Global Echo
LITIGATION CENTER

IMPORTING OCCUPATION

Europe's Complicity in Palestinian Dispossession through Settlement Agricultural Trade

June 2026

Executive Summary

I. Agricultural Settlement Goods Exported to Europe

Amidst "one of the most ostentatious and merciless manifestations of the desecration of human life and dignity,"[1] European states continue to financially sustain the Israeli settlement enterprise, the economic backbone of the Israeli occupation of the Occupied Palestinian Territory and the occupied Syrian Golan. One of the most persistent channels of European support is the importation of goods produced in Israeli settlements in occupied territory. The European Union (EU) is Israel's largest trading partner and foreign investor; each year, roughly 28 per cent of all Israeli exports are bound for the EU.[2] The absence of transparency remains a defining feature of settlement trade: Neither the State of Israel nor the EU publishes, nor appears to systematically collect, disaggregated data on the export of settlement products to the EU, rendering accurate data impossible to obtain. As a result, civil society has had to rely on an outdated and unverified estimate from 2011 provided by the Israeli Government to the World Bank, which suggested that settlement products accounted for approximately 2.23 per cent of Israeli exports to Europe.

***Importing Occupation* reveals evidence of an organised, widespread, and long-standing system through which settlement agricultural goods are exported to Europe whilst misrepresented as Israeli.** In a multi-year, cross-border investigation, Global Echo analysed more than 30,000 export documents accompanying over 6,800 shipments of agricultural products from Israel abroad between October 2017 and February 2026. **Of the 5,900 shipments destined for Europe, more than 17 per cent contained products originating in settlements: approximately one in six shipments overall, and nearly 20 per cent, or one in five shipments, of those bound for the EU.**[3] Given that agricultural products are among the most prevalent categories of goods exported

1 OHCHR, End Unfolding Genocide or Watch It End Life in Gaza: UN Experts Say States Face Defining Choice, 7 May 2025.

2 Israel Central Bureau of Statistics, Monthly Foreign Trade Statistics, October 2025 [Hebrew], *available at* https://www.cbs.gov.il/he/publications/Pages/2025/trade2025m10.aspx Among Israeli exports of plant products, approximately 57 per cent of the value is derived from exports to the EU (*Ibid.*).

3 17.2 per cent of agricultural exports destined for Europe that were analysed by Global Echo contained settlement products, and 19.2 per cent of those destined for the EU alone contained settlement products.

from settlements to Europe,[4] these findings indicate that the system documented herein likely accounts for a substantial share of settlement exports—and a significant source of settlement-derived revenue. Thus, the evidence presented in this report reveals that settlement goods entering European markets are neither marginal nor exceptional; instead, they constitute a substantial and recurring component of agricultural trade from Israel to Europe—calling into question the reliability of the figure previously provided by Israel of 2.23 per cent.[5]

This investigation further demonstrates that settlement trade with Europe appears to be sustained through deliberate and recurring practices designed to conceal or obscure the true origin of settlement products. Israeli exporters and other economic actors play a central role in a "supply chain of obfuscation" via three principal methods. The first, described as "*hiding in plain sight*", involves indicating the actual place of production in occupied territory—often including a settlement location and postal code—whilst simultaneously designating that location as being in Israel, a practice permitted under the EU-Israel 2005 Technical Arrangement despite its inherent capacity to mislead.[6] The second, the "*sham address*" method, entails the use of an invented or proxy address within Israel's recognised borders that bears no relation to the product's true origin. The third, the "*mingling*" method, involves commingling settlement produce with goods from within Israel, often at packing or cooling facilities, leading to mixed consignments exported under Israeli origin documentation. Together, these practices undermine the effective application of EU trade and policy rules by systematically obscuring territorial origin, thereby allowing settlement products to be placed on the European market in a manner that is inconsistent with multiple provisions of EU law, policy, and trade agreements.

As a result, the repeated misrepresentation of settlement goods that enter the EU as Israeli is evidence of more than occasional lapses in compliance, instead suggesting a sustained pattern of circumvention enabled by the very frameworks purporting to prevent it. Misrepresentation of origin is significant in both scale and economic value, and it exposes myriad deficiencies in the EU's system of differentiation with serious legal and practical consequences. Differentiation's failure not only facilitates persistent non-compliance by Israel and Israeli economic actors, but it materially contributes to the economic viability and expansion of the settlement enterprise,

4 APRODEV *et al.*, Trading Away Peace: How Europe Helps Sustain Illegal Israeli Settlements, October 2012, at pp. 6, 21. "The most common settlement products sold in Europe include agricultural products, such as dates, citrus fruits, and herbs, and manufactured products including cosmetics, carbonation devices, plastics, textile products, and toys" (*Ibid.*, at p. 7).

