EU Funding of Illegal Palestinian Settlement in Area C

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ISSN 0793-1042

September 2019

Cover image: Palestinian-EU construction placard in Area C, image courtesy of the author
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EXECUTIVE SUMMARY

“Area C,” which makes up about 60% of the biblical lands of Judea and Samaria (known as the West Bank since their 1950 annexation by Jordan), is making news these days. This time, the hot button issue is the illegal Palestinian settlements that are sprouting up across the region. These settlements shred the last scraps that remain of the Oslo Accords, which propelled the idea of the “two-state solution” for a generation.

The funding for these illegal Palestinian settlements, which amounts to hundreds of millions of euros annually, comes from the EU. According to the Oslo Accords, only Israel can issue construction permits in Area C. In joining forces to promote the rapid expansion of illegal Palestinian settlement in Area C, the EU and the PA have dispensed entirely with any coordination with Israel, in direct contravention of the Accords.

Edwin Black is the award-winning New York Times bestselling author of IBM and the Holocaust and Funding Hate, and the journalist who in Financing the Flames documented the terrorist salaries now known as “Pay to Slay.”
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INTRODUCTION

Most observers of the Israeli-Palestinian crisis are accustomed to hearing talk of “illegal Jewish settlements” on slivers of land comprising 1-2% of the West Bank, mostly near the Green Line of Israel proper. But attention is beginning to shift toward an explosion of thousands of illegal Palestinian constructions – village clusters, agricultural tracts, water networks, roads, and general infrastructure – crisscrossing Area C of the West Bank.

These constructions all violate the 1993 and 1995 Oslo Accords, which specify that Area C is under full Israeli administrative control.

Under the international agreement, only the Israeli Civil Administration can authorize new construction in the zone – for Israeli and Arab alike. However, continuous waves of illegal Palestinian settlement are being established without permits – often without even bothering to apply. One senior official of the Israeli security apparatus called it “the wild west.”

According to Israeli watchdog groups like Regavim, illegal Palestinian settlements and infrastructure have sprawled over the past half-decade across more than 9,000 dunams in more than 250 Area C locations. They are supported by more than 600 kilometers of illegally constructed access roads and more than 112,000 meters of retaining walls and terracing. This massive works project is being conducted in broad daylight, and is often heralded by tall announcement placards and proud press releases.
When questioned, various Israeli government officials did not dispute the Regavim numbers. In exasperation, one military spokesman close to the Area C files located at Bet El estimated that “close to 10,000” illegal construction efforts are now underway – adding that they felt “powerless to stop them.” The rapid build-up is funded by hundreds of millions of euros annually that are funneled by the EU and individual European nations into scores of building and infrastructure projects.

**How did we get here?**

Understanding the tortuous history that created the current sovereignty vacuum in Area C can be daunting and confusing, and requires us to go back a long way.

In 70 C.E., the Romans began to expel the indigenous Israelites from the Land of Israel. The Romans renamed the region “Syria-Palaestina” – or “Palestine” – for the Philistine sea invaders from the Greek Islands. In about 637 C.E., the Islamic invasion swept upward from the Arabian Peninsula to conquer and convert. For about four centuries, the Turkish Ottoman Empire governed until its 1918 defeat in WWI.

After the war, the Allies dismembered the Ottoman colonies throughout the Middle East and concomitantly encouraged self-determination for ethnic peoples across the Levant. The League of Nations, in association with 51 countries and competing nationalist groups, eventually established five modern Arab countries: Lebanon, Syria, Iraq, modern Hejaz (Arabia), and post-colonial modern Egypt, plus one democratic and pluralistic Jewish national home in Palestine. The original 1920 “Mandate” boundaries of the modern Jewish national home extended from the Mediterranean Sea across the area now known as Jordan – a country that did not yet exist.

Emir Faisal ibn Hussein of Mecca was shortchanged by the French in his quest for a Greater Syrian kingdom comprising the current states of Syria, Lebanon, Jordan, Israel, and Iraq. So, in recompense, the British appointed his brother, Emir Abdullah, as temporary ruler of Transjordan, now Jordan. (Faisal was made the first monarch of Iraq, which was pretty much established on his behalf.) In September 1922 the League of Nations formalized the arrangement by having its Palestine Mandate
modified via an official memorandum that carved off some 70% of the intended Jewish national home. Known as Transjordan, this swath of territory extended from the Jordan River east to the borders of Iraq and what is now Saudi Arabia.

