European complicity with Israel's occupation:

Undermining Palestinians' Right to Decent Work

December 2019

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About this report

This report has been commissioned by the European Trade Union Network for Justice in Palestine (ETUN).

It was researched and written by Riya Al'Sanah with contributions by several members of the Steering Committee of ETUN.

About the European Trade Union Network for Justice in Palestine

The ETUN was launched in 2015 by a coalition of European trade unions aiming to build an effective network in solidarity with the Palestinian people and workers, by taking concrete and effective action towards: an end to Israel's illegal occupation; the implementation of UN resolutions; and a just and equitable peace for all. The network stands against European and corporate complicity supporting Israel's occupation.

The network includes 34 European trade unions, representing over six million workers. ETUN coordinates campaigns, produces briefings and organises conferences on Palestinian rights. We call on trade unionists and their unions to join us in solidarity and struggle by contacting us at etu.palestine@gmail.com.

Introduction

For over 52-years, Israel has subjugated the people and economy of the Occupied Palestinian Territory (oPt) to a violently repressive military occupation, and is responsible for exploitative policies, including the crime of apartheid, in the benefit of its geopolitical and economic interest. This has had a devastating impact on Palestinian life, collective aspirations and economic development. Today, Palestinians in the oPt suffer from chronic unemployment "at a level rarely seen since the Great Depression,"[1] and their economy is structurally subordinate and dependent on Israel for day-to-day-survival and employment.

This report sheds light on Israel's multifaceted system of repression and exploitation preventing Palestinian workers from claiming their right to work and employment. It situates their struggle within the context of Israel's settler-colonial regime, while highlighting how European Union (EU) and European corporate complicity perpetuate this reality.

The right to work is enshrined in the Universal Declaration of Human Rights; its violation is a crime under international law. The EU has a declared commitment to human rights and international law, within its own borders and as significant tenet of its foreign policy.[2] The EU is also a signatory to the International Covenant on Economic and Cultural Rights (ESCR), which recognises the right to work and "the right of everyone to the enjoyment of just and favourable conditions of work."[3]

The EU, and its member states, have also endorsed the 17 Sustainable Development Goals (SDGs) to succeed the Millennium Development Goals, which incorporate the UN International Labour Organisations' (ILO) Decent Work Agenda. The ILO Decent Work Agenda aims to "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all," focusing on four strategic goals:[4]

1 UN Conference on Trade and Development, 'UNCTAD Assistance to the Palestinian People: Developments in the Economy of the Occupied Palestinian Territory,' 12 September 2017:1.

2 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".

3 Office of the united Nations High Commissioner for Human Rights, "International Covenant on Economic, Social and Cultural rights," 3 January 1976.

4 UN International Labour Organisation, 'Decent Work,' ilo.org.

1. Creating decent and productive employment;
2. Access to social protection systems;
3. Respect for core labour standards;
4. Stronger dialogue between the social partners.

However, the findings of this report show that when it comes to Israel, the EU falls short of implementing its obligations under international law and its own internal policies and directives; lending support to a government that has used violent and exploitative practices against Palestinian people, directly violating workers' rights and impeding economic development necessary for the creation of decent jobs.

The report's first two chapters outline the structural impediments to Palestinian development and how access to decent jobs is denied, through specific colonial policies of land grabs, settlement enterprises and the captivity of the Palestinian economy. The third chapter assesses the impact of these policies on the de-development and de-industrialisation of the Palestinian economy leading to chronic unemployment. The fourth chapter, looks at the exploitative working conditions of Palestinians pushed to work in the Israeli market. The fifth chapter then outlines particular aspects of the EU's 'special relationship' with Israel and how they directly impact on Palestinian workers' access to decent work. Finally, the report presents examples of how the international labour movement has taken active measures to stand shoulder to shoulder with the Palestinian people, including workers, in their struggle for freedom and justice.

01. Colonisation and Fragmentation

In 1967 Israel occupied the West Bank, Gaza and annexed East Jerusalem. Since then, its primary objective has been to solidify control over a maximum amount of land and further expropriate natural resources, for the benefit of its settler-colonial project and economic interests. These actions are in clear violation of international law.

To this end, Israel has developed a series of policies and military orders which directly preclude and come at the expense of Palestinian life, human and economic development and the possibility of creating, as well as, accessing decent work opportunities.

Control over land and natural resources

Immediately after the occupation of the oPt and the expulsion of over 300,000 Palestinians, Israel started building settlements and populating them with its citizens. By 1977, Israel had constructed some 20 settlements across the oPt.[5] By 2018, there were some 250 Israeli settlements (including outposts[6]) in the occupied WB and East Jerusalem, populated by some 622,670 Israeli settlers.[7]

Settlements were strategically placed to facilitate control over fertile land and water. Expropriated areas included two of the most fertile and irrigated lands, in the WB: the Jordan Valley, which amounts to around 28.5 percent of the WB and holds 87 percent of its irrigated land; and an area between Tulkarem and Qalqilya, which contains a major water aquifer enough to satisfy the needs of 2.5 million people, or one-third of Israel's population.[8] Settlements and accompanying infrastructure, also prevent the continuity of Palestinian population centres, creating residential ghettos and cutting communities off from their land and each other.

Other mechanisms of land control include the declaration of huge swathes of land as military zones, nature reserves and state land, and a discriminatory zoning and planning regime. In East Jerusalem, 35 percent of the occupied land has been allocated for Israeli settlements and only 13 percent for Palestinians, "much which

5 Adam Hanieh, *Lineages of Revolt, Issues of Contemporary Capitalism in the Middle East.* Chicago: Haymarket Books, 2013.
6 Illegal settlements that have not been officially recognized by the Israeli state.
7 B'Tselem - The Israeli Information Centre for Human Rights in the Occupied Territories,"Statistics on Settlements and Settler Population," 16 January 2019.
8 Ibid.

is already built up."[9] The rest is designated as nature reserves, allocated for public infrastructure or remains unplanned.[10]

Settlements & business with them, illegal under international law

All Israeli settlements are illegal under international law. The Hague Regulations and Fourth Geneva Convention prohibit settlements under occupation and consider them as war crimes.[11] Through various resolutions, the UN Security Council continues to call for a complete Israeli withdrawal from the occupied territory (including East Jerusalem and the Syrian Golan).[12] The advisory opinion of the International Court of Justice on the construction of the Segregation Wall has also reaffirmed the illegality of Israeli settlements in the oPt.[13]

In 2014, the UN OHCHR restated that Israeli settlements "encompass all physical and non-physical structures and processes that constitute, enable and support the establishment, expansion and maintenance of Israeli residential communities beyond the Green Line[14] of 1949 in the Occupied Palestinian Territory".[15] Accordingly, business activity with the settlements or any form of financial support for the occupation economy, in general, would constitute a violation of international law.

EU position on settlements

The EU has a clear position regarding Israeli settlements, repeated by the High Representative, Federica Mogherini, on 11 April 2019. Mogherini stated that "The

9 UN Office for the Coordination of Humanitarian Affairs," West Bank,East Jerusalem Key Humanitarian concerns," 21 December 2017.
10 The Other Jerusalem, "Frequently Asked Questions," theotherjerusalem.org
11 The International Labour Organisation, "The Situation of workers in the Occupied Arab Territories," 2018.
12 UN Security Council Resolutions 242 (1967) and 338 (1973) call Israel to withdraw completely from the territories it occupies. UN Security Council Resolution 465 (1980) calls upon all States not to provide Israel with any assistance connected with the settlements in the occupied territories. Most recently, UN Security Council Resolution 2334 (2016) reaffirmed that Israel's establishment of settlements in the oPt "has no legal validity and constitutes a flagrant violation under international law.
13 International Court of Justice, "Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory," ICJ Reports, 2004:136-203
14 International Court of Justice, "Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory," ICJ Reports, 2004:136-203
15 UN Office of the High Commissioner for Human Rights, "Statement on the Implications of the Guiding Principles on Business and Human Rights in the Context of Israeli Settlements in the Occupied Palestinian Territory," 6 June 2014:1 (footnote 2)

European Union's position on Israeli settlement policy in the occupied Palestinian territory is clear and remains unchanged: all settlement activity is illegal under international law".[16]

The EU also endorses the 2011 UN Guiding Principles on Business and Human Rights (UN GPBHR), reaffirming corporate responsibility to respect human rights and standards of humanitarian law in conflict-affected areas.[17]

At present, over 20 individual EU member states have issued non-binding warnings, to businesses, of legal, financial and reputational damage incurred as a result of doing business with Israeli settlements.[18] The warning recommends that businesses refrain from engaging in financial transactions, investments, purchases, procurement as well as other economic activities (including in services like tourism) in Israeli settlements or benefiting Israeli settlements.[19]

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16 European Union External Action, "Statement by the Spokesperson on the latest settlements' announcements by the Israeli authorities," 11 April 2019.

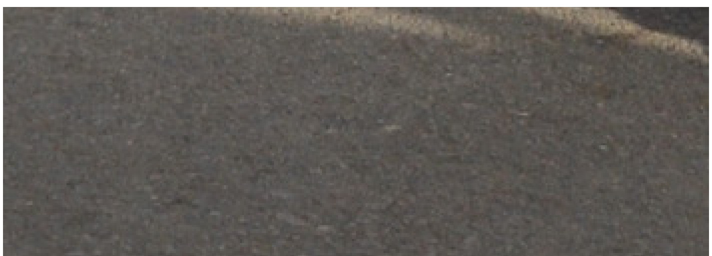
17 European Union Commission, "Economic, Social and Cultural Rights," ec.europa.eu.

18 These include the five largest countries in the European Union – France, Germany, Italy, the Spanish State and the United Kingdom – and Austria, Belgium, Croatia, Denmark, Finland, Italy, Ireland, Latvia, Luxemburg, Malta, the Netherlands, Portugal, Greece, Slovenia, Sweden.

19 Hugh Lovatt, "EU Member State Business Advisories on Israeli Settlements," European Council on Foreign Affairs, 2 November 2016.

02.

Oslo: Cementing Colonisation



The 1993 Oslo Accords signed between the Palestine Liberation Organisation (PLO) and Israel proclaimed the launch of a 5-year peace process for the establishment of an independent Palestinian state, on a fraction of historic Palestine, for a fraction of its people.[20]

The interim Accords, which have now been in place for 26 years, have an adverse effect on every aspect of Palestinians daily life, access to basic needs, collective development, labour conditions and decent job creation.

The Accords enable Israel to reduce the cost of its military occupation whilst maintaining control over the majority of the land, continue illegal settlement expansion and further exploit Palestinian natural resources.

The Accords established the Palestinian Authority (PA) and fragmented the occupied WB (excluding East Jerusalem) into three administrative areas (A, B and C), and formalised the ghettoisation of Gaza:

- Area A – the PA nominally has control over civil and security matters.
- Area B - the PA is nominally in charge of civil but not security measures.
- Area C - under complete Israeli military and civil control and where most of the settlements are located

Area A and B, comprise only 18 percent and 21 percent, respectively, of the WB but contain some 90 percent of its Palestinian population. Area C, where the Israeli military exercises total control, including over planning and construction, comprises over 61 percent of the WB.[21]

Area C imperative for development

Israel's ongoing colonisation of Area C strips the oPt of swathes of land and natural resources, imperative for any prospect of economic and urban development required for the creation of decent jobs.

The Area is richly endowed with natural resources, including 87 percent of nature

20 The mass majority of the Palestinian people do not live in the occupied West Bank, East Jerusalem and Gaza. Over 6 million Palestinians live in refugee camps in neighboring countries and the diaspora. Around 1.5 million live in Israel and carry Israeli citizenship.