5 World Bank, Fiscal Crisis, Economic Prospects: The Imperative for Economic Cohesion in the Palestinian Territories – Economic Monitoring Report to the Ad Hoc Liaison Committee, 23 September 2012, at p. 13, and related to Israeli exports of all types. *See* Section 4.2.7 of this report.

6 Arrangement between the EU and the Government of Israel concerning the implementation of Protocol 4 to the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the State of Israel, on the other part, TAXUD 267 1/60, Brussels, 13 December 2004 (also known as the Technical Arrangement).

including the accelerating appropriation of land in Area C of the West Bank. As Israel's current Minister of Finance has openly stated, "we are erasing the Green Line through agriculture in Judea and Samaria."[7]

Differentiation's failure not only facilitates persistent non-compliance by Israel and Israeli economic actors, but it materially contributes to the economic viability and expansion of the settlement enterprise, including the accelerating appropriation of land in Area C of the West Bank.

Agricultural settlements occupy substantially larger surface areas than residential settlements and inflict particularly pernicious harm on Palestinian and Syrian communities, given the scale of land appropriation and the intensive exploitation of natural resources they entail. In the Occupied Palestinian Territory, settlement agriculture has driven the expansion of settlements and the rapid takeover of land in pursuit of the declared Israeli objective of annexation of the majority of the West Bank.[8] In the occupied Syrian Golan, the deliberate and large-scale destruction of Arab villages in 1967 was undertaken not merely to depopulate the territory of Syrians, but to enable its repopulation with Israeli settlers, with the express purpose of creating "facts on the ground" to entrench and sustain Israeli control over the Golan's fertile land and abundant resources—a strategy in which settlement agriculture has played a central role ever since.

The establishment of civilian settlements in territory seized by force is unlawful under international law, *inter alia*, because it is inherently linked to, and sustained by, a broader pattern of violations—including dispossession, apartheid policies, exploitation of natural resources, and territorial and demographic transformation carried out to the detriment of the occupied, or "protected", population. In its 2024 Advisory Opinion, the International Court of Justice ("ICJ") confirmed that in the context of Israel's prolonged occupation, these practices are neither temporary nor incidental; rather, they are structural, deliberate, and cumulative and result in the systematic denial of the Palestinian people's right to self-determination. The Court further found that "the extensive confiscation of land and the establishment of settlements, coupled with related legislative and administrative measures, have resulted in their gradual annexation to Israeli territory and manifest an intention to create a permanent and irreversible Israeli presence."[9] It is on this legal foundation that the EU, its Member States, and other European states have consistently maintained that all settlement activity is illegal under international law and

7 Betzalel Smotrich Post to X, 29 December 2024, *available at* https://x.com/bezalelsm/status/1873305004720734401.

8 Bezalel Smotrich, Finance Minister of Israel, said in a press conference that "Israeli sovereignty will be applied to 82 per cent of the territory" of the Occupied West Bank and that it is "time to apply Israeli sovereignty in Judea and Samaria [West Bank]." Sam Sokol, Smotrich Proposes Annexing 82% of West Bank in Bid to Prevent Palestinian State, The Times of Israel, 3 September 2025.

9 Legal Consequences Arising from the Policies and Practices of Israel in the Occupied Palestinian Territory, including East Jerusalem, ICJ Advisory Opinion, 19 July 2024, at para. 252.

constitutes a serious obstacle to a just and lasting peace.[10]

At the same time, the EU has sought to preserve close, strategic, and multifaceted relations with Israel, including in the fields of trade, research, and scientific cooperation. The policy of differentiation emerged precisely from this tension, designed to reconcile the EU's close relationship with Israel with its obligation under international law not to recognise, legitimise, or assist settlement activity. A central pillar of differentiation is the requirement that goods originating in Israeli settlements be treated, labelled, and marketed as such, rather than as products of Israel's sovereign territory.

However, *Importing Occupation* demonstrates that the legal and administrative frameworks purporting to ensure differentiation in the agricultural sector were **jointly shaped by Israel and the EU in ways that embed avenues for evasion**—weaknesses in the system that Israeli state and private actors have systematically exploited, and that have been further compounded by systemic enforcement failures on the part of European authorities. As a result, European trade continues to contribute materially to an unlawful territorial regime, in direct tension with EU law and with the third-party obligations of all states, as clarified by the ICJ.