For decades, coexistence between Arabs and Jews in the former Ottoman province could not be achieved. In November 1947, the UN General Assembly Resolution 181 (known as the partition resolution)—recommended the creation of side-by-side Jewish and Arab states in mandatory Palestine west of the Jordan River. In those days, the two peoples were identified as “Arab” and “Jewish.” The local Arabs did not think of themselves as “Palestinian,” and did not adopt that identity until about 1964.

The Jews accepted the partition plan but the Arabs refused, and the surrounding Arab states attacked the newly proclaimed state of Israel. In 1948, Jordan (the state created by British memo) illegally invaded and annexed the area west of the Jordan River, including East Jerusalem, subsequently coining the term “West Bank” (of the Transjordanian kingdom) to refer to the still-disputed former Ottoman provinces.

In June 1967, when Israel fought its preemptive Six Day War and expelled Jordan, the Jewish State occupied this same disputed region. In 1988, Jordan rescinded any claim of sovereignty, deepening the sovereignty vacuum.

In 1993, 1994, and 1995, after years of diplomatic wrangling, Israel and the avowed terrorist group Palestine Liberation Organization (PLO) signed the Oslo Accords, which envisioned (though not explicitly) a peaceful two-state solution. Under the terms of the Accords, and reflecting subsequent modifications at Wye, Sharm ash-Sheikh, and elsewhere, the West Bank was divided into three separate administrative zones: Areas A, B, and C. Area A is reserved for exclusive Palestinian civil and administrative control and seats the Palestinian Authority (PA) in Ramallah. Area B is governed by Palestinian civil control under a joint Israeli-Palestinian security apparatus.

The geographical scope of these areas is relatively limited – they amount to some 40% of the West Bank’s overall territory – but their demographic significance cannot be overstated, as they make up over 90% of the West Bank’s Palestinian population. In other words, ever since the completion
of Israel’s military withdrawal in January 1996, and certainly following the redeployment from Hebron in January 1997, virtually none of the West Bank’s Palestinians have lived under Israeli occupation. (Withdrawal from the Gaza Strip was completed in May 1994, apart from several villages that were subsequently vacated in summer 2005.)

The rest of the West Bank’s Palestinians – up to 150,000 people – live in Area C, where Israel has complete civil and security control and where the 400,000-strong Jewish communities make up the overwhelming majority.

But by virtue of a cumulative multibillion-euro effort, European capitals are working hard to destabilize the last pillars of the Oslo Accords. These countries seek to create a Palestinian state along the 1949 armistice line – also known as the 1967 line, or the “Green Line”– without further consulting the Jewish State. The Palestinian Authority, secure in its European backing, knows it need no longer negotiate with Jerusalem as required by the Oslo Accords – even as the US and the Gulf countries make a daring dash to achieve peace.

In 2009, Palestinian Authority PM Salam Fayyad introduced the so-called Fayyad Plan, well-described in a 2011 article in the *Palestine-Israel Journal of Politics, Economics and Culture* as having “the potential to dramatically transform the Israeli-Palestinian conflict and, by extension, the Middle Eastern political landscape.” The analysis explains,

The essence of the Fayyad plan involves establishing an internationally recognized demilitarized Palestinian state encompassing both the West Bank and Gaza, based on the 1967 borders, with East Jerusalem as its capital. Since August 2009, Fayyad, with the help of the Barack Obama administration and the European Union, has been quietly building national institutions and physical infrastructure … in the West Bank.

In order to create a *de facto* Palestinian state without further negotiation or even diplomatic consultation with the Israelis, the European states, individually and through the EU, have pumped hundreds of millions of euros annually into scores of illegal state-building and related projects – referred to as Area C “interventions.” Just one cluster of the “European Union Area C Development Programme” boasts a €300 million annual
commitment that is budgeted to reach about €1.5 billion within three years. A single 1,650-meter road near Jenin in Area C was funded with a €500,000 allocation.

The Area C Palestinian construction boom is advancing apace without any coordination with the Israelis about land use, security, environmental impacts, or close proximity to Jewish villages. The PA’s 2014 Roots Project greatly accelerated the entire process.

The European governments and the PA have thus joined forces to complete the final shredding of the already weakened Oslo agreements.

Most of the new Area C Palestinian settlements are not natural urban sprawl. Rather, they are often strategically scattered to effectively carve up Area C, sometimes surround Jewish villages, and sometimes push onto Israeli nature or military reserves.

In many instances, Arab residents from Areas A and B are bused in after having been encouraged by incentives to relocate or start a second home in the new settlements. Some makeshift structures are festooned with the logo of the EU. Some are multi-floor office centers. Some are palatial homes. A broad gamut of construction styles can be seen.