21 Applied Research Institute – Jerusalem, "The Israeli Settlement Enterprise and its Impact on the Two-State Solution." September 2015.

reserves, 90 percent of forests and 48 percent of wells in the WB. It also has over 3,110 archeological sites which hold great potential for the Palestinian tourism industry.[22]

More than half of the 2,000 hectares of quarries in the occupied WB are in Area C. The inability of Palestinians to access and utilise these has cost the Palestinian economy an average of €806 million a year.[23]

While Palestinians are denied access to these resources, Israel pillages them for its own interests, considered a war crime under international law. Israeli administered quarries in the WB produce about 12 million tons of stone, gravel and dolomite (25 percent of the material used for the construction industry within the Green Line)[24]. Approximately 94 percent of extracted material is used for the Israeli construction industry, settlements, and Israeli infrastructure in the WB.[25]

The World Bank estimates that ending Israel's occupation of Area C could bring about a cumulative economic growth of an additional 33 percent for the oPt by 2025, which would contribute to the creation of jobs and improve the socio-economic conditions for Palestinians.[26]

Despite EU and member states guidelines and commitments, European corporations have been complicit in financing and entrenching the settlement enterprise, stripping the Palestinian economy of enormous revenue sources contributing to the denial of access to decent work for Palestinians.

- **Pillage of natural resources:** Through its Israeli subsidiary, Henson Israel, the German-based HeidelbergCement, a manufacturer of aggregates and ready-mix cement, has been exploiting Palestinian natural resources under the direction of the Israeli government and military.[27]Henson Israel operates a stone quarry in Nahal Rabaa in the north-west of the WB.[28] In 2019, an Israeli military order announced the confiscation of more than 98 dunams (9.8 hectares) of privately owned land from Rafat village, declaring it 'state land' for the purpose of expanding the quarry.[29]

- **Financial support for settlement construction:** European financial groups and banks, such as the French insurance company AXA,[30] the

22 Ibid.
23 Palestine Ministry of National Economy, ARIJ, "The economic costs of the Israeli occupation for the occupied Palestinian territory," September 2011.
24 Government Procurement Administration, "Tender Number 15/18 for the provision of Economic Consulting Services, Including the Conduct of Economic Research for the Civil Administration in Judea and Samaria," (Hebrew).
25 B'Tselem - The Israeli Information Centre for Human Rights in the Occupied Territories, "High Court Sanctions Looting: Israeli quarries in the West Bank," 16 January 2016.
26 The International Labour Organisation, "The Situation of workers in the Occupied Arab Territories," 2018.
27 Who Profits', "HeidelbergCement Company Profile," 28 June 2016.
28 Ibid.
29 Information on file with the research center Who Profits' from the Occupation.
30 SomOfUs, "Stop Investing In Israelis Arms Trade and Brutal Occupation," 17 April 2019.

Norwegian Government Pension Fund Global (SPU),[31] among others, manage millions of Euros worth of shares and financial holdings in Israeli banks. All major Israeli banks - Bank Hapoalim, Bank Leumi, First International Bank of Israel, Israel Discount Bank and Mizrahi Tefahot Bank - play a central role in settlement construction and infrastructure projects, through the provision of special loans. Israeli banks also provide services to settlers and loans to regional and local councils of settlements in the WB.[32]

There are over 300,000 Palestinians living in Area C which the Israeli government works to systematically displace through a discriminatory planning and zoning regime (preventing the building of homes to accommodate population growth, livestock or light industry), military and settler violence, impoverishment and deliberately cutting communities off from services such as water and electricity.[33]

As it is "nearly impossible for Palestinians to obtain building permits in most of Area C", Palestinians are forced to build 'illegally' to remain on their land and sustain life.[34] Between 1988-2016 a total of 16,085 demolition orders were issued. In 2018 alone,

Forced displacement

270 Palestinian homes and structures were demolished, including 56 of which were donor-funded.[35] In the same year, Israel demolished at least twenty-six EU or EU member state funded structures valued at €60,963.[36]

Heavy machinery used by the Israeli military and Civil Administration, an arm of the Israeli military that controlled and administers in Area C, for demolition purposes are manufactured by European companies, such as the British company JCB Excavators[37] and cranes by the Italian based company Fassi.[38]

Palestinians not only subjected to forced displacement and military violence, but they are routinely attacked by settlers who carry arms and are protected by the Israeli military. In 2018, the United Nations Office for the Coordination of Humanitarian Affairs (UN OCHA) documented at least 217 cases of settler violence against Palestinian people and property. Three Palestinians were killed by Israeli settlers and 83 were injured, including at least 20 children.[39]

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31 Norwegian People's Aid, "Dangerous Liaisons II: Norwegian Ties to the Israeli Occupation", 2016.
32 Who Profits', "Financing Land Grab: The Direct Involvement of Israeli Banks in the Israeli Settlement Enterprise," February 2017.
33 UN Office for the Coordination of Humanitarian Affairs, "Humanitarian Facts and Figures," 21 December 2017.
34 Ibid.
35 UN Office for the Coordination of Humanitarian Affairs, "West Bank Demolitions and Displacement," December 2018.
36 The Office of the European Representative, "Six-Month Report on Demolition and Confiscation of EU Funded Structures in the West Bank including East Jerusalem (January-June 2018)", 24 August 2018.
37 Who Profits', "JCB Company Profile", 22 June 2014.
38 Who Profits', "Fassi Company Profile", 9 January 2018.
39 UN Office for the Coordination of Humanitarian Affairs, "High Level of violence by Israeli Settlers; Rise in Israeli Fatalities," November 2018.

Natalie Grove, a representative of the Office of the United Nations High Commissioner for Human Rights (UN OHCHR), has stated that the Israeli policies in Area C create a "highly coercive environment that forces [Palestinians] to leave."[40]

Restricting the freedom of movement

The infrastructure of the occupation facilitates the free movement of Israeli citizens and capital by creating geographical continuity between illegal settlements and Israeli cities within the Green Line.

In parallel, they impose severe restrictions on Palestinian freedom of movement and violate other basic human rights such as the right to education, health and work.

In the occupied WB, the fragmented Palestinian communities within Areas A and B have been disconnected from each other and freedom of movement restricted by the settlements and associated network of bypass roads, railway lines and tramway. There are over 400km of bypass roads; Palestinians' use of which is severely restricted.[41]

Occupation infrastructure projects depend on Israeli-international corporate partnerships for their completion. The French transport company Alstom, and the Spanish-state based engineering company, Ineco, are both involved in the Jerusalem Light Rail project connecting and facilitating access between the ring of settlements around Jerusalem and the city centre.[42]

In addition, workers' movement is curtailed by some 157 permanent military checkpoints and 2,942 "flying checkpoints", gates, military closures and a 730km long and on average 60 meters wide Segregation Wall.[43]

According to UNCTAD, "the prolonged closure policies of Israel and restrictions on Palestinian mobility have had a direct impact on the economy, employment and poverty".[44]

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40 Tovah Lazaroff, "UN: Israeli Policies Forcing Palestinian to Leave Area C of the West Bank," *Jerusalem Post*, 27 July 2016.
41 B'Tselem – The Israeli Research Centre on Human Rights in the Occupied Territories, "Restrictions on Movement," 11 November 2017.
42 Who Profits', "Tracking Annexation: The Jerusalem Light Rail and the Israeli Occupation," July 2017.
43 B'Tselem – The Israeli Research Centre on Human Rights in the Occupied Territories, "Restrictions on Movement," 11 November 2017.
44 UN Conference on Trade and Development, "Report on UNCTAD Assistance to the Palestinian People: Development in the economy of the Occupied Palestinian Territory," September 2017:11.

The Segregation Wall

The Wall operates as a mechanism for further land grabs and has intentionally "carved more land… and expanded bypass roads, checkpoints and other physical means of entrenching Jewish settlements",[45] annexing nearly 10 percent of the WB.[46] It also severely limits Palestinians' free movement and access to employment opportunities, including their farming and grazing land. For example:

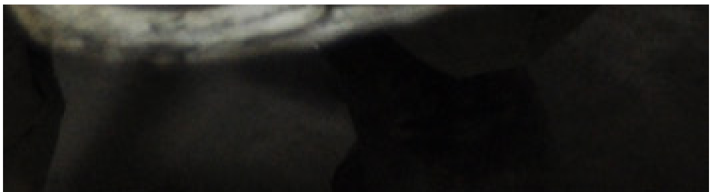
- The Wall completely surrounds the city of Qalqilya, cutting off its over 31,600 residents. With the construction of the Wall, entry and exit became impossible except through a singular Israeli military checkpoint. Following the Wall's construction, the unemployment rate in the city rose up to 67 percent and 10 percent of the population was forced to leave to find a livelihood elsewhere.[47]

- Farmers who rely on their crops for a livelihood are arbitrarily prevented from accessing their land, which is now, on the 'Israeli side' of the Wall in the 'Seam Zone'. In 2017, over 10,700 applications by farmers to access their land, located in the 'Seam Zone', during the olive picking season were either rejected or were still pending by the end of the season.[48]

45 Erika Weinthal Jeannie Sowers, "Targeting infrastructure and livelihoods in the West Bank and Gaza," *International Affairs*, Volume 95, Issue 2, March 2019:325
46 B'Tselem – The Israeli Research Centre on Human Rights in the Occupied Territories, "The Separation Barrier," 11 November 2017.
47 Negotiations Affairs Department, "Israel's Wall in the Qalqilya District," September 2004, www.nad-plo.org
48 UN Office for the Coordination of Humanitarian Affairs, "Infestation Expected to Affect Olive Harvest in the West Bank," 11 September 2018.

03.

Control Over Trade and Financial Revenue



The economic strangulation of the oPt is further exacerbated by policies which structure the captivity of the Palestinian economy making it subordinate and dependent on Israel.

The main document regulating economic relations between Israel and the oPt, is the Paris Protocol, the economic Annex of the Oslo Accords. The stated intentions were “to lay the groundwork for strengthening the economic base of the Palestinian side and for exercising its right of economic decision-making in accordance with its own development plan and priorities.”[49]

In effect, the Protocol, systematised the unbalanced financial and economic relations between the oPt and Israel, which had been unilaterally imposed by Israel since its occupation in 1967. Immediately after the occupation, Israel incorporated the oPt’s economy into its own, through the imposition of a customs and monetary union system and exercising complete control over external economic relations (import and export) and internal economic activity. Palestinians have protested calling for the agreement to be cancelled.[50]

According to UNCTAD, the “negative consequence of the customs union for the Palestinian economy cannot be overstated”.[51]

An imposed trade policy

In theory, a customs union is a trade agreement for the free movement of goods and people between two economies, while agreeing on a common external tariff with regards to imports from and exports to third parties. However, this is not the case between Israel and the oPt. Through direct military control, Israel imposes its trade policy – custom rates and other regulations – on the oPt which assures the free flow of Israeli produce, goods and services and free movement of Israeli citizens into the oPt, whilst enforcing heavy restrictions on the movement of Palestinian people and goods.

49 Israeli Ministry of Foreign affairs, “Gaza-Jericho Agreement Annex IV-Economic Protocol,” 29 April 1994.
50 Palestine Online, “The Paris Protocol” Hands the Economy to the Occupation on a Plate of Gold,” *Palestine Online* (Arabic), 18 September 2014.
51 UN Conference on Trade and Development, “Report on UNCTAD Assistance to the Palestinian People: Developments in the Economy of the Occupied Palestinian Territory,” 4 October 2018:5.