The practices documented in this report, and the sample evidence presented in support thereof, expose how the EU's reliance on differentiation has neither resolved this inconsistency nor prevented sustained breaches of EU trade agreements, regulatory law, and policy. Indeed, the systematic obfuscation of settlement origin is now built into the operation of the EU market itself.

II. Legal Significance of Importing Occupation's Findings Under EU Law

Thus, it appears that settlement goods routinely enter EU Member States and other European countries under conditions that enable them to benefit from treatment reserved for goods originating in Israel, exposing four distinct mechanisms through which the current system permits such goods to circulate in direct contravention of EU law, policy, and trade agreements.

Global Echo has analysed **2,040** invoice declarations and movement certificates for goods exported from Israel to the EU between 2017 and 2026; of them, **340** appear to provide ineligible proofs of origin for preferential treatment because they contain settlement products. Global Echo has uncovered a further 20 invoice declarations and movement certificates that use a "sham address" to falsely declare Israeli origin. Thus, **16.7 per cent** of the proofs of Israeli origin analysed by Global Echo—worth

10 *See, e.g.*, Statement by High Representative/Vice President of the European Union for Foreign and Security Policy, Federica Mogherini on Israeli Settlement Policy, 18 November 2019; Council of the European Union, 13th Meeting of the European Union-Israel Association Council, Statement of the European Union, 24 February 2025.

13.09 million EUR—have been demonstrated to relate exclusively to, or include, settlement goods.

The 2000 EU-Israel Association Agreement applies to the territories of the EU, on the one hand, and to the State of Israel, on the other. In *Brita*,[11] the Court of Justice of the European Union (CJEU) confirmed that the territorial scope of the Agreement does not extend to the Occupied Palestinian Territory and, therefore, products originating in the West Bank are ineligible for preferential treatment under its terms. Preferential treatment primarily entails reduced or zero tariffs granted to importers at the port of entry and benefitting the entire supply chain. In practice, preferential treatment is claimed by European importers through the submission of a proof of origin—either a movement certificate issued by Israeli customs authorities or an invoice declaration issued by an Israeli exporter and verified by Israeli customs. EU Member State customs authorities are required to verify such documentation at importation and to refuse to grant preferential treatment where the goods do not meet the territorial requirements of the Agreement.

Concerns regarding the systematic abuse of the Agreement's territorial scope by Israeli authorities and economic operators emerged soon after its entry into force, particularly in relation to the issuance of proofs of "Israeli" origin for goods produced in settlements. These concerns were ostensibly addressed through the 2005 Technical Arrangement and the accompanying Israeli Internal Guidelines. Under those guidelines, issued pursuant to section 3 of the Technical Arrangement and shared with the European Commission, proofs of origin are required to specify the place of production and postal code; however, regardless of whether the goods originate in Israel or in occupied territory, the guidelines permit an importer to submit a proof of origin for preferential treatment citing the country of origin as "Israel". This formulation reflects a significant concession to Israel's refusal to acknowledge that settlements are not considered part of Israel for the purposes of the EU-Israel free trade agreement.[12] Collectively, the Technical Arrangement and the Israeli Internal Guidelines place the burden of identifying the true territorial origin of goods not with Israel—where such determination could most readily be made—but with EU Member State authorities. In response, Member State authorities

11 Brita GmbH v. Hauptzollamt Hamburg-Hafen, ECJ Judgment, Case C-386/08, 25 February 2010, at para. 64.

12 The Internal Guidelines issued by the Israeli Customs Authorities on 10 January 2005 state: "It is hereby clarified that unlike the Israeli position, the EU does not regard areas that were brought under Israeli administration since 1967 as included in the Association Agreement, for the purposes of preferential tariff treatment." Internal Guidelines Issued on 10 January 2005 by the Israeli Customs Authorities in Accordance with §3 of the 2005 Technical Arrangement, *available at* https://www.adm.gov.it/portale/documents/20182/892562/gtr-20130315-all.1-nsediamenti+israeliani+EN.pdf/02817472-b538-46d9-b428-2111e6697fb6, *in* Arrangement between the EU and the Government of Israel concerning the Implementation of Protocol 4 to the Euro-Mediterranean Agreement Establishing an Association between the European Communities and their Member States, of the One Part, and the State of Israel, on the Other Part, 13 December 2004, *available at* (pdf) https://taxation-customs.ec.europa.eu/document/download/77e0765a-b3fd-4c7a-9766-400f3b3d2680_en?filename=EU-Israel%20Technical%20Arrangement%20of%202005.pdf. The guidelines will be examined in greater detail in Section 5.3.1 of this report.

have tried to rely on economic operators within their own jurisdictions to assist with differentiation, issuing non-binding Notices to Importers that advise, rather than require, differentiation and compliance.

