BUSINESS AND HUMAN RIGHTS IN PALESTINE
Al-Haq is an independent Palestinian non-governmental human rights organization based in Ramallah, West Bank. Al-Haq was established in 1979 to protect and promote human rights and the rule of law in the Occupied Palestinian Territory (OPT), and has special consultative status with the UN Economic and Social Council. Al-Haq is the West Bank affiliate of the International Commission of Jurists - Geneva, is a member of the Euro-Mediterranean Human Rights Network (EMHRN), the World Organization Against Torture (OMCT), the International Federation for Human Rights (FIDH), Habitat International Coalition (HIC), and the Palestinian NGO Network (PNGO).

Al-Haq documents violations of individual and collective Palestinian rights in the OPT, regardless of the identity of the perpetrator. Al-Haq conducts research; prepares reports, studies and interventions on the breaches of international human rights and humanitarian law in the OPT; and undertakes advocacy before local, regional and international bodies. Al-Haq also cooperates with Palestinian civil society organizations and governmental institutions to ensure that international human rights standards are reflected in Palestinian law and policies.

Al-Haq focuses a portion of its research advocacy on the area of business and human rights. It examines and challenges the nexus between business interests and Israel as the Occupying Power, which together exploit the resources of the OPT for the benefit of Israeli and transnational corporations.
Upholding international human rights standards is traditionally the responsibility of governments, aimed at regulating relations between the State, individuals and groups. But with the increased role of corporate actors, nationally and internationally, the issue of business impact on the enjoyment of human rights has garnered a great deal of attention. Although the primary duty to protect human rights remains with national governments, companies have a responsibility to respect human rights in their operations.

LEGAL STATUS OF ISRAEL AS OCCUPYING POWER

Under international humanitarian law (IHL), Israel, as Occupying Power in the West Bank including East Jerusalem, and the Gaza Strip is bound by the laws of belligerent occupation. This includes the Hague Regulations of 1907 which embodies customary international law and the Fourth Geneva Convention of 1949, largely reflective of customary international law. Israel is a state party to numerous international human rights treaties, including the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights, and must uphold its duties under international human rights law (IHRL) in the Occupied Palestinian Territory (OPT). Numerous UN bodies and the International Court of Justice have affirmed the applicability of Israel’s duties under both IHL and IHRL in the OPT.

While it is impossible to fully elaborate on Israel’s duties under international law in the OPT within this booklet, certain key issues should be kept in mind when examining businesses that profit from the occupation and are located within settlements. Foremost is the fundamental human right to self-determination, including the principle of permanent sovereignty over natural resources. The UN General Assembly has affirmed that this principle entitles a people to freely dispose of their natural wealth and resources, including the right to ‘prospect, explore, develop and market’ the natural resources.
The settlements

Israel’s illegal settlement enterprise singularly compromises the territorial integrity and viability of an independent Palestinian state, and impacts the lives of Palestinians on a daily basis. Settlement infrastructure and its extensive network of roads infringe on Palestinian freedom of movement, creating limitations on access to healthcare, holy sites, and work opportunities. Settlements also obstruct Palestinians’ right to development and the general fulfillment of ‘basic needs’.

Land & Resource Appropriation

Since 1967, Israel has confiscated both private and public Palestinian land within the OPT, declaring land as “state land,” military firing zones, buffer zones, archaeological sites, and nature reserves. Israel has then used appropriated land to build Israeli settlements in the OPT.

Under IHL, private property can only be confiscated for immediate military necessity, and compensation should be paid as soon as possible. Further, an occupying power may only be regarded as an “administrator and usufructuary” of public immovable property, such as real estate and forests, in the occupied territory. Israel may use profits derived from the use of public property for the administration of the occupied territory. An occupying power may not exploit mines more rapidly than the level of production prior to the occupation, and may not open new mines. However, Israel has drilled exploratory oil wells in both the OPT and the Golan Heights, and has opened mines for minerals in the OPT, amongst other practices, which clearly exceed its duties as usufructuary.

