



EU trade with Israel and Palestine

Adopted at the Extraordinary Executive Committee meeting of 15 April 2025

Having regard to the EU-Israel Association Council of 24 February, the ETUC considers that the EU must lever its trade policy as a foreign policy tool to address serious violations of human and labour rights wherever these occur in the world and applying the same tests as set out in [ETUC resolution on a rights-based trade policy for the EU](#).

The ETUC also believes that trade partnerships can contribute to sustain livelihoods and employment, bring economic stability, growth and benefits for trade partners and any demand around trade agreements and related sanctions must consider the impact on workers. The EU Israel Association Agreement is no exception.

Israel is among the EU's main trading partners in the Mediterranean area, and the EU is Israel's biggest trade partner. The Agreement aims to strengthen political, economic, and commercial relations between the two parties, and it stipulates the partnership is based on respect for democratic principles and human rights (Article 2). This clause serves as the foundation for this cooperation, emphasizing that the continuity of this relationship is conditional on respect for these principles.

The ETUC reiterates the importance of creating decent jobs in line with ILO conventions and ILO Recommendation n°205 on Employment and Decent Work for Peace and Resilience. Fundamental rights, including trade union rights, collective agreements and payment of wages must be respected. Therefore, the ETUC calls for a review of the EU Israel Association Agreement in light of its Article 2.

The ETUC also believes that the EU should not deepen the EU Israel Association Agreement while its essential elements are not met. Further developing this Agreement would be counterproductive to a two-states solution and it would indicate the EU is rewarding actions that are illegal under international law.

Furthermore, while we note that the territorial scope of this Agreement does not extend to the illegal settlements and goods from these territories are not meant to benefit from preferential tariff treatment, the so called 'differentiation' of products entirely depends on Israel's good will, with no means for EU authorities to verify labelling is correct. Frequent mislabelling of goods from the illegal settlements as originating in Israel¹ means they are likely to gain preferential access to the EU market through the Agreement.

In its [2023-2027 Action Programme](#), the ETUC resolved to '*advocate for regulatory measures that stop EU legal entities both importing products originated in illegal settlements and exporting to occupied territories, aiding or assisting such unlawful situations in conformity with EU Treaties and compliance with international law.*'

¹ <https://elsc.support/news/israeli-product-centre-fined-for-the-mislabelling-of-products-from-the-occupied-territories>



We also recall that the EU itself has recognised that settlements are illegal under international law² and so is their expansion. The EU has also noted how settlements activity is intertwined with abuses comparable to forced labour as well as being an obstacle to peace and to a two-states solution. The ILO notes an increase in settlers attacks and an escalation of violence in the West Bank, with lives, homes and infrastructure destroyed. Trading with settlements contributes to their sustenance, and with that to the abuses underpinning them. Trade with these areas puts the EU and its member states at odds with international law.

Hence the ETUC reiterates its call on the EU to adopt regulatory measures that stop EU legal entities profiting from such unlawful situations in conformity with EU Treaties and compliance with international law. Also, guidance to businesses should be provided accordingly. The ETUC undertakes to advocate for this policy through active engagement with the EU Commission, the EU Parliament and EU Council as well as working with relevant allies in civil society.

To further support stability and the economic development of the region, in addition to the Interim Association Agreement with Palestine³, the ETUC reiterates its call for the ceasefire to be implemented in full and for the EU to take decisive action to see through the commitments of both parties, and to address the catastrophic humanitarian crisis in Gaza. The process must guarantee that no Palestinian is forcibly displaced, that there is a safe return to work and that all relevant UN resolutions and international law are respected.

The ETUC reiterates its condemnation of all human rights violations across the world and its support and solidarity to workers and trade unions in all conflict areas. The ETUC and its affiliates will continue to pursue social justice and respect for international law as the basis for just and lasting peace.

² See for example: https://www.eeas.europa.eu/delegations/un-new-york/eu-statement-%E2%80%93-un-general-assembly-4th-committee-israeli-practices-and-settlement-activities-1_en?s=63

³ https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/palestine_en