Shipments destined to the oPt are handled by Israeli cargo management, storage and transportation companies. Palestinian companies must also pay Israeli companies for security clearance, required by Israel for each shipment. Once the cargo enters into Israeli ports, the approval process takes about a week and costs around 5-10 percent of the cost of the shipment.[52]

The customs union raises import and export tariffs, undermining the competitiveness of oPt goods on the international market and increases import costs, leaving Israel as the pre-eminent consumer.[53] UNCTAD calculated that between 1972-2017, Israel absorbed 79 percent of the oPt's total exports, while Israeli imports to the oPt amounted to 81 percent.[54]

Restriction on imports: the dual-purpose list

Israel bans the import of critical products needed by Palestinian industry, included in a 'Dual-Purpose List' it decides on.

Included in Israel's 'Dual-List' are products and technologies normally used for civilian purposes, but which Israel claims may have military applications. In 2018, it included 56 items restricted from entering into the oPt and an additional 62 items that only apply to Gaza.

The 'Dual-List' includes items such as hydrogen peroxide, used by the food industry, leather tanning and textile production, metal pipes, drilling equipment and even medical equipment such as X-ray machines.

These restrictions affect Palestinians access to basic services and severely curb Palestinian industry's ability to produce and provide jobs. The restrictions on the import of suitable fertilizers alone has cost the Palestinian economy some €25.5 million and has cut land productivity by one third.[55]

According to the World Bank, removing dual-use restriction would bring about additional cumulative growth of 6 percent to the WB and 11 percent in Gaza by 2025.[56]

52 Eness Elias, "A Captive Market: the Paris Protocol and the Palestinian Economy," Rosa Luxemburg Institute, 2016.
53 Adam Hanieh, *Lineages of Revolt, Issues of Contemporary Capitalism in the Middle East.* Chicago: Haymarket Books, 2013.
54 UN Conference on Trade and Development, "Report on UNCTAD Assistance to the Palestinian People: Development in the Economy of the Occupied Palestinian Territory", September 2017.
55 UN Conference on Trade and Development, "Report on UNCTAD Assistance to the Palestinian People: Development in the economy of the Occupied Palestinian Territory", September 2017:2.
56 The World Bank, "Economic Monitoring Report to the Ad Hoc Liaison Committee", 30 April 2019.

Control over tax revenue

Goods destined to the oPt, must go through Israel, making import tax, custom duties and clearance charges collectible by Israeli authorities. Israel also collects indirect taxes (value-added-taxes [VAT] and others) on Israeli products sold on the Palestinian market.

In 2018, clearance revenues amounted to 65 percent of the PA's total revenue or 15 percent of Gross Domestic Product (GDP). [57] The Paris Protocol in effect gave Israel control over a major source of income for the PA and thus "over its very survival".[58]

The Paris Protocol stipulates that these Clearance Revenues are to be returned to the PA on a monthly basis after Israel collects a charge of up to 3 percent. However, Israel withholds a huge amount of these tax revenues as a means of exerting political pressure or as a punitive measure. In 2019, the Israeli government announced its intention to deduct some €123 million from Clearance Revenue due to PA payments to families of "martyrs and prisoners".[59]

Aware of the catastrophic economic impact this would have on its budget, the PA responded in protest announcing it would not accept any of the Clearance Revenues, causing panic among the international community of a potential economic collapse,[60] and fear within the Israeli government[61] of the PA's economic collapse as it relies on it for security coordination and managing the daily lives of Palestinians in parts of the occupied West Bank and, to a much lesser extent, in Gaza.[62]

A PA official clarified the nature of the imbalanced power relations between Israel and the PA: "We [the PA] have our backs to the wall. The ones who should feel pressured are all those who have gotten used to having someone handling Palestinian affairs in the West Bank and coordinating security with Israel for 25 years."[63]

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57 World Bank, "Economic Monitoring Report to the ad Hoc Committee," 30 April 2019.
58 Nur Arafeh, "Long Overdue: Alternatives to the Paris Protocol," Al Shabaka, the Palestinian Policy Network, 27 February 2018.
59 World Bank, "Economic Monitoring Report to the ad Hoc Committee," 30 April 2019.
60 See here, here and here.
61 Toi Staff, "Netanyahu, Kahlon reportedly Plan for Possible Financial Collapse of the PA," *The Times of Israel*, 28 April 2019.
62 Alaa Tartit, "The Palestinian Authority Security Forces: Who's Security," *Al Shabaka – the Palestinian Policy Network*, 16 May 2017.
63 Jack Khoury, Amir Tibon and Noa Landau, "Palestinian Say No Compromise on Tax Funds, Even in Face of Economic Collapse," *Haaretz News*, 30 April 2019.

No independent currency

The absence of a Palestinian currency, leaves the monetary system in the oPt beholden to Israel's Central Bank and results in severe inflation that benefits Israeli companies but drains wealth from the Palestinian population.[64] It also results in financial gains for Israel from money destined to the oPt, including international aid, through the conversion of foreign currencies to the Israeli Shekel.

The EU: pumping money into a broken system

The EU is one of the biggest financial donors to the PA. In 2018, the European Commission adopted a €42.5 million assistance package mainly to the PA but also separately to Palestinians in East Jerusalem.

According to the then Commissioner of the European Neighborhood Policy and Enlargement Negotiation, Joned Hahn, the aim is to "support the Palestinians on their way towards the establishment of their own state as part of the two-state solution, with Jerusalem as the capital of both Israel and Palestine."[65]

However, the structural captivity of the Palestinian economy – trade restrictions and the lack of an independent monetary system – as well as the purchase of aid products directly from Israel, means that international aid ends up circulating in the Israeli economy, rather than directly benefiting the Palestinian people or their economic development and the creation of decent jobs.

According to calculations made by the Israeli economist, Shir Hever, some 78 percent of international aid to Palestine ends up circulating in the Israeli economy. Thus, international aid, including EU aid, can become a "tool in perpetuating the occupation" by enriching the Israeli economy as a whole.[66]

64 Shir Hever, *"The Political Economy of Israel's Occupation: Repression Beyond Exploitation,"* London: Pluto Press, 2010.

65 The Office of the European Union Representative (West Bank and Gaza Strip, UNRWA), "New assistance package for Palestine: EU strongly committed to support socio-economic revival of East-Jerusalem," 1 February 2018.

66 Aid Watch Palestine, "How Much International Aid to Palestinians Ends Up in the Israeli Economy?", September 2015.

Wage deduction and freedom of association denied

The Israeli government imposes a series of taxes on Palestinian workers in Israel, deducting large contributions from their wages whilst providing no protection and rights in return.

Israel deducts what is called an "equalization tax"[67], income tax and health insurance from Palestinian workers' wages. According to the Paris Protocol, these taxes, like Clearance Revenues, are to be transferred to the PA on a monthly basis. However, Israel regularly withholds huge sums of these taxes; between 2006-2013, Israel kept a total of €163.45 million "equalization taxes" extracted from worker's wages. In the same period, the amount of €53.49 million that was collected for health fees was withheld.[68]

67 Palestinian workers pay less insurance and are entitled to less rights than Israeli workers. This tax is meant to offset the difference between Palestinian workers' lower contribution to the national insurance system and keep an equal cost of employment.
68 The Centre for Political Economics, "The working conditions of Palestinian Wage Earners in Israel," February 2017.

In addition, and in violation of ILO CC for the 'Freedom of Association and Protection of the Right to Organise', Palestinian workers in Israel cannot join a union of their choosing, but are often forced by their employers to pay trade union dues to the Histadrut. Their Israeli colleagues on the other hand, have the liberty to choose if they want to join the Histadrut or any other union. Out of the collected fees 50 percent are to be transferred to the Palestinian General Federation of trade Unions (PGFTU), which would be held responsible for delivering services to workers.[69]

This system of 'pay-cuts without rights', establishes a financial beneficiary relationship and dependency of the PGFTU on the Histadrut for cash flows and leaves Palestinian workers' in an extremely precarious situation with no clear body which defends their rights and struggles for the improvement of their working conditions, in violation of ILO CC for the 'Right to Organise and Collective Bargaining'.[70]

69 International Trade Union Confederation, "Israeli and Palestinian Trade Unions Reach Historic Agreement," 6 August 2008.
70 International Labour Organisation, "Co98 – Right to Organise and Collective Bargaining Convention, 1949 (No.98)", ilo.org

04. Incapacitated Economy and Chronic Unemployment

Israel's colonial policies and economic strangulation have led to the de-development and decimation of the oPt's industrial and productive sectors, leaving little capacity to create jobs, let alone decent jobs.

This transformed Palestinians in the oPt into captive consumers, dependent on Israel for basic products, employment and an abysmal state of chronically high unemployment.

Economic de-development

Systematic Israeli de-industrialisation and de-agriculturalisation of the Palestinian economy is reflected in its concentration on the service sectors, with limited employment opportunities. Over half of employed Palestinian workers in the oPt work in commerce and hospitality (22.8 percent) or in the service sector (35.8 percent). [71]

Prior to Israel's occupation in 1967, the WB and East Jerusalem were under Jordanian administrative control. At that time, the WB was known as Jordan's "food basket" for producing 60 percent of fruit and vegetables and around one-third of grains consumed throughout Jordan. By 1974, land cultivated by Palestinians had been reduced by approximately one-third and employment in the sector fell from 40 percent in 1970 to 26 percent in 1986.[72] While Agriculture's share of the total Palestinian GDP was 30 percent in 1982, by 2016 it had fallen to a merely 2.9 percent.[73] In 2018, only 6.1 percent of workers in the oPt were employed in the Agriculture, Fishing and Forestry sector.[74]

In a similar pattern, the added value of the Mining, Quarrying and Manufacturing sectors to the total Palestinian GDP fell by 21.3 percent between 2014 and 2016 alone,[75] and by 2018, only 13.2 percent of the oPt's workers were employed in the sector.

Some 10.9 percent of the Palestinian workers work in Construction (half of whom work in the settlements and in Israel), 12.6 percent in Education, 4.5 percent in Health and 6.5 percent in Transportation and Communication.[76]

71 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
72 Adam Hanieh,
73 UN Conference on Trade and Development, "Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the Occupied Palestinian Territory," September 2017.
74 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
75 UN Conference on Trade and Development, "Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the Occupied Palestinian Territory," September 2017.
76 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.

Gaza's hollowed economy

Since 2006, over 2 million people in Gaza have been imprisoned in an area of 365 square kilometers by an Israeli imposed land, air and sea blockade, contracting its economic and human relations with the WB, East Jerusalem and the rest of the world. The only ones who can dream of leaving Gaza are medical patients, merchants and aid workers. Out of this restricted list of applicants, only 54 percent of those who applied were granted permits to leave. Since the imposition of the siege, no workers from Gaza have been permitted to participate in the Israeli labour market.[77]

According to the UNCTAD, Israel's siege and attacks have "hollowed out its [Gaza's] productive base and neutralised the capacity of its economy to generate employment opportunities that would have compensated for the loss of employment in Israel and the settlements". [78]

Thousands of people were killed and injured and Gaza's infrastructure has been virtually decimated after successive Israeli attacks, depriving Gazans of access to adequate supplies of water and electricity, imperative for people's wellbeing, public services and industrial development.

Gaza's productive economic base has been eroded, with the combined size of the manufacturing and agriculture sectors falling from 27 percent of GDP in 1994 to 13 percent in 2018, making it almost completely dependent on imports.[79] Israel denies Gazan's access to over 35 percent of agricultural land and 85 percent of the fishing waters; and routinely targets workers while doing their job and trying to make a decent living for themselves and their families.[80]

Indicative of the hollowing of Gaza's productive base, in 2017, only a monthly average of 218 truckloads exited Gaza, most destined to the WB, compared with 1,300 monthly truckloads of exports before 2006.[81]

77 International Labour Organisation, "The situation of Workers of the Occupied Palestinian Arab Territories", 2018.
78 UN Conference on Trade and Development, "Report on UNCTAD Assistance to the Palestinian People: Development in the economy of the Occupied Palestinian Territory," September 2017. P. 14-15.
79 The World Bank, "Economic Monitoring Report to the Ad Hoc Liaison Committee", 19 March 2018.
80 Maureen Clare Murphy, "Israel Kills Gaza Fisher Despite Ceasefire," Electronic Intifada, 14 November 2018.
81 International Labour Organisation, "The situation of Workers of the Occupied Palestinian Arab Territories", 2018.