Israel’s exploitation of land and natural resources may amount to “extensive destruction and appropriation of property, not justified by military necessity and carried out unlawfully and wantonly” which is prohibited under Article 147 of the Fourth Geneva Convention. Such destruction and appropriation is considered a grave breach of the Convention and a war crime under the Rome Statute of the International Criminal Court. Exploitation of natural resources by individuals for “personal or private use” may also amount to the war crime of pillage.
Example: The Forcible Transfer of Bedouin Communities

Bedouin communities living in Area C, which is under full Israeli military and administrative control, have been experiencing yet another Nakba. Several Bedouin communities, mainly from the Al-Jahalin tribe, are living under imminent threat of eviction and forced displacement due to Israel’s plan to build and expand illegal settlements around Jerusalem, a plan referred to as “E1”. These communities have already been displaced as they were forced off of their lands in the Negev desert in and around 1950. Israel’s E1 plan, first developed in 1995, is to forcibly remove approximately 12,500 Palestinian Bedouins from the Jerusalem area, and relocate them to planned townships in order to clear the locations for settlement building. Several communities have already faced repeated demolitions and others have had several eviction and demolition orders issued against them and their structures by the Israeli Civil Administration, facilitating their displacement. Forcing these Bedouin communities into cramped permanent townships will have a devastating blow on Bedouin cultural and social practices. It will also have disastrous economic effects, as the townships will not allow Bedouins to continue pastoral farming, and will force them to sell or give up their livestock because of a lack of space and grazing land.

The plan is aimed at making way for the construction of new Israeli settlements and connecting existing settlements, all in violation of international law. This will result in linking the Israeli settlement of Ma’ale Adumim to Jerusalem, completely surrounding East Jerusalem with settlements, and further cutting off East Jerusalem from the rest of the West Bank. This plan would also preclude the geographical continuity of the southern and northern West Bank and therefore end any remaining hope for a geographically contiguous Palestinian state.

By contrast, Palestinians are often forcibly transferred out of their communities due to Israel’s appropriation of land and creation of conditions that impede Palestinian livelihoods. IHL prohibits the forcible transfer of civilians, whether direct or indirect. This includes the transfer of civilians from the Occupying Power into occupied territory, as well as the forcible transfer of protected persons from their own territory. The unlawful transfer of Israelis into the OPT and Palestinians from their communities, is considered a grave breach of the Fourth Geneva Convention and a war crime under the Rome Statute.

Since 1967, Israel has established nearly 250 settlements and has transferred over 500,000 of its own civilians into the West Bank, including East Jerusalem. The settlement economies and the Israeli settlers living therein benefit from settlement businesses, including Israel’s exploitation of Palestinian natural resources. For example, the illegal extraction of Palestinian Dead Sea mud and minerals for the manufacturing of Ahava cosmetic products provides significant employment opportunities for settlers, especially those residing in the settlement of Mitzpe Shalem, where Ahava is located. Ahava is the key to sustaining Mitzpe Shalem’s economy. [Note that Ahava has recently been sold to a Chinese company and announced that it has plans to move its factory outside of the OPT].
Responsibility Under International Law

Although Israel is the primary duty bearer with respect to the OPT, third states also have obligations under international law. The Draft Articles on Responsibility of States for Internationally Wrongful Acts, largely reflective of customary international law, requires that States not recognize breaches of peremptory norms as lawful, and that States actively cooperate to bring the unlawful situation to an end. Additionally, Article 1 of the Fourth Geneva Convention requires that States ensure respect for the Conventions. Accordingly, States must refrain from condoning or rendering support to Israel’s illegal practices in the OPT. By allowing the import of Israeli goods produced from exploited Palestinian resources into their internal markets, third states are breaching their duties under international law. Attempts to label settlement products accordingly are insufficient, as international law would require their banning, so as not to assist the economy of illegal Israeli settlements.