In several cases, illegal constructions are deliberately placed on Israeli military reserves. Since the 1970s, the Israel Defense Forces (IDF) have maintained military training and firing ranges, such as Firing Zone 918. That zone now contains illegal Palestinian settlements.

One road, dubbed Smuggler’s Route, courses through the hills from the Palestinian city of Yatta all the way to the Arad Valley in the Negev.

In prior years, Israel’s Civil Administration boasted of its many Palestinian construction permits. A glowing report cites 328 projects authorized during 2011 and 2012. That number has drastically diminished because Area C Palestinians no longer apply for permits; they deny Israel’s right to issue them. Now, they just start building.

While the development rush is at last percolating into the Jewish and Israeli media, many Jewish leaders worldwide remain completely unaware of the phenomenon. Many are incredulous that the Israeli government has not acted to block the illegal projects. But a security spokesman close to the Area
C files, which are located in Bet El, blames the inaction on Israel’s complex legal system. “When we discover something,” he said, “we give them a stop order, and if they don’t stop, they are summoned to an [adjudication] panel. But they don’t come. They go to court to enjoin us.”

These court cases are frequently financed and represented by well-funded NGOs, such as the Association for Civil Rights in Israel. The Gordian knot of legal principles that must be parsed includes Ottoman land law from a long-dismantled empire, Jordanian law from the withdrawn 1948 illegal occupation, post-Six Day War military administrative law, and a library of international legal codes – all stoked and prodded with competing maps, surveys, expert opinions, decrees, chronologies, and historical accounts.

“It can take years to decide, and without a court ruling, we cannot get close,” lamented the spokesman, adding, “Meanwhile, they are still building. We can’t do anything about it.” He continued, “Court can take half a year – or four years. There is no specific time. Each case is different. We have some cases that were opened 15 years ago.”

Nor is the matter settled if the court actually rules. If Israel takes enforcement action with bulldozers, it is hit with outraged international headlines, EU accusations of war crimes, threats of sanctions, close-up photos of weeping people, and general global uproar. Being legally right does little to mitigate the damage done. The EU, the NGOs, and the illegal settlers all understand this.

What makes the Palestinian settlements “illegal” is the thin wisp of Oslo that remains. The Accords have now been pummeled so many times that what remains is only the preserved corpse of a long-dead vision.

At the end of July 2019, when the Israeli cabinet voted to authorize an extra 715 permits, the swift Palestinian response made the status of Oslo perfectly clear. PA Prime Minister Muhammad Shtayyeh declared: “We don’t need permission from the occupying power to build our homes on our lands,” adding succinctly that the Oslo classification of land into A, B, and C “no longer exists.”

Before year’s end, the PA is expected to issue thousands of new permits, further circumventing Oslo. As Palestinian expansion roils across Area C, the prospect looms of Gaza fence-style encounters coming soon to hills in Judea and Samaria.
Follow the Money

As Area C dynamics become clearer, still murky are the sources and routes of the diverse European funding that enables this confrontation. What’s more, there is widespread fear that millions in funds are being continuously funneled through entities openly accused of affiliation with established terrorist organizations.

How is the money routed? Among the many NGO recipients, one name appears again and again: the Union of Agricultural Work Committees.

A 2012 French Foreign Ministry report listing a €354,489 multi-year water development project states: “The first action proposed under this Action Plan is being carried out by the Union of Agriculture Work Committees,” adding, “UAWC … is responsible for project management.” Agence Francaise de Développement (AFD) committed €130,000 to the UAWC, also in 2012, according to a 2012 Ernst and Young audit of the NGO Development Center. In February 2019, AFD announced, “Union of Agricultural Workers Committees and relevant stakeholders … [would be] granted by AFD amounts up to 232,000 euros out of a budget of 650,000 euros.”

In 2010, German governmental and foundation sources included the UAWC in a series of €630,000 Palestinian grants extended to anti-Israel boycott and activist groups, according to the 2010 annual report of the health rescue group Medico, which channeled the money. Medico annual reports in 2012, 2015, 2016, and 2017 also list the UAWC as a recipient. An additional 2010 Medico grant of €180,000 euros funded UAWC in a program to assist “the fight against repression by the Israeli administration.” The UAWC was also included in Medico’s 2012 grant of €1.2 million euros to establish “kindergartens for unrecognized villages.”

In 2016, Spanish governmental agencies extended grants totaling €184,000 to the UAWC, according to a 2016 official Spanish governmental bulletin. In 2017, the Netherlands Representative Office in Ramallah announced an $11.2 million water project with the UAWC.