Decimated infrastructure and public services

The Oslo Accords and its economic Annex, also stipulate that Palestinians cannot develop their own utility infrastructure thus ensuring they are bought from Israel, generating huge profit for Israeli companies.

The structural captivity and de-development of these sectors shrinks the Palestinian public sector, reducing its ability to create employment opportunities. The inadequate supply and access to these utilities has a negative knock on effect on other productive and job creating industries, as well as, public services and quality of life. Lack of adequate access to utilities and services adds yet another financial burden on families. In Area C, Palestinians rely on diesel generators that are notoriously expensive (the fuel can cost 100 dollars a day), unreliable, noisy and environmentally damaging.[82]

Electricity

There is only one electricity grid across the whole of Israel and the oPt, operated by the Israeli Electric Corporation (IEC).[83]

Palestinian electricity companies operate as subcontractors and payment collectors for the IEC which supplies over 99 percent of total electricity consumption in the WB and 64 percent of total supply in Gaza (the rest is supplied by Egypt and the devastated Gaza electricity plant).[84]

Electricity supplied does not match the demand and Palestinian communities suffer from ongoing electricity deficit. In 2012, the Palestinian energy requirement in the WB was estimated at 820 MW of installed capacity, but the IEC provided only 720 MW. In Gaza, the situation is even worse, with the entire population having electricity for, on average, less than 16 hours a day.[85]

Israel prevents Palestinians from developing their own electric infrastructure and refuses to connect communities in Area C to the electricity grid. In Gaza, the Palestine Electric Company is the main distributor, with limited power and severe supply shortages after successive Israeli attacks. Its reliance on Israel for fuel imports quashes

82 Anne-Marie O'Connor, "This Palestinian Village Had Solar Power Until Israeli Soldiers Took It Away", *The Washington Post*, 7 July 2017.
83 World Bank, "West Bank and Gaza: Assessment and Action Plan to Improve Payment for Electricity Services in the Palestinian Territories," 25 November 2014.
84 World Bank, Securing Energy for Development, 14 November 2017.
85 Who Profits', "Greenwashing the occupation: The Solar Energy Industry and the Israeli Occupation," January 2017.

any opportunity for self-sufficiency. [86] This has a catastrophic impact on Gaza's health services. According to the World Health Organisation, shortages in electricity supply to Gaza's 14 public hospitals impedes their functionality, adversely impacting "hundreds of patients, including newborn and children, whose life depends on the availability of dialysis services, incubators and ventilators in intensive care units, and other electrical life-sustaining devices, and those requiring surgical interventions."[87]

The captivity of the Palestinian electricity sector is a lucrative business for the IEC, which generates hundreds of millions of Euros a year from these exports. In 2013, the price of electricity imports to the oPt was around €580 million.[88] The IEC routinely cuts off power as a punitive measure, using accumulated debt as an excuse. In 2018, the PA's electricity debt amounted to €30 million.[89]

Telecommunication

All Palestinian telecommunication companies must route their calls between and within the oPt through one of five main Israeli mobile networks providers.[90] One of the main Israeli providers, Hot Telecommunication Systems, is owned by the Dutch communication company Altice.[91]

This gives Israeli network providers direct control on the kind of telecommunication technology accessible to Palestinians. Palestinian telecommunication companies were given access to 3G technology in 2018, whilst it has been available for Israeli users since 2004.[92]

The Palestinian telecommunication sector is further de-developed due to restriction on the import of telecommunication equipment, by Israel's 'dual-use list' under the pretext of posing a "security threat".

Telecommunication infrastructure is also directly targeted and destroyed by Israel. During Israel's 2008-2009 war on Gaza, Paltel, Palestine's main telecommunication provider, reported a loss of €12 million. In 2014, Paltel's total loss as a result of the war on Gaza was estimated at €29 million, including €8.92 million in damages to the network and €13.22 million in revenue loss, and at least 80 percent of its infrastructure was damaged by the Israeli attacks.[93]

Israeli operators capture an estimated 20 to 40 percent of the Palestinian telecommunications market, generating enormous profits. The World Bank

86 Farah Najjar, "Gaza Power Crisis: 'We Want to End this Nightmare'," *Al-Jazeera News,* 1 February 2017.
87 Word Health Organisation, "WHO Concerned Over the Health Impact of Evolving Fuel Crisis in Gaza," 21 January 2019.
88 Ibid
89 Hagai Amit, "After Israel Cuts Tax Transfers, Palestinian Electricity Debt Soars," *Haaretz News,* 4 April 2019.
90 Article 36 of Annex III of the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip ("Oslo II"— 28.9.1995).
91 Who Profits, "Altice Company Profile," 3 July 2018.
92 Who Profits', "Signal Strength: The Telecommunication Sector and the Israeli Occupation," July 2018.
93 Ibid.

estimates that between 2013-2015 the Palestinian telecommunications sector lost revenue in the range of €388 million to €1,025 million, including a value added tax fiscal loss for PA of between €62 million and €164 million; a direct cost of about 3.0 percent of the economy (GDP).[94]

Water

Through the state-owned company Mekorot, Israel illegally controls all sources of water in the WB, including the Jordan River, and extracts almost 90 percent of the yearly sustainable water yield from its rich aquifers.[95]Both the PA and Palestinian farmers are denied the right to construct wells to meet the growing demand for water, even when that water originates from the WB, leaving them almost completely dependent on water supply from Israel. Amnesty International, has accused Israel of depriving Palestinians of their access to water "as a means of expulsion".[96]

Israel supplies settlers with an abundant access to water, while Palestinians in adjunct communities and farmers are deprived of their basic water needs. This system of water-apartheid denies Palestinian adequate and sufficient water supply, but it also raises the cost of living for families, who are forced to buy expensive trucked water. The average price for 1 m3 of tap water is €1.24, while 1 m3 of trucked water is €3.[97]

In Area C, some 270,000 Palestinians are directly affected by Israeli restrictions and control of water, with around 95,000 people receiving less than 50 litres of water per capita per day, half of that recommended by the World Health Organisation, while 83,000 receive contaminated water.[98]

In the Jordan Valley, these policies have had a dire effect on farmers and their livelihood. The amount of cultivated land fell from 15,000 dunam to only 8,000 due to water scarcity. In March 2019, a water line irrigating 1,150 dunams of Palestinian land was cut off by the Israeli military, directly affecting 47 farmers.[99]

In Gaza, 97 percent of drinking wells are contaminated and facilities for desalinating and water treatment function on a limited basis, as Israel controls the flow of fuel and supplies into Gaza. This forces some 80 percent of Gaza's population to buy water from private sources, costing 10-13 times more than piped water.[100] On average families spend up to a third of their income on water, sacrificing food medical care and education. Lack of access to clean water, will make Gaza unhabitable by 2020, according to the UN.[101]

94 World Bank, "Telecommunication Sector Note in the Palestinian Territories: Missed Opportunity for Economic Development, 2 January 2016.
95 The World Bank, Assessment of Restrictions on Palestinian Water Sector Development,"2009.
96 Amnesty International, "Troubled Waters: Palestinians Denied Fair Access to Water," 2009.
97 UN Office for the Coordination of Humanitarian Affairs," Demolitions in the West Bank Undermine Access to Water," 15 April 2019.
98 Ibid
99 Ibid.
100 Anjani Kapoor, "Human Rights 'Washed' Away in Palestine," *End water Poverty,* 29 November 2018.
101 Fred de Sam Lazaro, "Water Crisis May Make Gaza Strip Unlivable by 2020," *PBS News Hour,* 1 January 2019.

Mass unemployment

Palestinian economic performance is completely undermined by the occupation. In 2017, economic growth slowed to 3 percent, too little to keep up with demographic growth and "not enough to counter the continuing decline in living standards", according to the ILO.[102] 2018 saw an even greater stagnation with a mere 0.7 percent growth in overall GDP.[103]

This dismal economic situation has a direct impact on Palestinians' socio-economic reality, their right to work and the creation of decent employment opportunities. In 2018, the oPt had the highest unemployment rate in the world peaking at 30.8 percent from 28.4 percent in 2017. In the WB, some 17.6 percent of the total labour force, and 28.2 percent of women were out of a job. In Gaza, the data tells an even worse story with almost every second worker unemployed and two-thirds of all women workers jobless.[104]

The ILO estimates that real unemployment rates would have reached at least 32.7 percent, if those who were available to work but had given up seeking it in despair, and those who were not in full-time employment, but desiring and available to work more hours, were included in the calculations.[105]

The Palestinian unemployment rates fluctuate depending on Israel's willingness to absorb Palestinian labour into its economy.[106] If it were not for the absorption of Palestinian labour within the Israeli market, the overall unemployment rate would have consistently been above 35 percent before and after the signing the Oslo Agreement in 1994.[107]

UNCTAD calculates that real GDP growth needs to consistently be above 5.3 percent to make even a minor dent in unemployment rates.[108]

102 The International Labour Organisation, "The Situation of Workers of the Occupied Arab Territories," 2018.
103 The Palestinian Central Bureau of Statistics,"Ms. Awad, Presented the Performance of the Palestinian Economy in 2018 & The Economic Forecasts for the Year 2019," 24 December 2018.
104 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
105 International Labour Organisation, "The Situation of Workers of the Occupied Arab Territories," 2018.
106 UN Conference on Trade and Development, "UNCTAD Assistance to the Palestinian People: Developments in the Economy of the Occupied Palestinian Territory," 12 September 2017:16.
107 Ibid.
108 Ibid

Human Cost

Weak growth and high unemployment result in a devastating impact on human life. According to the last available data from 2017, some 29.2 Palestinians in the oPt lived below the poverty line – 53 percent of individuals in Gaza and 13.9 percent of individuals in the WB.

This is directly linked to low levels of employment and lack of access to decent jobs. The Palestinian Central Bureau of Statistics (PCBS), found that 59.9 percent of individuals living in households whose heads are unemployed live in poverty, while some 24.2 percent of those who are employed live in poverty. It also found that a part-time job is not enough to elevate people out of poverty, almost 50 percent of households whose heads have irregular jobsarepoor.[109]

109 Palestinian Central Bureau of Statistics, "Poverty Profile in Palestine," 2017.

Private sector employment

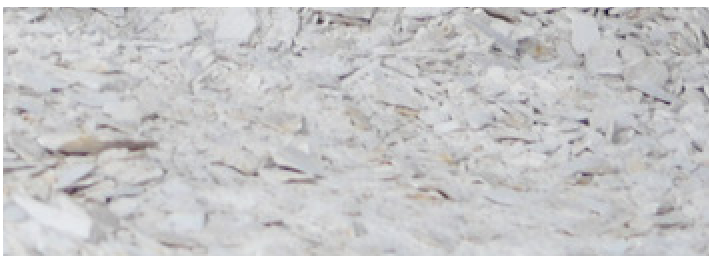
The oPt's public sector is shrinking further with the advancement of neoliberal economic policies for development, advocated and pushed for by international financial organisations (World Bank, IMF) and donors (including the EU) and the interests of the Palestinian elite. This has led to growth in private sector employment, while its share in the public sector is decreasing. Over 62.6 percent of workers in the oPt are employed in the private sector and 20.9 percent in the public sector (15 percent in the WB and 30 percent in Gaza).[110] Over 30 percent of those employed in the private sector receive less than the minimum wage of €359 a month,[111] in itself way below the official Palestinian poverty line of €611 a month for a household of fivepeople.[112]

Both the private and public sector are characterised by lack of basic workers' rights and low union density of only 19.3 percent. The Democracy & Workers Rights Centre – Palestine (DWRC) found that for workers in the oPt, "there is hardly any labour right that is not violated by employers," including trade union laws for the right to organise and collective bargaining.[113]

110 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
111 Ibid
112 Palestinian Central Bureau of Statistics, "Poverty Profile in Palestine," 2017.
113 Democracy & Workers' Rights Centre – Palestine, "Annual Report 2017 on the Situation of Labour and Trade Union Rights Equality and Non-Discrimination in Palestine," 2017.