Corporate Responsibility

The Guiding Principles on Business and Human Rights also hold business enterprises responsible for respecting human rights and international humanitarian law in situations of armed conflict. Corporations that benefit from the occupation, both those located within settlements and those that serve the settlement enterprise, may be found complicit in aiding and abetting violations of law. Especially relevant to such businesses is that individuals may be held criminally responsible for the war crimes of pillage and the destruction and appropriation of property.

The Guiding Principles on Business and Human Rights encompass three pillars outlining the framework to “Protect, Respect and Remedy” human rights and violations of human rights. The pillars of the framework include:

• The state duty to protect against human rights abuses by third parties, including business, through appropriate policies, regulation, and adjudication;
• The corporate responsibility to respect human rights, that is, to act with due diligence to avoid infringing on the rights of others and address adverse impacts with which they are involved; and
• The need for greater access by victims to effective (judicial and non-judicial) remedy.

It is important to note that under Principle 12, the responsibility of enterprises to respect human rights refers to internationally recognized human rights, which are expanded to include the standards of international humanitarian law in situations of armed conflict.

In addition, the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises are recommendations by governments to multinational enterprises operating in or from adhering OECD countries. They provide non-binding principles and standards for responsible business conduct in a global context consistent with applicable laws and internationally recognized standards.
CORPORATE COMPlicity: THE AnnEXATION WALL

Hundreds of Israeli and internationally-owned companies have profiteered and benefited from the construction and maintenance of Israel’s Annexation Wall, all at the expense of the occupied Palestinian population. It is the largest infrastructure project carried out by the Israeli occupation authorities to date, and requires a variety of suppliers of concrete and fencing, producers of heavy machinery and high-tech equipment, as well as landscapers and planners. The Wall, most of which is constructed inside the Green line, has cut through Palestinian villages, lands and communities, placing severe restrictions on Palestinians’ freedom of movement, trade, access to health, education, worship, and livelihood. For over ten years, Israel has used the Wall to expand settlements and fragment Palestinian existence in the West Bank, including East Jerusalem.

The Wall has further exacerbated a situation that may amount to apartheid in the OPT and the persecution of the Palestinian population, as well as caused their forcible transfer. Companies involved in the construction and/or maintenance of the Wall may be complicit in committing these crimes. In its Advisory Opinion on the Wall, the International Court of Justice found that Israel’s construction of the Wall severely impedes the exercise by the Palestinian people of their right to self-determination, and is therefore a breach of Israel’s obligation to respect that right. The Court also warned third-party states of their obligations not to recognize the illegal situation resulting from the construction of the Wall, and not to provide aid or assistance in maintaining the situation created by its construction.

The following represents some of the larger Israeli companies, most with significant international investments and ties, and international firms that played or continue to play a considerable role in building, equipping, and/or maintaining the Wall, and therefore may be complicit in the commission of serious international crimes.

- Elbit Systems: Largest non-governmental defense company in Israel. It provides “intrusion detection systems” for the Wall, specifically around Jerusalem. Elbit has several American subsidiaries and international shareholders.
- Controp Precision Technologies: Israeli company that provides scanning radar for Wall surveillance. This technology has also been exported for use at a number of seaports in Western Europe.
- Lima Holding BV/Riwal: Dutch company that provided mobile cranes for putting in place the high concrete elements that make up the Wall.
- Cement Roadstone Holdings: An Irish-owned international building materials firm that formerly owned 25% of the shares of Mashav Initiating and Development. Mashav owns Nesher Israel Cement Enterprises, which provides cement for the construction of the Wall.
The Jordan Valley is situated along the eastern border of the Jordan River, extending from the Green Line in the north, to the Dead Sea in the south and forms approximately 28 percent of the West Bank. It is sparsely populated, with large uninhabited and fertile areas, and plentiful water resources, making it the largest land reserve for the future development of the West Bank and a Palestinian state. The Jordan Valley is a natural hothouse and was considered to be Palestine’s breadbasket.

It is home to nearly 60,000 Palestinians - the majority of which live in herding and agricultural communities. While Palestinians comprise 95 percent of the population, they only control and use approximately 5 percent of the land. The remaining 95 percent of the land is controlled by around 10,000 Israeli settlers who reside in 37 illegal settlements in the Jordan Valley.