As a result, the EU and Israel have jointly embedded structural weaknesses within the current enforcement framework. These weaknesses help to explain the 329 invoice declarations presented as proofs of Israeli origin for preferential treatment that relate exclusively to, or include, settlement goods that were uncovered in this investigation.

Global Echo has analysed **35 phytosanitary certificates** issued by the Israeli National Plant Protection (NPPO)—**19** of which were issued for products originating in occupied territory. All 19 phytosanitary certificates were issued for plants (fruits and vegetables) that the EU has deemed subject to special requirements. This report's legal analysis concludes that these phytosanitary certificates may not be issued by the NPPO of the Occupying Power (in this case the Israeli PPIS), but only by the NPPO of the country of origin, namely the NPPO of either the Occupied Palestinian Territory or the occupied Syrian Golan.

To enter the EU, certain plants and plant products exported by a third country, such as Israel, must be accompanied by a "phytosanitary certificate". For some plants, special requirements apply, and their phytosanitary certificates must specify that these additional requirements have been satisfied. EU law further states that phytosanitary certificates must be issued by the NPPO in the country of export. The NPPO in Israel is the Plant Protection and Inspection Service (PPIS) housed within the Ministry of Agriculture and Food Security. However, the CJEU has ruled that phytosanitary certificates for plants with special requirements that may be satisfied only in their place of origin must be issued by the NPPO of the country of origin. In the *Anastasiou Saga,* the CJEU considered the validity of Turkish-issued phytosanitary certificates for plants with special requirements—citrus fruits and potatoes—exported by Turkey, but originating in occupied Northern Cyprus. The Court confirmed that any origin-related special requirement, such as affixing an origin mark or providing an official statement that the plant is free of harmful organisms, may only be fulfilled by the NPPO in the country of origin—there, the Republic of Cyprus. Applying the *Anastasiou* rule to the present context, this report posits that the Israeli PPIS would not be authorised to issue phytosanitary certificates with origin-related special requirements for plants that originate in the territories Israel has occupied since 1967.

As a result, the EU and Israel have jointly embedded structural weaknesses within the current enforcement framework.

With respect to plants that need a phytosanitary certificate but do not have special requirements, the CJEU confirmed in *Anastasiou II* that three conditions must be met cumulatively in order for a third country to be competent to issue phytosanitary certificates without special requirements. One of those conditions stipulates that the plants must have been imported into the territory of the country in which the phytosanitary checks have taken place before being exported from there to the EU. Importation is a process that involves not only the physical transfer of goods, but

also the legal processes of export and import, including declaration and clearance through Palestinian or Syrian customs authorities, followed by processing by Israeli customs. It is therefore this report's finding that mere transportation of a product from Israeli-occupied territories into Israel does not constitute importation for the purposes of fulfilling the *Anastasiou II* conditions. As a result, this report concludes that phytosanitary certificates issued by Israel for plants that do not have special requirements that originate in the Occupied Palestinian Territory or the occupied Syrian Golan are also invalid under EU law on the basis that they have not been imported from the originating territory to the consignor country.

Therefore, it is Global Echo's legal reasoning that all phytosanitary certificates issued by the Israeli PPIS for plants originating from the Occupied Palestinian Territory and the occupied Syrian Golan are invalid under EU law and must not be accepted by the NPPOs of EU Member States. However, it appears as though settlement plants requiring phytosanitary certification currently enter the EU with allegedly invalid phytosanitary certification, illustrated by the 17 incidents documented by Global Echo in which phytosanitary certificates were issued by the PPIS for plants with special requirements for goods originating from occupied territory.

With respect to the export of **organic** products to the EU, the PPIS and the control bodies to which the PPIS has delegated official controls, such as Secal, are authorised to inspect and certify organic products and operators under Israel's recognition by the EU as an "equivalent" third country. That recognition, however, is expressly limited to the territory of the State of Israel and does not extend to territories occupied since 1967. As a result, both the PPIS and Secal lack any legal authority to grant organic operating permits, conduct inspections, issue certificates of inspection, or carry out investigations of alleged violations in relation to organic products originating in the Occupied Palestinian Territory or the occupied Syrian Golan and destined for the EU market.