05.

Dependency on Israel for Employment



Ongoing Israeli colonisation and the engineered collapse of the Palestinian economy results in a lack of decent work opportunities, forcing Palestinians to seek employment in Israel and the settlements.

Between 1967 and 1990, 35- 40 percent of the oPt's labour force were employed in Israel, amounting to 7 percent of the Israeli labour force. Palestinian workers in the Israeli market generated over 25 percent of the oPt's Gross National Product (GNP) and contributed to the doubling of per capita income between 1970 and 1987.[114]In 2018, some 13 percent of the Palestinian labour force was absorbed by the Israeli labour market (in the illegal settlements and within Israel).[115]

While Palestinians are increasingly dependent on Israel for employment and jobs, the Israeli market is diversifying the pool of cheap and exploitable labour it can tap into. According to the Israeli Population and Immigration Authority, in 2018 there were some 114,000 foreign workers in Israel, the majority are from Thailand and the Philippines, and are mainly employed as agricultural workers and carers for the elderly.[116] Human rights and workers' organisations have documented the high levels of exploitation and abuse these workers face.[117]

Exploitation of Palestinian labour

In 2018, some 131,000 Palestinians worked in illegal settlements and within Israel, amounting to some 13 percent of the total Palestinian labour force and 17.7 percent of that of the WB.[118] Of these some 28,000 were employed in Israel's illegal settlements, including in 20 settlement Industrial Zones.[119]

The majority of WB workers employed in illegal settlements and in Israel, are employed in the Construction sector (66.4 percent), followed by employment in Mining, Quarrying and Manufacturing (14.4 percent).[120]

The dependency of workers from the WB on these jobs compounded with Israel's control of their access to work through a violent system of permits and occupation infrastructure, leaves them extremely vulnerable to exploitation and precarious working conditions.

114 Adam Hanieh, *Lineages of Revolt, Issues of Contemporary Capitalism in the Middle East*. Chicago: Haymarket Books, 2013.
115 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
116 Population and Immigration Authority, "Foreign Data in Israel, For the Year 2018," January 2018.
117 Human Rights Watch, "Israel: Serious Abuses of Thai Migrant Workers," 21 January 2015.
118 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
119 Ibid.
120 Ibid.

For Israeli employers, the exploitation of Palestinian workers is a lucrative business, where they can cut costs and make profit. According to a 2017 study by the Centre for Political Economics, Palestinian workers are paid on average 2.3 to 2.6 less than Israeli workers in the same sector.[121]

Denied rights and union representation

The majority of Palestinians working in the Israeli market (in Israel and the settlements) are employed through a labour broker and have no fixed contracts with Israeli employers. By avoiding contractual agreements, employers attempt to illegally avoid responsibility for workers' rights, working conditions and arbitrarily reduce or withhold wages.[122]

Palestinian workers in the settlements are generally employed under the 1967 Jordanian labour law which includes minimal protections for workers. This is despite a 2007 Israeli High Court ruling which stated that relations between Palestinian workers and Israeli employers should be governed by Israeli labour laws and that they should receive the same rights as Israeli workers.[123] According to the ILO, the application of the 2007 High Court ruling "remains limited, as only certain aspects, such as the minimum wage, have been extended through military orders".[124]

Palestinian workers also work in risky sectors with limited, outdated safety regulations and minimal monitoring. In 2016, out of 48 construction workers killed while on the job, 21 were Palestinians (43.75 percent), despite representing only 15.3 percent of the total workforce in the sector.[125]In 2018, out of 38 construction workers who lost their lives while on the job in Israel, the occupied WB and East Jerusalem, 31 were Palestinians.[126] [127]

"I had an accident while at work in the settlement of Barkan and I could not work for a week, but there was no insurance and they didn't compensate me", testified 26-years old Ouda Daqdouq who workers at various settlements Industrial Zones in the WB. There is no choice. We work in the settlements so we can feed our children."[127]

Exploitation is exacerbated by the denial of trade union representation and collective bargaining. Under the Oslo Accords Palestinian trade unions cannot unionise workers in the

121 The Centre for Political Economics, "The Working Conditions of Palestinian Wage Earners in Israel," February 2017.
122 Ibid.
123 Kav La Oved – Workers Hotline, "Palestinian Workers in the West Bank Settlements," 7 July 2017.
124 International Labour Organisation, "The Situation of Arab Workers in the Occupied Territory," 2018.
125 The Centre for Political Economics, "The Working Conditions of Palestinian Wage Earners in Israel", February 2017.
126 Kav La Oved, "Work Accidents Construction sector - Latest Updates," kavlaoved.org.il
127 Ali Sawafta, "For Many Palestinians, Israeli Settlement Work the Only Option," *Reuters,* 22 February 2016.

settlements or in Israel. However, the Histadrut continues to extract fees from workers' wages but offers little to no benefits or protection. The Histadrut offers no help "beyond parity committee in cases of dispute between a worker and an employer," and does not engage in collective bargaining on behalf of Palestinian workers.[128]

There have been attempts to organise Palestinian workers in the settlements by independent Israeli trade unions such as the Workers' Advice Centre, WAC-MAAN, with some success, however, by and large, their organising efforts remain restricted as their activists' face threats and extortion by employers and the Israeli security apparatus.

These restrictions come in violation of ILO core conventions and protections of freedom of association and the right to organise, as well as, discrimination in the work place, to which the EU, its member states and Israel are signatories.

Repressive workpermit system

The Paris Protocol officially ended the free movement of Palestinian labour and regulated their participation in the Israeli economy through a repressive permits system.[129] Only those with permits can 'legally' work in Israel and the settlements.

The number of permits issued fluctuates and is based on Israeli "political objectives and economic needs,"[130] and are given only for industries where Palestinians pose no competition to Israeli workers. Hence for example, an increase in permits for Palestinian builders to fulfill a 2017 National Economic Council plan to build an additional 2.6 million homes by 2040.[131]

Permits are issued by the Israeli Civil Administration (ICA), an arm of the Israeli military, and include obtaining security approval by Israel's internal security services (the Shin Bet), for specific periods of time (3-6 months, sometimes a year) and tie workers to a particular employer; a person will receive a permit only if the Israeli employer applied to employ them.

128 Kav La Oved – Workers Hotline, "The Occupation of Labour: Employment of Palestinians in Israel", 2018.
129 Article VII.I of the Paris Protocol "Both sides will attempt to maintain the normality of movement of labour between them, subject to each side's right to determine from time to time the extent and conditions of labour movement into its area."
130 UN Conference on Trade and Development, "UNCTAD Assistance to the Palestinian People: Developments in the Economy of the Occupied Palestinian Territory", September 2017.
131 Ofer Raz-Dror and Noam Kost, "Strategic Housing Plan for the years 2017-2040," *The National Economic Council*, May 2017.

The complicated bureaucratic procedure for obtaining permits has facilitated the emergence of a "permit market", where Palestinian workers buy permits through labour brokers. A monthly work permit costs a worker anything between €400 to €700. A Bank of Israel report estimated that in 2018 more than 20,000 Palestinians

bought their work permits, channeling a combined €127 to middlemen, Israeli companies and employers.[132]

Permits can be annulled at any time and are used as a disciplining mechanism against workers unionising, demanding rights, or partaking in any form of political activity,[133] in violation of the ILO core convention on protecting workers' right to unionise and for collective bargaining. In 2014, WAC-MAAN, went to court appealing the revocation of Hatem Abu Ziadeh, a union organiser's, permit by the ICA. Hatem's permit was revoked after 17 years of working at the garage as a disciplinary measure fororganisingworkers.[134]

Palestinian workers vulnerability and precarity is not only exploited by employers and the military, but by Israeli settlers more generally. Early in February 2019, settlers from Gush Etzion settlement distributed flyers to nearby Palestinian villages, warning workers to not cooperate with Israeli and international human rights groups if they wished to keep their jobs in the settlements. The flyer states that "Whoever cooperates with any one of these individuals and organisations (Ta'ayush and Rabbis for Human Rights) will never be allowed to enter the settlements for work.Bewarned!"[135]

Checkpoints: A Daily Struggle to Access Work

Only Palestinian workers with work permits can legally cross into Israel for work purposes. Beyond the struggle to obtain a permit, workers seeking employment in Israel and East Jerusalem, have to leave their homes in the middle of the night to arrive early at one of 13 overcrowded checkpoints where they are subjected to security checks, harassment and long delays under inhumane conditions. On a daily basis they have to go through the same ordeal at each end of every working day. Such delays often extend the working day to 16 hours.[136]

132 Bank of Israel, "Illegal Trade in Work Permits for Palestinians in Israel," 25 September 2019.
133 Salea Alenat, "Palestinian Workers in the West Bank Settlements," *Kav La Oved*, 13 March 2010

134 Michael Schaeffer Omer-Man, "How do you Stop Palestinians Unionising? Cancel their Entry Permit," 15 September 2014.
135 Edo Konrad, "Settlers to Palestinian Labourers: 'Work With Human Rights Groups and Lose Your Job," *+972 Magazine*, 4 February 2019.
136 UN Conference on Trade and Development, "Report on UNCTAD Assistance to the Palestinian People: Development in the economy of the Occupied Palestinian Territory," September 2017.

Military and private-security staffed checkpoints are notoriously crowded, and dangerous. "People are packed in like cattle," explained 37-year of Mohammed, while he waits to cross. It is common for ambulances to be called and a number of workers have died waiting to cross, including Samih Bdeir, 39 and Adel Muhammad Yakoub, 59, who both died of suffocation due to overcrowding at Al-Tayba checkpoint, also known as Sha'ar Ephraim, near the Palestinian city of Tul Karm, one of the main checkpoints workers use seeking work in Israel.[137]

Daily humiliation and repression at checkpoints, violates workers right to free movement and work. It is also a major cause of "high levels of fear, depression and stress among Palestinians in the WB".[138]

The lowest worker down the chain

Out of the 131,000 Palestinian workers in the Israeli market, some 28,600 do not have permits. These suffer even greater levels of violence and exploitation.[139]

To access the Israeli job market, they risk their lives when taking clandestine routes (as they don't have permits, they can't go through the checkpoints). In a 2012 incident, the Israeli military killed one Palestinian worker and injured three others while they were trying to cross into Israel without permits.[140] The risk involved results in workers staying away from their families for long periods often several months at a time.

If caught, these workers risk imprisonment, so they live in hiding.[141] Employers exploit their situation, in many ways including expecting them to live in squalid conditions and paying them even less than workers with permits.

These 'illegal' workers have no recourse if payment is withheld, they are injured at work or suffer other abuses from their employers.