The limited space Palestinian residents are permitted to use in the Jordan Valley is split into isolated sections, surrounded by Area C. Over 90 percent of the Jordan Valley is designated as Area C. Palestinians are severely restricted from using this area due to the inability to obtain building permits from the Israeli Civil Administration; this includes permits for building homes and basic service infrastructure. Because Israel routinely denies Palestinians such building permits to develop their communities, they are left with no other option than to build without permits. This often results in the Israeli Civil Administration issuing demolition orders, and demolishing Palestinian structures. From January 2009 to mid-June 2016 the Civil Administration demolished at least 3,951 Palestinian structures in Area C, including in the Jordan Valley.

The Jordan Valley, with its vast expanses of arable land, is extremely suitable for agriculture. However, Palestinians are unable to develop their agricultural sector due to the restrictions Israel places on land use, diminished access to water resources, and restrictions on building and construction. On the other hand, Israeli settlement agricultural production in the Jordan Valley flourishes, as nearly all of the arable land is under Israel’s control, water is readily available, and benefits from the government have helped settlers develop modern agricultural technology. All of this has enabled settlement agricultural production in the Jordan Valley to reach about half a billion shekels per year.

According to a 2013 World Bank report, the Palestinian economy loses 3.4 billion USD annually, due to Israel’s control over Area C, where the majority of natural resources are located.
In addition to confiscating land in the West Bank for the construction of residential settlements, Israel has created agricultural and industrial settlements on land in the OPT that was otherwise expropriated by employing one of a number of confiscatory tactics. The confiscation of private property is prohibited under customary international law and under Article 46 of the Hague Regulations. The destruction of private property is also prohibited under Article 53 of the Fourth Geneva Convention unless rendered absolutely necessary by military operations. Notably, the development of industrial and agricultural settlements is not absolutely necessary for military operations.

These industrial and agricultural settlements provide the Israeli economy with billions of shekels in revenue per year. The Palestinian economy, on the other hand, has been severely stunted due to the extreme restrictions that Israel has placed on Palestine’s ability to expand its various economic sectors. The restrictions include not only the inability to access and use land due to Israel’s confiscation of the land, but restrictions on movement and goods throughout the West Bank, restrictions on trade, and limited access to water resources.

The chart below outlines the loss, or potential gain, to the Palestinian economy per year for each sector due to Israel’s exploitation of Palestinian land and natural resources in Area C, and restrictions imposed on Palestine’s use and development of its land and natural resources.

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>Loss/Potential Gain to Palestinian Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>USD 704 Million (7% of the GDP)</td>
</tr>
<tr>
<td>Dead Sea Mineral Extraction</td>
<td>USD 918 Million (9% of the GDP)</td>
</tr>
<tr>
<td>Stone Mining and Quarrying</td>
<td>USD 241 Million (2% of the GDP)</td>
</tr>
<tr>
<td>Construction</td>
<td>USD 239 Million (2% of GDP)</td>
</tr>
</tbody>
</table>

In addition to exploiting Palestinian land and natural resources, and thereby stunting the growth of the Palestinian economy, the agricultural and industrial settlements exploit Palestinian labor. Palestinians employed in agricultural and industrial settlements are subjected to extremely onerous working conditions. All Palestinian workers must obtain work permits from the Israeli Civil Administration and the Israeli internal security service (the Shin Bet) in order to enter the industrial settlements. These permits can be revoked at any time and Palestinian workers’ dependency on these permits limits their employment choices. While Israeli courts have ruled consistently that Israeli labor law protections extend to Palestinian workers in these zones, there is practically no governmental enforcement of Israeli labor laws in these zones. Therefore, Palestinian workers are routinely denied health and medical benefits, are paid below the minimum wage, and are not afforded workplace safety measures, making employment under occupation extremely exploitative.
AGRICULTURAL SETTLEMENTS

Agriculture is the main source of income for illegal settlements located in the occupied Jordan Valley and Dead Sea area. With profits estimated at 128 million USD/year, these settlements have developed their own specialised agricultural industry. Sixty percent of the settlements in the Jordan Valley are economically based on agriculture and related services, such as packaging houses, refrigeration, transport, office services, etc. The fertile land produces grapes, dates, herbs, bell peppers, cherry tomatoes, citrus, among many other fruits and vegetables.