Notwithstanding this clear territorial limitation, Global Echo has analysed **31** certificates of inspection issued by Secal for the export of organic products originating in occupied territory to the EU. Of these 31 Secal-issued certificates, 29 related to products from the occupied Syrian Golan and two to products from the Occupied Palestinian Territory.

Given these circumstances, Global Echo's view is that the competent authorities of the importing EU Member States should not have accepted such certificates as valid, nor should they have treated the products concerned as organic for the purposes of marketing them within the Union. Acceptance of these certificates likely amounts to a failure to enforce the territorial limits of Israel's equivalence recognition under EU organic law.

This investigation further finds that EU Member State authorities' failure is not limited to accepting invalid certificates of inspection; it extends to tolerating the unlawful supervision and authorisation of operators in occupied territory by bodies

lacking jurisdiction to do so. Under EU organic law, only control bodies directly recognised by the European Commission may certify operators and products in "compliant" countries for export to the EU, including the Occupied Palestinian Territory and the Syrian Arab Republic and Israeli settlements located therein. Neither Secal nor the PPIS is recognised under this compliance regime, and it follows that they therefore would not be authorised to audit, investigate, supervise, or certify operators located in those territories for the purposes of access to the EU organic market. Nevertheless, Global Echo identified 20 permits issued by Secal for settlement-based organic operators and at least one instance in which Secal appears to have investigated an operator in a West Bank settlement in response to a complaint by an EU control body. To the extent that such audits or permits may have been relied upon for export to the EU, they appear to lack a lawful basis under EU organic law and thus would not confer valid organic status on the products concerned.

Similarly, since both the Occupied Palestinian Territory and the occupied Syrian Golan fall within the EU's "compliance" regime, only control bodies directly recognised by the EU may certify organic products from these territories. One such body is Control Union, which is the parent company of Secal. The exercise of Control Union's authority in the West Bank is evidenced by Global Echo's analysis of **841** certificates of inspection for organic products originating from Israeli settlements in the Occupied Palestinian Territory. Secal and Control Union operate under entirely distinct and non-overlapping territorial jurisdictions. Yet, Secal appears to market organic inspection and certification services to Israeli settlement producers for products destined for the EU, including through its website, via its corporate relationship with Control Union.[13] Control Union is also authorised to certify organic products produced by Palestinians in the Occupied Palestinian Territory; however, Palestinian operators appear to represent a small proportion of Control Union's certified operators.

Control Union was recently required to submit a technical dossier to the European Commission to reapply for EU recognition in order to operate in the Occupied Palestinian Territory. The dossier needed to include both evidence that Control Union notified the Palestinian Ministry of Agriculture of its activities and a formal undertaking to comply with the legal requirements of that authority. Those requirements may include Palestinian Authority Law No. 4, which, *inter alia*, prohibits trade in goods and services originating from Israeli settlements. In light of the certificates of inspection reviewed by Global Echo indicating that Control Union has certified organic products originating from Israeli settlements in the occupied West Bank, questions arise as to the compatibility of those certifications with the obligations set out in Law No. 4. On the basis of the available evidence, the continued certification of settlement products appears difficult to reconcile with an undertaking to comply with the applicable legal framework. Control Union informed Global Echo that it "has duly notified the Palestinian Authority via email of its intention to

13 Secal's responses to Global Echo's letter of inquiry are *cited in* Section 5.3.3, and its letters are reproduced in full at Annexes I and II to this report.

undertake activities within the region."[14] However, it did not indicate whether the Palestinian Authority had responded, nor whether Control Union had received any guidance on the application or enforcement of Law No. 4.

EU **consumer law** establishes a clear and comprehensive framework prohibiting fraudulent, deceptive, or misleading practices in the labelling of food products. Consumers in the EU are entitled to make informed choices about the food they consume, including those based on social and ethical considerations. Accordingly, food information must be accurate, transparent, and not misleading, including with respect to the product's country of origin and place of provenance. The case law of the CJEU has unequivocally affirmed that products originating in settlements within occupied territory must be labelled as such and must not be presented as originating in the sovereign territory of the Occupying Power. In *Psagot*,[15] the CJEU confirmed that the binding rule under Union law is that foodstuff from either the Occupied Palestinian Territory or occupied Syrian Golan must bear that territory on its label, alongside the indication that it comes from a "settlement" within one of those territories.