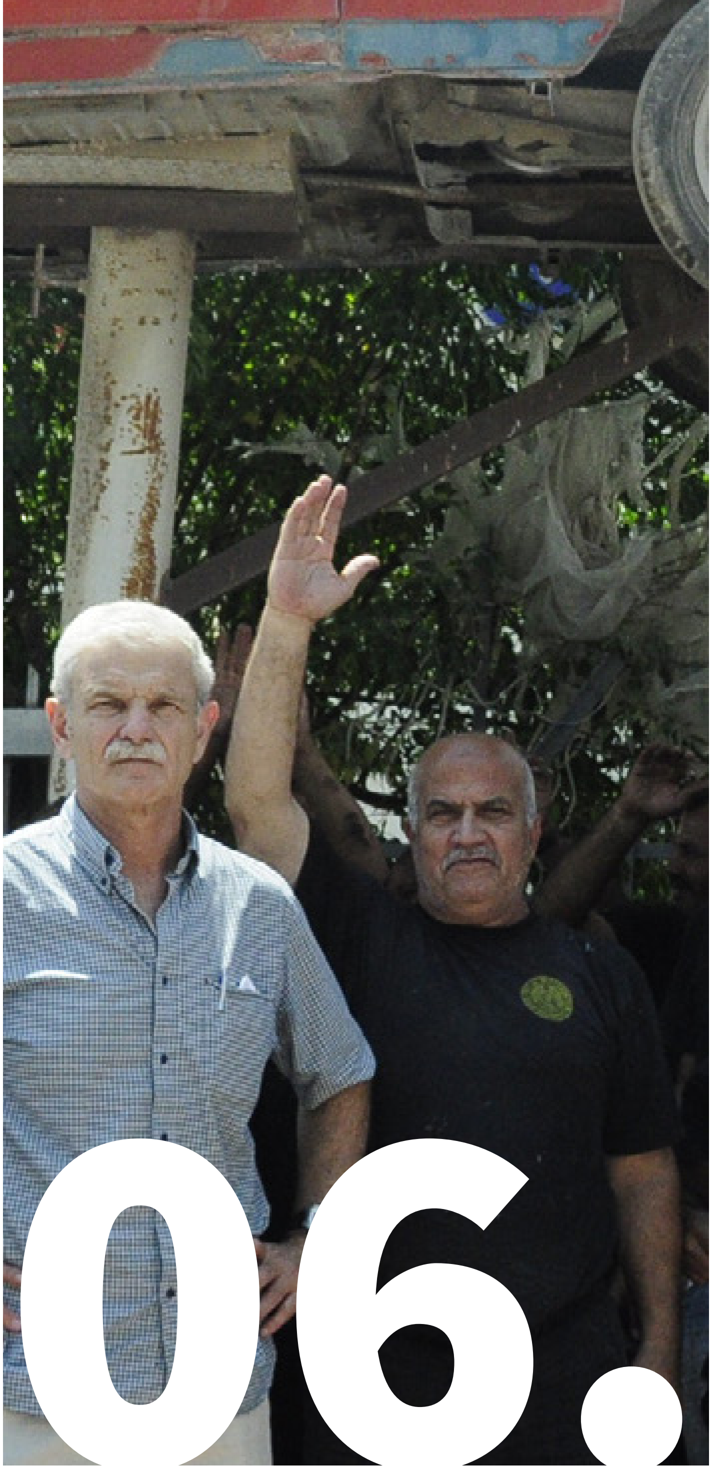
137 Haaretz, "Palestinian Reportedly Crushed to Death amid 'Extreme Overcrowding' at Checkpoint," *Haaretz News, 2 January 2015.*
138 Quoted in: Anne Paq, 'It's not a life – Palestinian Workers' Daily Struggle with Israeli Checkpoints,' *Equal Times,* 6 August 2018.
139 Palestinian Central Bureau of Statistics, "Labour force Survey (October-December 2018)", 13 February 2019.
140 Jillian Kestler-D'Amours, 'Palestinians Risk Death to Work without Permits in Israel,' *The Electronic Intifada*, 26 September 2012.
141 Arab 48, "The Arrest of 92 Workers from the West Bank and the closing of a Bakery in Skhnin," *Arab48 news*, 18 April 2019.

Pushed not drawn to work for Israeli employers

Although the gross average daily wage for a Palestinian worker in Israel and the settlements is almost double (€58.73) the wage for a Palestinian worker in the WB (€27.74)[142], the exorbitant overhead costs of securing a job combined with the daily threat of violence ever present and the ordeal of accessing it indicate that Palestinian workers are forced into these jobs out of desperation, rather than being drawn to them for higher pay.

A worker interviewed at the Bethlehem checkpoint put it simply: “If we didn’t have work inside Israel, we would have to eat each other.”[143]

142 Palestinian Central Bureau of Statistics, “Labour force Survey (October-December 2018)”, 13 February 2019.
143 Quoted in Andrew Ross, “Who Built Zion? Palestinian Labour and the Case for Political Rights,” *New Labour Forum,* August 2018.



06.

EU-Israel Relations: A Culture of Impunity

Israel, as the Occupying Power, is the primary duty bearer to ensure respect for international humanitarian and human rights of the occupied Palestinian population. States which are not party to the conflict, such as EU Member States and the EU also have obligations to uphold international law in are occupied areas. As High Contracting Parties to the Geneva Conventions of 1949, they have pledged not to aid, assist or recognise bodies that violate international law and to cooperate to put an end to these violations even if they do not directly affect them.[144]

While the EU regularly makes statements of condemnation against Israel's violation of Palestinian rights and conditions all bilateral relations and access to funding on partners' compliance with International law, it has taken few concrete steps towards ending its complicity with Israel's structural violence, economic de-development and denial of Palestinians the right to decent work.

Beyond European corporate capital's complicity with Israel's occupation and settlement enterprise, through the 'special relationship' with Israel, the EU bolsters Israel's regime of repression and exploitation, directly precluding economic growth for communities in the oPt, access to decent jobs and violations of ILO core conventions for workers' rights, by failing to uphold international law and its own agreements.

The EU-Israel Association Agreement

The most significant treaty regulating bilateral relations between the EU and Israel, is the EU-Israel Association Agreement (AA) signed in 1995, and upgraded in 2000.

The AA facilitates largely unrestricted trade between the EU and Israel and allows Israel to participate in more EU programmes and projects than any other non-European country. As part of the AA, the EU-Israel Action Plan sets the parameters of Israel's participation in a wide variety of EU programmes including the Erasmus academic exchange program, the Twinning project, approximating Israeli and European norms in public administration, and the Research and Development FrameworkProgramme.[145]

144 Amnesty International, "Chapter 6: Settlements and Third State Responsibility," Amnesty.org.
145 The European Commission, "European Neighborhood Policy and Enlargement Negotiations: Israel." e.europa.eu

Article 2 of the Agreement states that: "Relations between the parties … shall be based on the respect of human rights and democratic principles, which guides their internal and international policy and constitutes an essential element of this Agreement".[146]

Financing Israel's settlement enterprise

The AA opens European markets to Israeli produce and products, from fruits and vegetables to military technology and weapons. Under the AA agreement all Israeli goods[147] can enter into the European market without incurring taxes or customs duties, this has structured a close and lucrative trading relationship between the two, benefiting Israeli businesses and enriching the Israeli economy as a whole including the settlement enterprise.

In 2017, trade between the EU and Israel amounted to approximately €36.2 billion. EU member states imported Israeli goods worth €14.7 Billion, while exporting €21.4 billion worth of goods to Israel, making it Israel's most lucrative trading partner.[148]

European trade with Israel directly contributes to the growth and economic viability of illegal Israeli settlements. Much of Israel's exported agricultural produce is grown on occupied Palestinian land on WB settlements, in contravention of international law, with devastating impact on Palestinian human and economic development preventing the creation of decent jobs.

In 2017, Israel exported produce worth some €1.7 Billion. The majority of exports were bound for EU member states, who (excluding the UK) imported 35 percent of Israel's exported vegetables, 61 percent of fruits and 58 percent of citrus.[149]

The occupied Jordan Valley is particularly exploited with its favourable climate, fertile land and plentiful water supply. Ninety-four percent of the Jordan Valley's area is under Israel's military rule and is off limits to Palestinians (Area C). Some 11,000 Israeli settlers live in 36 illegal settlements. These have direct control over the 86 percent of the Jordan Valley's land, and cultivate an area of 320 hectares [150] with an annual revenue of some €120 million.[151] Some 66 percent of the produce grown in the Jordan Valley is exported and generates enormous profits for settler business.[152] In addition, settler businesses financially benefit from particular Israeli

146 The European Commission, "Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the State of Israel, of the other part," 2000.
147 Except those originating from settlements in the occupied Syrian Golan, the West Bank and East Jerusalem, although this is rarely enforced due to inability to determine where the produce originate from.
148 The European Commission, "Countries and Regions: Israel."
149 Ministry of Agriculture, "Agricultural Sector in Israel Economic Outlook," (Hebrew) December 2018.
150 Jordan Valley Research and Development, "Agriculture in the Valley."
151 Miftah, "The Jordan Valley," 5 July 2017.
152 Jordan Valley Research and Development, "Agriculture in the Valley."

governmental tax breaks and subsidies, put in place to encourage settlement business and also reimburse them for any incurring financial loss.[153]

The settler agro-industry is a major source of revenue to the Israeli economy and employment for settlers. Currently, some 30 percent of the Valley's settler population is directly employed in the agricultural sector, while an additional 30 percent are employed in related sectors such as packaging and transport.[154]

Trade Union call for the boycott of settlement produce

Palestinian agricultural trade unions and civil society have called on the international labour movement to take action to end the import of settlements produce. A 2013 call stated:

"We, Palestinian organisations and unions representing farmers struggling for their right to their land and to food sovereignty, urge international civil society organisations to build effective campaigns and work towards ending agricultural trade with Israel that finances and rewards the destruction of Palestinianfarming."[155]

Cheap labour for settlement farms

The import of produce cultivated on Palestinian land and exploiting Palestinian natural resources, finances the settlement enterprise and keeps the settlements as a viable economic option for the Israeli state.

In parallel, it directly impedes Palestinian economic development and access to decent jobs, forcing them to work as cheap labour for the Israeli settler industry in precarious and exploitable conditions.

This is particularly stark in the Jordan Valley, where Palestinian farmers have lost over 98 percent of productivity due to Israeli occupation policies, forcing many to relocate to nearby urban areas in Areas A and B, or to work as cheap labour for Israeli settler industries in the region.[156]

Hundreds of Palestinian children and some 5,000 Palestinian women work in Israel's illegal settlements, 45 percent of whom work in agriculture.[157] Most

153 Human Rights Watch, "Occupation Inc.: How Settlement Business Contributes to Israel's Violations of Palestinian Rights," 19 January 2016.
154 Jordan Valley Research and Development, "Agriculture in the Valley."
155 The Palestine BDS National Committee, "Palestinian Agricultural OrganisationOrganisations and Civil Society Networks Call for Ending international Trade with Israeli Agricultural Companies," 9 February 2013.
156 Miftah, "The Jordan Valley," 5 July 2017.
157 General Union of Palestinian Women,"The Situation of women and Girls in Palestine," May 2018.

of them have no work permits, no contracts and no direct contact with the settler employer, leaving them vulnerable to poor working conditions, job uncertainty, financial extortion and exposure to physical and verbal abuse.