80% of Dates
Produced in illegal Israeli settlements in the Jordan Valley are exported to external markets (EU, US)

70% of Grapes

40% of Herbs

While the Israeli government provides financial incentives (e.g. grants and tax benefits) for these settlements to locate in these areas, export of settlement produce to external markets provides a vital source of revenue, allowing them to thrive. Without the economic support generated by trade with international stakeholders, the very existence of settlements, especially in the Jordan Valley, would be seriously threatened.

It is estimated that settlement exports to the European Union (EU) account for approximately 300 million USD annually. In a 2010 decision, the European Court of Justice (ECJ) stated that Israeli settlement products do not fall under the Israeli customs authority and therefore do not benefit from preferential treatment under the EU-Israel Association Agreement. The Agreement allows Israeli goods to be tax-exempt when imported to the EU market. However, Israeli exporters label products coming from illegal settlements in the occupied West Bank as ‘Made in Israel’. As evidenced by the ECJ ruling, such misleading labelling is prohibited under international law and EU trade regulations.

In addition, the mislabelling of settlement products deceives the consumer who, according to consumer protection laws, has the right to know the product’s actual origin. Despite this ruling, agricultural settlements continue to mislabel produce made in illegal settlements. For example, Carmel-Agrexco, a large Israeli exporter of settlement agriculture located in the agricultural settlement of Na’ama near Jericho, continues to package the produce it exports to the European market as ‘Made in Israel.’

In November 2015 the European Commission issued its anticipated Interpretive Notice on indication of origin of goods from the territories occupied by Israel since June 1967. This notice aims to ensure that EU member states correctly implement already existing EU legislation on the indication of origin of products.
There are approximately 20 Israeli industrial settlements within Area C of the West Bank that host hundreds of companies, ranging from small businesses serving local Israeli settlers to large factories that export their products internationally. The main factories are located in the three main industrial settlements of Barkan, Atarot and Mishor Adumim. Israel encourages enterprises to locate to industrial settlements by providing incentives such as low rent, special tax incentives, and lax enforcement of environmental and labor protection laws.

Case Study: Mishor Adumim

The industrial settlement of Mishor Adumim forms a 1,550 dunums section of the larger Ma‘ale Adumim settlement bloc. Established in 1976, Ma‘ale Adumim is one of the largest settlement blocs in the OPT and as of 2012, houses approximately 39,200 settlers. The Mishor Adumim industrial settlement is located along Israel’s Highway 1 which cuts through the OPT and links Jerusalem to the Dead Sea. The industrial settlement hosts over 300 factories and small enterprises operating in a variety of industries, including commerce, vehicle licensing institutes, garages, food, textile, construction materials, aluminum, metals, printing and more. Examples of companies operating in Mishor Adumim include Extal, Mayer’s Cars and Trucks, Volvo, MAN Group, and IDB Group, all of which have some global presence, either in the form of subsidiaries or partners. For example, Extal, an Israeli manufacturer of construction materials, has marketing branches in Basel, Switzerland and representatives in the U.S., Canada, and England. Mayer’s Cars and Trucks has the exclusive franchise in Israel for Volvo and also imports other brands and products including, Jaguar, Honda cars and motorbikes, and Renault trucks.