Nevertheless, Global Echo has traced the supply chains of a number of Israeli exporters that source agricultural products from the Occupied Palestinian Territory and the occupied Syrian Golan, alongside sourcing from within Israel's recognised sovereign territory. For example, based on the evidence reviewed by Global Echo, one of the leading conventional and organic tahini producers and exporters, Achdut, appears to source exclusively from settlements located in the West Bank. Global Echo's evidence also suggests that Yonatan Packing and Marketing, an Israeli agricultural cooperative and exporter based in the occupied Syrian Golan, primarily sources its produce from the occupied Syrian Golan. Nevertheless, the examples of these products found in European supermarkets were consistently labelled as products of "Israel". Achdut informed Global Echo on 25 January 2026 that it no longer exports organic goods to Europe.[16] Yonatan Packing and Marketing did not respond to Global Echo's repeated requests for comment.

Deceptive labelling of Israeli settlement products in the EU reflects failures at several levels, beginning with enforcement by the competent authorities of EU Member States and, where the problem is widespread, extending to the European Commission. Retailers that sell these products may, in certain circumstances, also bear responsibility under EU and domestic consumer law, including when the true origin of the goods has been obscured upstream in the supply chain.

14 Letter from Control Union Certifications to Global Echo, 19 December 2025 (on file). Control Union's letter is reproduced in full at Annex III to this report.

15 Organisation Juive Européenne and Vignoble Psagot Ltd v. Ministre de l'Économie et des Finances, ECJ Judgment (Grand Chamber), Case C-363/18, 12 November 2019.

16 Letter from Achdut Ltd. to Global Echo, 25 January 2026 (on file).

III. The Human Cost of Israeli Settlement Agriculture for Palestinians and Syrians

Settlement agriculture has, from the outset, been a central instrument of territorial consolidation in the Occupied Palestinian Territory, particularly in Area C of the West Bank. Far from ordinary farming, it has functioned as a strategic tool to seize and control land, fragment Palestinian space, and undermine the viability of Palestinian agriculture. Settlement farming expands over vast surface areas, often far exceeding the footprint of residential settlements, and it is reinforced by a convergence of state policy, settler violence, and military enforcement. Palestinian communities are progressively confined to smaller, more fragmented enclaves, whilst their access to land, water, and markets is systematically restricted. The result is large-scale dispossession, the destruction of livelihoods, and the entrenchment of a captive economy in which Palestinians are rendered dependent on, or subordinated to, the very settlement enterprises that displace them.

In the West Bank, Israeli-owned settlement farms flourish alongside the many Palestinian communities that lack sufficient water even for basic needs. Israel's control over water resources has produced stark disparities, as settlers enjoy vastly higher levels of water consumption to sustain water-intensive agricultural production, whilst Palestinian agriculture is steadily eroded. Restrictions on Palestinian economic activity in Area C—where most agricultural land and natural resources are located—have inflicted profound economic harm, denying Palestinians meaningful development and forcing many into low-paid labour within settlement economies. These harms have been further exacerbated by heightened violence, movement restrictions, and economic disruption since October 2023, which have sharply constricted the West Bank economy and deepened existing vulnerabilities.

Settlement agriculture has, from the outset, been a central instrument of territorial consolidation in the Occupied Palestinian Territory, particularly in Area C of the West Bank.

Comparable dynamics are evident in the occupied Syrian Golan. The gravest harm to the Syrian population occurred in 1967, when Israel expelled the vast majority of the local inhabitants and embarked on a systematic campaign of destruction, razing the Golan's cities, villages, and farms and leaving only a handful of Syrian villages intact. Those displaced—now numbering in the hundreds of thousands including descendants—have been permanently denied the right to return through a regime of military orders designed to secure enduring Israeli control. Since then, settlement agriculture has played a central role in entrenching that control, and those that remained bear its brunt. Water lies at the heart of this process: Israel has exploited and diverted water resources belonging to the Syrian people to supply settlers in the Golan and to Israel itself, granting settlers preferential access and leaving Syrian farmers with far more limited allocations. Combined with superior access to land, subsidies, and closed markets, Israeli settler farming has rendered Syrian agriculture in the Golan nearly extinct. Just as in the Occupied Palestinian Territory, settlement agriculture operates across both territories as a mechanism of dispossession—extracting value from occupied land and resources whilst systematically displacing and undermining the rights and livelihoods of the protected populations.

IV. International Law Consequences of the System of Obfuscation

The EU is both a product and a subject of public international law and is obligated to observe international law in the exercise of its powers. This obligation is firmly established in the jurisprudence of the CJEU and reflected in the EU Treaties, which commit the Union to the strict observance of international law and the principles of the United Nations Charter. In this context, international law requires the EU to take account of authoritative interpretations articulated by the ICJ. In its 2024 Advisory Opinion, the ICJ clarified that third states are bound by the obligations of non-recognition and non-assistance in relation to Israel's unlawful policies and practices in the Occupied Palestinian Territory, and thus are under a duty to distinguish in their dealings and to refrain from economic activity that entrenches the illegal situation. These obligations are directly engaged by the EU's regulation of trade and market access for settlement goods and form the international legal framework against which the system documented in this report must be assessed.