A Palestinian child working on agricultural farms earns an average of €17 a day for eight hours a day (6am -2pm) for 6 or 7 days a week. During peak harvest seasons some children work 12 hours a day, 40 hours a week. Human Rights Watch documented the employment of children below the age of 15, illegal under international, Israeli and Palestinian law, and violates ILO core convention 'Worst Forms of Child Labour' [158]

Additionally, wages are withheld if daily production quotas are not met. From their gross earnings, a fee for labour brokers is deducted and reduces the take home pay to less than €1.50 per hour.[159]

Lack of contractual agreements allows employers to avoid their legal responsibilities towards their workers, leaving workers to fend for themselves in case of injury at work. Nihad Awad, a 47-year-old, mother of 6, is one of many victims of this system. Nihad fell off a ladder while working in a settlement while picking dates. She did not have a permit or a contract. Since her injury, neither the Palestinian contractor nor the settler employer have responded to her calls. As she does not have a proof of employment, she cannot go to court. Nihad, the only breadwinner in her family, has been left with two

158 UN International Labour Organisation (ILO), "C182 – Worst Forms of Child Labour Convention, 1999 (No.182)", ilo.org.
159 Al Marsad, "Bloody Basi," Youtube.com

broken legs, a huge medical bill and no job.[160]

Nihad was injured while picking dates. Majdool settlement date farms alone have seized 1600 Hectares of land, 80 percent of the produce from which is exported.[161]European countries imported over 74 percent of Israel's exported dates.[162]

These practices violate basic human rights and ILO core conventions for the protection of the freedom of association and the right to organise as well as against child labour.[163]

EU inaction: the labeling of goods

Following public pressure and lobbying by Palestinian and European organisations, trade unions and activists, the EU introduced guidelines to distance itself from Israel's settlement enterprise and violation of Palestinian rights. However, these belated measures, are not adequately implemented, and even if were, they don't assure EU adherence to its commitment to upholding international law and human rights.

In November 2019, the European Court of Justice ruled that produce originating from Israeli settlements in the occupied WB and the Syrian Golan must be labeled as such by retailers, allowing consumers to make an informed decision before purchase. This follows the 2015 EU labeling guidelines requiring that the labeling of goods imported into the EU "must be correct and not misleading" and thus, must include the words "Israeli settlements" and can no longer be marked as "Made in Israel".[164] This measure may give consumers the right to make an informed choice but do not stop illegal action by Israeli merchants.

Israeli settlement producers have used a number of mechanisms to fraudulently enjoy preferential access to EU markets. These include the packaging of produce in facilities inside Israel to 'legitimise' the "Made in Israel" label[165] and produce inside goods from Israel.[166]

These belated measures rest on the flawed premise that it is possible to isolate the economy of the settlements from that of Israel proper, and have failed even by the EU's own standards. In 2017, Lars Faaborg-Andersen then the EU's ambassador in Israel, admitted that checking where Israeli goods originate from has proved

160 Al Resala, "Palestinian Women Workers in the Settlements Victims of Broker's Greed and the Absence of Government," *Al Resala Net* (Arabic), 3 June 2018.
161 Jordan Valley Research and Development, "Agriculture in the Valley."
162 The Ministry of Agriculture, "The Agricultural Sector in Israel Economic Outlook," December 2018.
163 International Labour Organisation, Conventions and Recomendations, ilo.org.
164 The European Commission, "Interpretive Notice on indication of origin of goods from the territories occupied by Israel since June 1967," 11 November 2015.
165 Who Profits', "Tnuva Group," 20 June 2016.
166 Greg Dropkin, "Israeli Settlement Exporter Carmel-Agrexo Defrauds French Customs," *Labour Net, 23 May 2011.*

to be "impossible", due to Israel's Zip Code system which makes it impossible to distinguish where produce originate from.[167]

In 2018, Ireland became the first European country to take concrete steps towards outlawing the import of goods manufactured or gown on occupied Palestinian and Syrian land.[168] The bill which would criminalise the import of such goods and produce, came after consistent and ongoing campaigning by trade unions, civil society organisations and campaigning groups.

Channeling EU taxpayers' money to Israeli institutions and companies

In 1996, a year after the signing of the EU-Israel AA, Israel became the first non-European country to participate in the EU Research and Development Framework Programme.

This allows Israel to receive EU funding for research purposes, to develop its own technical capabilities and transfer knowledge to European institutions.

According to the Israeli Foreign Affairs Office, by 2017 Israeli companies, state and academic institutions had received funding of approximately €1.37 billion, while Israel contributed €1.7 billion, as part of the EU's Framework Programme funding cycles.[169]

Horizon2020, the current Framework Programme research cycle, running between 2013-2020 has an overall budget of €80 billion, out of which a wide range of Israeli companies and institutions have so far received over €742 million.[170]

Israeli institutions and companies are poised to participate in the next EU Framework Programme, Horizon Europe, which has a budget of over €100 billion.[171]

167 David Cronin, "Checking Settlement Export "Impossible," EU admits," *The Electronic Intifada,* 28 September 2017.
168 Mark Weiss, "Israel Parliament Cancels Irish Trip in Protest at Goods Bill Boycott," *The Irish Times,* 28 January 2019.
169 Israeli Ministry of foreign affairs, "20 Years of Israeli Participation in Horizon 2020 - EU Framework Programme," 10 January 2017.
170 Delegation of the European Union to Israel, "EU Celebrates 423 Israeli Achievements Under Horizon 2020 Programme," 7 June 2019.
171 The European Commission, "Horizon Europe - the Next Research and Innovation Framework Programme," ec.europa.eu.

Bolstering Israel's war machine

FLYSEC is a Horizon2020 project tasked with strengthening security systems at airports by enhancing existing mechanisms and introducing new technological tools, including: video surveillance, using algorithms for remote image and behaviour analysis.[172]

FLYSEC is coordinated by the National Centre for Scientific research "Demokritos", in cooperation with European corporations and institutions from the United Kingdom, Greece, Luxembourg, Germany, and three Israeli military and security companies: Elbit Systems, EMZA Visual Sense Ltd and CG SMA RTech Ltd.

The three Israeli companies involved in the project are benefiting from a total of €1,252.625 out of a total budget of €4,089,500. Elbit Systems alone is making €403,750.[173]

Elbit Systems, Israel's largest private-publicly traded military company, is a major supplier of arms and technology to the Israeli military and is the main supplier of drones. Nineteen percent of its €3,031 million revenue in 2017 was from sales to the Israeli military. During Israel's attack on Gaza in 2014, the company's 7.5 Skylark, as well as the lethal Hermes 900 drones, were used. In the aftermath of the war Elbit Systems profit rose by 6.1 percent as it was able to market its technology as "combat proven".[174] Elbit Systems' technology is extensively used as part of the surveillance and control infrastructure on the Wall and checkpoints in the WB, and besiegingGaza.[175]

Israel's corporate involvement in FLYSEC also facilitates the transfer of repressive and discriminatory surveillance technology to Europe. Elbit's surveillance systems, especially the use of algorithms as part of "predictive behaviour analysis", are used by the Israeli police and military to repress and target Palestinians, including workers. The use of predictive behaviour policing tactics, have been subject to criticism, highlighting the biased and discriminatory nature of its application and resultant infringement of basic human rights.[176]

In fact, the EU actively facilitates the importation of Elbit's repressive technology to Europe, despite mounting evidence of the company's participation in the violations of international law and human rights. In November 2018, Elbit won a €60 million European Maritime Safety Agency (EMSA) contract, for the supply of drones to monitor coastal lines,[177] keeping refugees out of 'fortress Europe'.[178]

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172 The European Commission, "Optimising time-to-FLY and enhancing airport Security: Project Information," cordis.europa.eu
173 Ibid.
174 Elbit systems, "Hermes 45", elbitsystems.com
175 Who Profits', "Elbit Systems Company Profile," 5 May 2018.
176 Cathy O'Neil, *Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy.* New York: Crown, 2016.
177 Shoshanna Solomon, "Elbit Wins Drone Contract for up to $68m to Help Monitor Europe Coast," *The Times of Israel*, 1 November 2018.
178 Benjamin Ward, "Think Fortress Europe is the Answer to Migration? Get Real," Human Rights Watch, 10 July 2018.

FLYSEC transfers European public funding to the Israeli military and security companies, bolstering Israel's military industrial complex involved in violation of international law and war crimes, directly undermining Palestinians access to and the ability to create decent jobs.

Targeted on the job

The oPt, and besieged Gaza in particular, are among the most dangerous areas for medical workers and journalists.[179] Intentionally killing any civilian, who is posing no threat, is a violation of international law and constitutes a war crime.[180]

A United Nations Independent Commission of Inquiry into Israeli killings during the "Great March of Return" demonstrations found that "Israeli snipers

179 UN Human Rights Council, "Report of the independent international commission of inquiry on the protests in the Occupied Palestinian Territory," 25 February 2019.
180 United Nations Human Rights Council, "No Justification for Israel to Shoot Palestinians with Live Ammunition," 28 February 2019.

shot at journalists, health workers, children and persons with disabilities, knowing they were clearly recognisable as such."[181]

The "Great March of Return" demonstrations were launched on 30 March 2018, by Palestinians in Gaza. The ongoing weekly protests take place near the fence besieging Gaza since 1996, demanding that Israel lift its 11-year illegal siege and allow refugees to return to their homes. Some 75 percent of Gaza's 2 million population are registered refugees, expelled from Palestinian villages and towns in 1948.

The inquiry found that between 30 March and 31 December 2018, thousands of people were injured by Israeli snipers and tear gas, and many suffer life changing injuries. Some 122 people (including 20 children) have had to have their lower limbs amputated after deliberate targeting by Israeli military snipers.

This brutality changes the lives of the injured forever; limiting their ability to access the already scares work opportunities in Gaza, adding the pressure of care on family members who also have to manage the loss of income. This deliberate targeting of protesters also stretches the already collapsing public services in Gaza from hospitals to schools.

The inquiry also found that Israeli military snipers killed at least 189 demonstrators, including three medical workers and two journalists.[182]

Health workers

Paramedics delivering medical care to the wounded were themselves targeted by Israeli military snipers. They were shot and killed despite clearly wearing vests identifying them as such.

21-year-old Razan al-Najjar, described her role as a paramedic at the demonstrations "I'm here at the front line as a human shield and rescuer for the injured."[183] For the Israeli military this made her "no angel".[184] Razan was shot and killed by a sniper's bullet to the chest.

Abdallah Sabri al-Watati, a 22-year-old volunteer paramedic, was shot in the back while he was about 100m away from the fence. Another paramedic, Musa Hassan, a 35-year-old was shot in the chest approximately 300m from the fence. Shortly beforehand, he had been treating wounded demonstrators.

181 Ibid
182 Ibid
183 Lily Fletcher, "Razan al-Najjar: 21-Year-Old Palestinian Medic who Became a Symbol in Gaza," ***The Independent,*** 17 June 2018.
184 Tamar Pileggi, "After Saying it Shot by Accident, IDF Claims she was 'No angel'," *The Times of Israel, 7 June 2018.*

Journalists

Journalists, whose job is to be present and convey the truth, were silenced, while wearing bulletproof vests clearly marked “Press”.

Yasser Murtaja, captured the dreams of many in Gaza in a caption he wrote under a picture of Gaza City’s port taken by his drone: “I hope the day that I can take this image when I am in the sky instead of on the ground will come! My name is Yaser, I am 30 years old, live in Gaza City and I have never travelled before in my life!” Yasser was shot in the lower abdomen by Israeli snipers while he was filming the demonstrations for a documentary.[185]

Ahmed Abu Hussein, a 24-year-old journalist from Jabaliya refugee camp was also shot by an Israeli sniper in the lower abdomen while he was taking photographs of the demonstrations, approximately 300m from the fence.

This pattern of attacks on workers on the job was also pronounced during Israel’s bloody 51-day attack on Gaza in 2014. Over 2,251 people were killed, including 23 medical workers[186] and 17 journalists.[187] Some 73 hospital clinics and 43 ambulances were damaged or destroyed.[188] According to Amnesty International, there is “evidence that the Israeli military has targeted health facilities and professionals.”[189]

Violating EU directives: Israeli access to funding

In 2013 the EU issued a policy regarding Israel’s eligibility for grants, prizes and financial instruments. The guidelines state that only “Israeli entities having their place of establishment within Israel’s pre-1967 borders will be considered eligible.”[190]

These geographically focused guidelines restricting funding to Israeli entities positioned in Israel, falls short of the EU’s obligation towards its own human rights directives and international law. The EU is directly funding companies situated within Israel’s pre- 1967 borders, but whose technology and equipment is part of Israel’s military industrial complex, killing Palestinians, colonising land and bolster the 52-years oppression of occupied Palestinian people.