Sodastream, a home beverage carbonating device manufacturer, previously operating out of Mishor Adumim, garnered a great deal of international attention in recent years as an exploitive company, profiting from the occupation. Its products are sold in 39 countries, including the United States, United Kingdom, South Africa, Australia, France, Belgium, Spain, Germany, Italy, Mexico and Russia, among several others. The product can be found in retail stores like Macy’s, Bed Bath and Beyond, Bloomingdales, Coop, and Carrefour. In addition to having benefited from economic incentives provided by the Israeli government, Sodastream also wrongfully benefited from various international trade agreements. For example, Sodastream products were misleadingly labeled as made in Israel in order to benefit from the EU-Israel Association Agreement. However, as...
Israeli companies have been extracting minerals from quarries located within the OPT at a commercial scale since the mid-1970s. Since then, the scope of quarrying operations has increased together with the rate of quarried materials being transferred to Israel for its own commercial use and benefit.

Currently, there are eleven Israel-run owned quarries operating in Area C, all of which were established after the Israeli occupation began. Up to 94 percent of the yielded product of the quarries is transported to and sold within the borders of Israel. A percentage is also sold to Palestinians and the Israeli settler population within the West Bank. This accounts for approximately one quarter of the Israeli market consumption of quarrying material. The OPT has over 100 million tons of raw stone reserves estimated at 30 billion USD, which yield approximately 25 million square meters of stone per annum.

Several economic benefits are associated with the industrial settlements. They have been awarded the status of National Priority Zone “A”, which entitles any business recognized by the Israeli Investment Center as an approved enterprise to receive the full extent of government assistance, according to its needs. Businesses may be entitled to a full tax exemption, or to a 24 percent grant on fixed assets (equipment and new buildings), and an exemption from Companies Tax for the first two years, among other incentives. Furthermore, the industrial settlements benefit from low municipal taxes, as the municipal property taxes collected are about half of the taxes collected in Israel from industrial plants. Such incentives, designated by the Israeli authorities, display their intention to develop these settlement blocs irrespective of their illegality under international law.

In its Advisory Opinion on the Annexation Wall, the International Court of Justice elaborated that Article 49 of the Fourth Geneva Convention prohibits “not only deportations or forced transfers of population such as those carried out during the Second World War, but also any measures taken by an occupying Power in order to organize or encourage transfers of parts of its own population into the occupied territory.” Industrial settlements such as Mishor Adumim allow the Israeli population to benefit from the exploitation of the protected Palestinian population, and the Israeli authorities themselves incentivize this very exploitation, in violation of international law.

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For example, Salit Haadumim Quarrying and Factory for Stone is an Israeli company that manufactures construction materials and executes infrastructure and construction projects in Israel and Israeli settlements in the West Bank. It operates a plant and a stone quarry in the illegal industrial settlement of the Mishor Adumin.

Such quarrying operations by Israeli companies are conducted in blatant disregard for and in violation of IHL. Specifically, Article 55 of the Hague Regulations spells out the rules governing immovable property, stating that the Occupying Power does not become the owner of the property but simply assumes the role of administrator and usufructuary of the property. On this basis, Israel is prohibited from exploiting OPT natural resources in a way that undermines their capital and results in economic benefits for its inhabitants or its national economy.

In 2009, Yesh-Din submitted a petition against the state of Israel and 11 Israeli corporations that operate quarries in the West Bank, demanding that all quarrying and mining activities by Israeli companies in the West Bank cease. Yesh-Din argued that Israeli quarrying activity in the West Bank is illegal and a blatant exploitation of an occupied territory for the benefit and needs of Israel, the Occupying Power. It was also argued that the transfer of most of the quarrying production into Israel violates Israel’s obligations under international law to protect public property in the occupied territories, including natural resources. In December of 2011, the Israeli High Court of Justice rejected Yesh-Din’s petition, and held that quarrying activities are legal and do not violate provisions of international law. The court claimed the traditional laws of occupation must be interpreted to accommodate the prolonged duration of the occupation, in such a way that provides the Occupying Power with greater powers. The Court also noted that Israel’s quarrying activities in the West Bank benefit Palestinian residents, as the quarries provide them with employment opportunities. In reality, only approximately 200 Palestinians are employed at the quarries. This ruling allows the de facto pillage of natural resources in the occupied territory and completely disregards fundamental principles of the law of occupation.