The international law principles implicated in the cultivation of agricultural products in settlements in occupied territory and their export to foreign states are well established. At their core lie the prohibition on the acquisition of territory by force and the inalienable right of peoples to self-determination—both norms of peremptory (*jus cogens*) status. Flowing from these norms are corollary obligations that bind all states: the duty of non-recognition of unlawful territorial situations; the prohibition on rendering aid or assistance in maintaining such situations; and, in the context of occupation, the absolute prohibition on the transfer of the Occupying Power's civilian population into occupied territory and the forcible transfer or displacement of the protected population. The production of agricultural goods in settlements established and expanded in violation of these rules cannot be disentangled from the internationally wrongful acts that give rise to them. Settlement agriculture depends upon, and materially contributes to, the unlawful appropriation of land and natural resources, the alteration of the demographic composition of occupied territory, and the denial of the occupied population's collective right to permanent sovereignty over its natural resources. As such, settlement production is not a neutral economic activity, but rather arises directly from a situation that international law forbids.

The ICJ's authoritative interpretation of these internationally wrongful acts clarifies their concrete legal consequences for third states, including the EU. After examining Israel's conduct over more than five decades, the Court concluded in its 2024 Advisory Opinion that Israel's prolonged presence in the Occupied Palestinian Territory is unlawful and must be brought to an end without delay, declaring that the settlement enterprise is a central, deeply entrenched, and intentional feature of that illegality. The Court held that Israel's policies—including settlement expansion, annexation measures, exploitation of natural resources, discriminatory legislation, and failure to prevent settler violence—are designed to create permanent and irreversible facts on the ground, amounting in some parts of the territory to *de jure* annexation, and in others to *de facto* annexation, and resulting in the systematic denial of the Palestinian people's right to self-determination. Of particular significance to this report, the Court devoted a section of its Opinion to the legal consequences of its findings for other states. It reaffirmed

that the obligations breached by Israel are *erga omnes* in nature and, as such, all states have a legal interest in their protection. The Court explicitly clarified that third states are under a duty to distinguish in their dealings between Israel and the territories it occupies; to abstain from economic, trade, or investment relations that entrench Israel's unlawful presence; and to take positive steps to prevent trade or investment practices that sustain the illegal situation. These obligations are directly challenged by systems of trade that permit settlement agricultural goods to enter foreign markets, including as if they were products of the Occupying Power's sovereign territory.

Although the General Assembly's request for the ICJ's Advisory Opinion did not extend to the occupied Syrian Golan, the Court's reasoning reflects settled principles of international law applicable to all situations of occupation. International law has long and unequivocally recognised the Syrian Golan as territory occupied since 1967, and Israel's purported annexation of the territory through the Golan Heights Law of 1981 was immediately declared null and void by the UN Security Council by adopting UNSC Resolution 497 (1981). Similar core violations identified by the ICJ in relation to the Occupied Palestinian Territory—unlawful population transfer, forcible displacement, destruction of property absent military necessity, and the exploitation of land and natural resources for the benefit of the Occupying Power's civilian population—are equally present in the Golan. Settlement expansion, including through agricultural development, has played a central role in entrenching Israeli control whilst diminishing the rights, livelihoods, and demographic presence of the indigenous Syrian population. Against this backdrop, the principles articulated by the Court reinforce the conclusion that economic engagement with settlement enterprises in any occupied territory—whether in the Occupied Palestinian Territory or the occupied Syrian Golan—is legally incompatible with the obligations of third states under international law.

It is in this context that a growing coalition of Member States has begun to enact prohibitions on trade with settlements as a step toward complying with these obligations. Spain has already taken action by adopting a ban on imports of products originating in Israeli settlements in the Occupied Palestinian Territory, alongside restrictions on advertising such goods and related services.[17] The Government of Slovenia has likewise adopted a decision to ban settlement imports, including anti-circumvention measures.[18] Elsewhere, similar measures are now under active consideration: Ireland has approved draft legislation to prohibit settlement imports, the Netherlands is preparing a decree to implement a similar ban, and Belgium has announced its intention to do the same. At the wider EU level, nine Member States have also called for an EU-wide ban on trade with Israeli settlements.[19]

17 Royal Decree-Law 10/2025, of September 23, adopting Urgent Measures Against Genocide in Gaza and in Support of the Palestinian Population (BOE-A-2025-18831) [Spanish].

