and Israeli legislation itself, all state the prohibition of work below the 10th grade of education. The description of working conditions and limitations to the free movement of persons, given earlier, clearly highlight the violation of these articles.

Fourthly, the Security Council and General Assembly of the United Nations have adopted a long list of resolutions alluding to the actions of Israel in Palestine, some of

which are closely related to the use of agricultural resources. They emphasize for example:

- The 1967 United Nations Security Council Resolution 242, urging the withdrawal of Israeli armed forces from the occupied territories that same year.
- The United Nations Security Council Resolution 446 of March 1979 states that the existence of settlements already constitutes a violation of international law, specifically the Fourth Geneva Convention, as well as an obstacle to peace in the Middle East.¹⁹
- The 2010 United Nations General Assembly Resolution 64/292 explicitly recognises the human right to water and sanitation, reaffirming that clean drinking water and sanitation are essential for the realisation of all human rights. Likewise, the Committee on Economic, Social and Cultural Rights adopted General Comment No. 15 on the right to water in 2002, stating that "The human right to water is indispensable for a decent human life" and establishes that there is an individual right of each human being to have sufficient, healthy, acceptable, physically accessible and affordable water for personal and domestic use.

Palestinian peasants on the West Bank face enormous difficulties in farming, in particular as a result of restrictions on the availability of an adequate quantity of water, of sufficient quality and reasonable price. This is due, in part, to the priority and subsidised supplying of water to Israeli settlements, and the restrictions imposed by the military control of Zone C. Therefore, in farming on the West Bank Israel conceals non-compliance of the aforementioned resolutions.

Fifthly, there is also a breach of the Oslo Accords (I and II) and the Paris Protocol, in hampering farming. These Agreements, as anticipated, regulate water management which, as mentioned above, is controlled by the company, Mekorot, and does not meet the allocation quotas for resources. Moreover, these agreements produce a series of restrictions on farming by Palestine, although in this case this is not a breach of the Agreement, as this is established that way. The agreements lay down a customs union granting powers over the external borders of Palestine to Israel, which greatly limits the exports of Palestinian entrepreneurs, especially in the agricultural sector where a very high percentage of production is destined for the foreign market. In addition Israel has carried out numerous episodes of retaining tax collections and tariffs²⁰, thus economically stifling the public coffers of the Palestinian Authority.

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¹⁹ This Resolution refers to non-compliance with Security Council resolutions 237 of 1967, 252 of 1968 and 298 of 1971; Resolutions 2253; 2254 of 1967, 32/5 of 1977 and 33/113 of 1978 of the United Nations General Assembly.

²⁰ The Paris Protocol gave Israel the powers to collect taxes and customs duties from the Palestinian territories.