Further justifying the exploitation, the Government of Israel claims that the operations promote and benefit the interests of the areas in which the quarries are located through the collection of leasing fees and royalties that are to be paid to the Israeli Civil Administration. However, a 2005 State Comptroller Report revealed that no royalties had been paid to the Civil Administration for many years. Notwithstanding, the Civil Administration, in reality, serves the interests of the Israeli settler population in the OPT and not the local Palestinians who are the ‘protected persons’ under IHL. As such, even if royalties were to be paid to the Civil Administration, they would not necessarily be used in the best interests of the local population as required under international law.

In a 2013 study, the World Bank reported that with estimated deposits of approximately 20,000 dunums of land fit for quarrying; mining and quarrying is the OPT’s largest export industry. However, the industry is impeded by a variety of restrictions, which if lifted, could double the size of the industry and increase its value added by approximately 241 million USD adding 2 percent to the Palestinian GDP per year.
The Dead Sea is rich in natural resources, including minerals, and is a large part of Israel’s profitable tourism industry. Dead Sea minerals are famous for treating skin disorders while the mud is known for its unique cosmetic quality. However, the Dead Sea area is an environmentally vulnerable area with a sensitive ecosystem. Israel’s overexploitation of natural resources within and surrounding the Dead Sea places the ecosystem in danger of total destruction.

Since 1967, Israel appropriated lands in the Dead Sea area declaring them as ‘State land’. Following the Oslo Accords, the Dead Sea and its surrounding lands became classified as Area C and placed under Israeli military and administrative control. Vast areas were declared as ‘closed military zones’ and closed off to the Palestinian population. In addition, illegal Israeli settlements have been established in this area, slowly diminishing Palestinian presence. Many of the settlements are involved in the extraction of raw materials, such as silt, sand, mud and gravel, for the cosmetics industry. One example is the Israeli cosmetics company Ahava Dead Sea Laboratories Ltd. located in the settlement of Mitzpe Shalem. It is the only cosmetics company that is licensed to extract mud and minerals from any area within the OPT. Palestinian companies are prohibited from such extraction.

Palestinian economic losses caused by Israel’s control of the Dead Sea amount to 144 million USD per year. If Palestinians could control and access their Dead Sea resources, the Palestinian economy could increase by one billion USD annually, adding approximately 9 percent to Palestinian GDP. Furthermore, the profit from Dead Sea tourism industry could earn the Palestinian economy up to 126 million USD annually, which would add an additional 1 percent to the Palestinian GDP.
Business and Human Rights in Palestine

Both Israel and the State of Palestine have large gas reserves in the Mediterranean Sea. In 2000, Israel discovered the gas fields of Noa and Mari-B that border Palestinian waters and closed off access to Palestine’s own territorial waters to secure its own energy interests. This has not only prevented Palestine’s access to and development of these resources, but has allowed Israel to unilaterally exploit gas fields jointly owned with Palestine. Israel has closed Gaza’s land and sea borders, preventing access to Palestinian Gaza Marine gas resources. The Gaza Marine field is just under 20 nautical miles offshore and therefore within the area agreed upon for economic development by Oslo II (the Israeli-Palestinian Interim Agreement). However Israel’s forcibly imposed lethal 6-mile naval closure of Gaza has made the field inaccessible.

Israel profits substantially from Palestine’s continued energy subjugation. In 1967, Israel terminated local Palestinian supply agreements for electricity and granted new concessions to the Israel Electric Corporation (IEC) allocating control over the Palestinian electricity grid to the IEC. However, if Palestine had access to its own oil and gas resources, it could be energy independent and economically self-sufficient.
Contrary to popular belief, water is not, and has not been, scarce in the region. Natural fresh water in the OPT mainly comes from three sources: the Jordan Valley, the Mountain Aquifer and the Coastal Aquifer, all of which are under Israeli control. Israel has exerted considerable military and political effort, including the construction of Israeli settlements, to illegally exercise sovereign rights over Palestinian water resources since 1967. Within the West Bank, Palestinians access the aquifers from wells and springs, supplement this by harvesting rainwater, and purchasing the remainder from the Israeli state owned water company, Mekorot. But Israeli drilling and pumping reduces the volume of water that the Palestinians can draw from their wells, decreases the quality of the water, and diminishes the flow of natural springs.

