

EXECUTIVE SUMMARY

- The Israel Grants Guidelines adopted by the European Commission are singularly discriminatory against Israel. They contradict international law as established in U.N. documents and leading court cases, as well as the European Union's own interpretations of international law.
- The EU provides aid and financial cooperation to numerous countries that maintain settlements in what Europe considers occupied territory, such as Morocco, Turkey, and Russia. In none of these cases has the Commission imposed limitations on the aid akin to the Guidelines for Israel.
- The Commission's position that the Guidelines are mandated by international law are further belied by EU programs that provide grants specifically for settlers in belligerently occupied territory, such as the EU's programs in Turkish-occupied Northern Cyprus.
- Under international law, there are no prohibitions regarding organizations engaging in "activities" in occupied territories, yet the Guidelines bar funding solely on the basis of such "activities."
- In pretending that the Guidelines fulfill the requirements of international law, the Commission exposes the EU to legal challenge for EU funding of parallel activity in belligerently occupied territories around the world, such as Northern Cyprus, Abkhazia and Western Sahara, and exposes its businesses operating in such places to liability.
- The Guidelines have no precedent in similar arrangements between the U.S. and Israel.
- The Guidelines seek to undermine territorial arrangements that are established by existing Israeli-PLO agreements and foreclose issues that are preserved for negotiations.
- The Guidelines do not advance the EU position on sovereignty because they do not relate to activities that legally establish sovereignty or constitute recognition of sovereignty.
- The Guidelines are unlikely to be accepted by Israel in their present form. Non-discriminatory alternatives include borrowing language from scientific cooperation agreements with the U.S. and extending the Guidelines to all occupied territories with funding relationships with the EU.