185 Al Jazeera, “Yaser Murtaja and His Dream of travelling,” *Al Jazeera*, 7 April 2018.
186 Medical Aid for Palestine, “Infographic: Attacks on Medical Facilities and Personnel in the West Bank and Gaza,” 1 October 2017.
187 International Middle East Media Centre, “17 Journalists Killed in Gaza since Beginning of Israeli Aggression,” International Middle East Media Centre, 26 august 2014.
188 Medical Aid for Palestine, “Infographic: Attacks on Medical Facilities and Personnel in the West Bank and Gaza,” 1 October 2017.
189 Amnesty International, “Mounting Evidence of Deliberate Attacks on Gaza Health Workers by Israeli Army,” 7 August 2014.
190 European Union, “Guidelines on the Eligibility of Israeli entities and their activities in the territories occupied by Israel in 1967”, 18 July 2013.

Furthermore, the Framework Programme has a clear funding eligibility criterion which states that: only projects that are strictly intended for civilian applications; and funding of dual-use items is only permissible if the research is "fully motivated by, and limited to, civil applications".[191]

Granting funding to Israeli military companies such as Elbit Systems, which reap profit from marketing their products as "combat proven"[192] on Palestinians, is a clear violation of the EU's own guidelines.

191 The European Commission, "Horizon 2020 Programme: How to Complete your Ethics Self-Assessment", 4 February 2019:35.

192 Elbit systems, "Hermes 45", elbitsystems.com

07. Worker to Worker Solidarity

An injury to one is an injury to all! International solidarity is a core principle of the trade union movement. Around the world, trade unionists have taken active steps in solidarity with the Palestinian people in their struggle for liberation and rights, including the right to work.

The trade union movement has taken action which hold to account corporate power bolstering Israel's occupation, the paramount obstacle to workers' access to jobs and a decent living, as well as working in cooperation with organisations on the ground to build workers capacity to organise and demand rights they are entitled to.

Solidarity picket

In response to Israel's successive murderous attacks against the 2 million Palestinians living in the besieged Gaza Strip and encouraged by international solidarity missions (Flotilla), Palestinian trade unionists and civil society organisations called for solidarity from dock workers worldwide. The objective was to block Israeli maritime trade, by refusing to unload or handle Israel cargo, until Israel complies with international law and lifts its blockade on Gaza.

Unionised dockworkers around the world heeded the call.

Members of the Swedish Port Workers Union launched a week long boycott of Israeli ship cargo at all of Sweden's ports which handle more than 95 percent of the country's foreign trade.[193]

Members of the South African Transport and Allied Workers Union at the port of Durban, refused to handle Israeli cargo.

Both in 2010 and in 2014, members of the International Longshore and Warehouse Union (ILWU) trade union in the Port of Oakland, California, one of the biggest shipping ports in the United States, respected community picket lines and refused to handle cargo belonging to the Israeli company Zim Integrated Shipping Service Ltd., the biggest cargo shipping company in Israel.[194]

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193 YnetNews, "Swedish Dockworkers Boycott Israeli Ship, " *YnetNews,* 23 June 2010.
194 The Electronic Intifada, "Activists Prevent Israeli Ship from Unloading in US Port," *The electronic Intifada*, 21 June 2010.

Utilising workers' bargaining power

In 2010, a campaign calling on the French telecommunication company Orange, to cut off its Israeli subsidiary Partner Communication was launched. Through Partner, Orange provided services to the Israeli military and illegal settlements, and their residents, in the occupied WB, East Jerusalem and the Syrian Golan.

In France, the trade unions Solidaires and the Orange Sud PTT Federation, which represents Orange workers, were active in the campaign.[195] In meetings with management, they consistently included a demand to end Orange's complicity with Israeli violations. In parallel the unions produced materials to inform workers.

In 2014, the campaign picked up steam, when Partner provided telecommunication support, subscription fee waivers and entertainment services to Israeli soldiers during their summer attack on Gaza, during which the Israeli military killed over 2,251 people, including 551 children and 299 women. Benny Gantz, then the Israeli military general in charge of the operation, boasted that "parts of Gaza were sent back to the Stone Age."[196]

French trade unionists, built links with members of the Tunisian General Labour Union, who worked for Orange, who started putting pressure on their management. The campaign-built links with Egyptian activists who called for a boycott of Mobinil, Orange's Egyptian subsidiary. Mobinil had 33 million consumers.[197] The potential loss of the huge Egyptian market put pressure on Orange who chose to maintain its relationship with it and payed Partner telecommunication €48.4 million to prematurely end their contract.[198]

195 Solidaires Union, "Orange Without Partner… Finally!," 5 January 2016.
196 Raoul Wootliff, "'Parts of Gaza Sent back to Stone Age':Gantz Videos Laud his IDF Bona Fides," *The Times of Israel,* 20 January 2019.
197 Ali Abunimah, "Under Boycott Pressure, Orange Tries to Distance Itself from Israeli Operation," *The Electronic* Intifada, 28 May 2015.
198 Amitai Ziv, "Orange to Sever Ties With Israeli Operator, Eight Months After 'Boycott' Controversy," *Haaretz News,* 3 January 2016.

Auditing trade unions contracts

Workers have led campaigns to end their union's contractual agreements with companies involved in violation of Palestinian rights and international law. One of such targeting was of G4S, the world's largest private security company. G4S was targeted for its involvement in supplying services to Israel's prison apparatus (where over 6,000 Palestinian political prisoners are incarcerated), to illegal Israeli settlements and the Separation Wall.

In 2013, the Norwegian energy workers' union, Industri Energi, ended its security contract with G4S and the Scottish Trade Union Congress followed suit. This followed a series of condemnation letters from trade unions such as UNISON and the National Union of Teachers in the UK.[199]

In 2011, a shop steward from the Belgian union La Centrale Générale-FGTB pointed out the contradiction between G4S's Business and Ethics Policy and its involvement in the oPt. This led to the issuing of a statement of condemnation by the European WorkersCouncil.[200]

These actions, compounded with a global civil society campaign, cost G4S millions of Euros in lost and canceled contracts worldwide, forcing the company to sell off its Israeli business activity in 2016.[201] The company continues to supply services to Israel's police academy in Jerusalem.

Pension Fund Divestment

Trade Unions have joined forces with civil society organisations in formulating strategies pushing for divestment from companies profiting and contributing to violation of Palestinian rights and international law.

199 The Palestine BDS National Committee, "G4S Timeline," 15 June 2016.
200 KEON?!
201 Jack Moor, "G4S to Sell Off Operations in Israel as BDS Claims Victory," *Newsweek*, 3 October 2016.

The Norwegian Union of Municipal and General Employees (Fagforbundet) has been funding and working in close partnership with Norwegian People's Aid since 2009; together they have produced research documenting the Norwegian Government Pension Fund's – one of the biggest globally which includes the union's members pensions – investments in companies which violate international law and Palestinian human rights.

This research formed the basis for broad coalition campaigning putting pressure on the Pension Fund to divest from complicit companies. The Fund subsequently divested from at least four Israeli and international companies involved in bolstering Israel's occupation at the expense of Palestinian rights. The Union was also a critical force in the Norwegian Confederation of Trade Unions (LO) adaptation of a policy committing to ending operations and partnerships with bodies and corporations complicit in Israel's occupation.[202]

Building workers' power

Israel's discriminatory system prevents Palestinians from accessing basic rights and services, even those they are legally entitled to. UNISON, the United Kingdom's largest trade union, joined forces with the Workers' Advice Centre, WAC-MAAN, to enhance workers' power in demanding their rights, access to services and jobs in the immediate term.

One of such projects focused on organising Palestinian women in East Jerusalem who are seeking employment and income support. Palestinians in occupied East Jerusalem suffer from high unemployment rates, particularly among women (only 22 percent employment), contributing to 75 percent of the population living below the poverty line.[203] They are entitled to income support from the National Insurance Agency, and help to find work from the Employment Bureau. However, they often endure humiliation and rejection when they present their claim to the authorities.

The project involved training activists to ensure that women understand their rights and represent them when they face discrimination. After initial threats and resistance, the pressure is now making a real, albeit small, difference.

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202 Agence France-Presse, "Norway's Biggest Trade Union Angers Israel with Boycott," The Local, 12 May 2017.
203 Michal Korah and Maya Hoshn, "On Your Figures Jerusalem: Current Situation and Trends," (Hebrew) *Jerusalem Institute for Policy Research*, 2018.

Within the framework of obtaining rights through the 2007 Israeli High Court ruling, UNISON supports WAC-MAAN concentrated efforts to unionise Palestinian workers, raise awareness with regards to their rights and providing legal support when needed.[204]

These projects go a small way in improving the conditions of Palestinian works and their access to decent work through a legal system which is inherently favours Israeli employers at the expense of Palestinians.

204 UNISON, the Public Service Union, "Dangerous Occupation: the Impact of 50 Years of Occupation on Palestinian Workers," 2017.

Recommendations

This report analyses and outlines the direct link between Israel's occupation and settler-colonialism, and the denial of Palestinian's right to work as outlined in the ILO's Decent Work Agenda.

Through a set of repressive and exploitative military and economic policies, Israel has structured the captivity and de-development of the Palestinian economy, directly precluding any prospect of economic and human development. In 2017, the oPt's economic growth stood at a low of three percent, leading to the highest levels of unemployment in the world (30.8 percent) by 2018.

The systematic devastation of the oPt economy, and lack of jobs within it, has forced Palestinians to seek employment in the Israeli market, under extremely precarious and exploitative conditions. In 2018, some 131,000 Palestinian worked in illegal settlements and in Israel, representing 13 percent of the employed Palestinian labour force.

While Israel, as the Occupying Power, is the primary duty bearer to ensure respect for international humanitarian and human rights of the occupied Palestinian population, states which are not party to the conflict, such as EU Member States and the EU also have an obligation to not aid, assist or recognise bodies that violate international law and to cooperate to put an end to these violations even if they do not directly affect them.[205]

However, as this report shows, when it comes to Israel the EU continues to violate its own directives and commitments to international law and human rights. Furthermore, the EU acts in ways which directly bolster Israel and its economy, at the expense of Palestinians.

In the face of entrenched complicity by the EU, European states and corporations, trade unionists can act in line with the fundamental values of trade union internationalism and take concrete action in solidarity with their Palestinians in their struggle for freedom, justice and dignity.

205 Amnesty International, "Chapter 6: Settlements and Third State Responsibility," Amnesty.org.

We call on the European trade union movement to:

1. Pass motions and support campaigns towards a two-way military embargo on Israel.
2. Put pressure on companies involved in Israel's violation of international and Palestinian rights by:
- Building effective campaigns to end your union's commercial agreements with complicit companies.
- Supporting workers to call on their employers to end their complicity with the occupation.
- Working with pension funds to end their investment in companies involved in Israel's violation of Palestinian rights.
3. Take action within your trade union and workplace to raise awareness of Palestinian workers' working conditions and their denied access to decent work, and support unions and other organisations in Palestine and Israel, working to improve Palestinian workers' rights.

We call on the European Union to:

1. Suspend the EU-Israel Association Agreement until Israel meets its obligations under international law and ends violation of Palestinians rights.
2. Exclude Israeli companies and institutions involved in Israel's military industrial complex from any EU research and funded projects.
3. End all EU contractual agreements with companies complicit with Israel's violation of Palestinians rights and international law.
4. Ban the sale of Israeli settlement products in European markets.
5. Stop European companies from doing business with Israel's settlement enterprise.

European complicity with Israel's occupation:

Undermining Palestinians' Right to Decent Work

December 2019

European Trade Union
NETWORK
For Justice In Palestine