Often times, Israel imposes restrictions which prohibit Palestinian access to wells and springs within their communities, and do not allow the harvest of rainwater.

In 1982, Israel transferred the ownership of Palestinian water infrastructure to Mekorot, integrating all of Palestine’s water system into the Israeli system. This made Mekorot the largest single supplier of water in the West Bank. As a result, Palestinians have been forced to rely on Israel’s national water company to meet their needs, and must purchase water based on prices set by Mekorot. In addition, while Oslo II laid out principles of the water-sharing agreement, recognizing Palestinian water rights, Mekorot routinely reduces Palestinian supply by directly extracting water from the Palestinian share in order to supply both Israel and the settlements. Israel also actively prevents the construction and maintenance of water infrastructure in 61 percent of the West Bank (Area C) through the imposition of a permit regime. This effectively prohibits the PA from developing the water and sanitation sector or putting in place more efficient extraction systems and distribution networks to supply the Palestinian population. All Israeli settlements, on the other hand, are directly connected to a well-developed water network.

In the Gaza Strip, water quality has progressively deteriorated over the years due to the over-extraction and pollution of the Coastal Aquifer, rendering 90 to 95 percent of the water supply unfit for human consumption. More than 1/3 of households in Gaza are only supplied with running water for 6-8 hours once every four days. Water infrastructures, including those provided by humanitarian organizations, are frequently attacked during Israeli offensives.

Israel’s unlawful policies and practices of exploiting Palestinian water resources have resulted in what can be termed as ‘water-apartheid’. This is apparent from the fact that Palestinians’ average water consumption in the West Bank amounts to 73 liters per person per day, which is
significantly less than the World Health Organization recommended minimum use of 100 liters per day. In contrast, Israelis beyond the 1967 border consume 300 liters per day, and Israeli settlers residing in illegal settlements in the West Bank consume 369 liters per day. In other words, over 500,000 Israeli settlers in the West Bank consume 6 times more water than 2.6 million Palestinians residing in the West Bank.
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About AL-HAQ

Al-Haq is an independent Palestinian non-governmental human rights organisation based in Ramallah, West Bank. Established in 1979 to protect and promote human rights and the rule of law in the Occupied Palestinian Territory (OPT), the organisation has special consultative status with the UN Economic and Social Council.

Al-Haq documents violations of the individual and collective rights of Palestinians in the OPT, regardless of the identity of the perpetrator, and seeks to end such breaches by way of advocacy before national and international mechanisms and by holding the violators accountable. The organisation conducts research; prepares reports, studies and interventions on the breaches of international human rights and humanitarian law in the OPT; and undertakes advocacy before local, regional and international bodies. Al-Haq also cooperates with Palestinian civil society organisations and governmental institutions in order to ensure that international human rights standards are reflected in Palestinian law and policies. The organisation has a specialised international law library for the use of its staff and the local community.

Al-Haq is also committed to facilitating the transfer and exchange of knowledge and experience in IHL and human rights on the local, regional and international levels through its Al-Haq Center for Applied International Law. The Center conducts training courses, workshops, seminars and conferences on international humanitarian law and human rights for students, lawyers, journalists and NGO staff. The Center also hosts regional and international researchers to conduct field research and analysis of aspects of human rights and IHL as they apply in the OPT. The Center focuses on building sustainable, professional relationships with local, regional and international institutions associated with international humanitarian law and human rights law in order to exchange experiences and develop mutual capacity.

Al-Haq is the West Bank affiliate of the International Commission of Jurists - Geneva, and is a member of the Euro-Mediterranean Human Rights Network (EMHRN), the World Organisation Against Torture (OMCT), the International Federation for Human Rights (FIDH), Habitat International Coalition (HIC), and the Palestinian NGO Network (PNGO).

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