18 *See* Republika Slovenija, 346th correspondence session of the Government of the Republic of Slovenia, Economic measures in relation to the situation in the occupied Palestinian territory, 6 August 2025, *available at* https://www.gov.si/novice/2025-08-06-346-dopisna-seja-vlade-republike-slovenije/ [Slovene].

19 The nine EU Member States were Belgium, Finland, Ireland, Luxembourg, Poland, Portugal, Slovenia, Spain, and Sweden (Lili Bayer, Nine EU Countries Call for Talks on Ending Trade with Israeli Settlements, Reuters, 19 June 2025).

V. Consequences of the System for States and Companies under the UNGPs

The findings of this report also engage the United Nations Guiding Principles on Business and Human Rights (UNGPs),[20] which impose clear obligations on both states and companies in conflict-affected contexts, including situations of military occupation. Under the UNGPs, states have a duty to protect against business-related human rights abuses not only within their territory, but also where companies domiciled under their jurisdiction operate extraterritorially. This duty is heightened in conflict-affected areas, in which case states are expected to actively inform companies of elevated risks, assist them in identifying and mitigating human rights harms, and ensure that regulatory and enforcement frameworks do not enable corporate involvement in gross abuses. In the context of Israeli settlements, this duty translates to a responsibility on the EU and its Member States to prevent trade and regulatory practices that either facilitate or normalise economic activity linked to settlements.

For companies, the UNGPs establish a responsibility to respect human rights across their entire value chains, irrespective of domestic or EU law compliance. There are strong grounds to believe that companies involved in the import, distribution, or sale of settlement products are at a minimum directly linked to serious human rights violations inherent in the settlement enterprise, including unlawful natural resource exploitation and transfer of the occupied population out of, and the Occupying Power's population into, occupied territory. In some cases, it may be argued that companies are even contributing to these violations. In situations of occupation, the UNGPs require heightened human rights due diligence: companies must not only assess their human rights impacts, but also whether their activities exacerbate or sustain the underlying illegal situation.

This report finds that the failures of the EU and its Member States to enforce trade, certification, and consumer-protection laws have materially undermined the UNGP framework. By allowing settlement products to enter European markets through misrepresentation of origin and legally defective certification, European authorities have simultaneously deprived companies of the information necessary to conduct effective human rights due diligence and exposed them to heightened legal, financial, and reputational risk. Advisory notices warning businesses of settlement-related risks, absent coherent enforcement across trade and regulatory regimes, fall short of the policy coherence required by the UNGPs and risk conveying a false sense of compliance. Compliance with domestic or EU law does not, in itself, absolve companies of responsibility under the UNGPs or international law.

In short, the widespread circulation of settlement goods within Europe places both states and companies on clear notice of their responsibilities under the UNGPs. When regulatory systems permit or enable corporate involvement in serious human rights abuses, states fall short of their duty to protect, and companies may not credibly rely on domestic or EU law as a shield from responsibility.

20 OHCHR, Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework, 2011, *available at* (pdf) https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf.

VI. Final Statement

The findings of this report demonstrate that the continued circulation of Israeli settlement agricultural goods within European markets in a manner that obscures their true territorial origin is not the result of isolated lapses, but of a systemic failure of regulatory design, enforcement, and accountability. That failure has enabled the economic normalisation of an unlawful situation, in tension with EU law, the Union's stated policy of differentiation, and the international legal obligations of the EU and its Member States as clarified by the International Court of Justice in July 2024.

The findings of this report demonstrate that the continued circulation of Israeli settlement agricultural goods within European markets in a manner that obscures their true territorial origin is not the result of isolated lapses, but of a systemic failure of regulatory design, enforcement, and accountability.

The legal implications are now clear. States are under a duty to distinguish between Israel and the territories it occupies, to refrain from economic engagement that entrenches the illegal situation in the Occupied Palestinian Territory, and to prevent trade practices that contribute to the situation. Companies are bound by domestic and international legal obligations and required to conduct heightened due diligence and to avoid involvement in serious human rights abuses inherent in the settlement enterprise. The evidence documented in this report removes any plausible claim of legal ambiguity or practical impossibility.

The rule of law—both within the EU and in the international legal order—requires the EU and its Member States to bring trade, regulation, and corporate practice into alignment with the legal standards they have long affirmed.