The UAWC’s financial reports are hard to come by, but its 2014 total income reached more than $43.1 million. The group’s diverse income streams come from governmental units and foundations. Its key involvement in illegal Area C infrastructure is salient.
THE UAWC’S TERRORIST LINKS

For decades, allegations have been publicly aired asserting links between the UAWC and the Popular Front for the Liberation Palestine (PFLP). The PFLP is one of the most notorious of Palestinian terrorist groups, so designated for decades by the US, the European Union, and other nations. Yet foundations and governments continue to robustly fund the UAWC.

Accusations that the UAWC is directly linked to the PFLP are by no means secret.

In May 1993, USAID’s Democratic Institutions Support Project “took a political economy lens” to popular movements in the Middle East, according to Prof. Glenn E. Robinson, who has frequently consulted for USAID. Back in the 1990s, Robinson’s field work in the West Bank included interviews with leading personalities of the UAWC and the PFLP. His report, *Palestinian Institutional Configurations in the West Bank and Gaza*, declared, “The PFLP’s agricultural extension services are provided by the Union of Agricultural Work Committees (UAWC).”


Contacted at the prestigious Naval Postgraduate School in Monterrey, California, Robinson recalled that his research showed the UAWC was indeed “linked and affiliated” and also “shared resources with” the PFLP. USAID still distributes Robinson’s original report online.

A 2012 Fatah organizational chart at www.FatehOrg.ps purports to list all PFLP units. It includes an entry for the UAWC under “Affiliated Institutions.” The web page has since been deleted, but an Internet Archive has preserved it. A translation from Arabic to English of the purported key listing midway down the document can be seen here. The words “Popular Front for the Liberation of Palestine” can be located in Arabic in the middle of the document as a subhead just above the date “11/12/1967.”
Robinson examined the archived page and confirmed, “Each of the main four factions in the 1980s had essentially the same list of linked groups and competed with each other as part of the broad political mobilization of Palestinian society.”

Former senior PFLP leader Bashir Kairi served as UAWC’s president for years. He signed the UAWC’s annual reports until about 2009. As far back as 2003, CNN reported that Kairi had been arrested in Israel as a key figure after a major assassination, stating, “Palestinian sources said those arrested included Bashir al-Khairi, head of the PFLP political bureau.” In 2012, UAWC was prominently accused of terrorist links to the PFLP by Shurat HaDin, an Israeli legal group. Shurat HaDin demanded that World Vision and the Australian government cease funding UAWC. Both refused.

In July 2018, Amnesty International issued an “Urgent Action” notice that begins, “Abdul Razeq Farraj, Finance and Administration Director at the Union of Agricultural Work Committees … was released from Ofer Prison.”

The statement described Farraj as “the Finance and Administration Director at the Union of Agricultural Work Committees … for more than 30 years.” The next paragraph adds, “In addition, he has served a six-year sentence in an Israeli prison after being convicted of affiliation with the Popular Front for the Liberation of Palestine.” Farraj appended this personal statement to the public notice: “I would like to express my deep gratitude for your continuous support to the Palestinian people and to UAWC.” On Farraj’s current LinkedIn page, he identifies himself as “UAWC administrative manager.” His listing at the Addameer prisoner support organization’s website indicates that he has repeatedly been in prison on terrorism charges, yet he is also “Director of Finance & Administration at Union of Agricultural Work Committees.”

In 2017, Israel’s Shin Bet security service notified the UAWC that “The information we have indicates that the organization ‘Union of Agricultural Work Committees,’ based in the Gaza Strip, operates under the auspices of the People’s Front for the Liberation of Palestine,” according to a copy of the confidential security document obtained by the author.
Over recent years, articles accusing or reporting on UAWC’s alleged terrorist links have appeared in the JNS news service, *Times of Israel*, *Jewish Press*, and *Jerusalem Post*. NGO Monitor, which tracks anti-Israel NGO misconduct, maintains a page filled with links, recently updated and confirmed, documenting UAWC’s connection to the PFLP.

“It’s clear from the evidence that the UAWC is closely linked with the PFLP,” concludes Caroline Turner, director of UK Lawyers for Israel, who has studied the UAWC. Yifa Segal, director of The International Legal Forum, which has been active in litigation involving UAWC, asserts, “I would say that it's an inherent part of the PFLP – that doesn't mean that they are the same legal entity, or that each organization doesn’t have its own leadership.” Attorney Andrew Hamilton, who has also filed legal actions involving UAWC, comments, “Based on my extensive research since 2012, it is quite clear that the UAWC is an arm of the proscribed terrorist group, the PFLP,” continuing, “It is controlled by and acts in the interests of the PFLP.”

Despite the growing body of public information about the UAWC and the PFLP, there is no indication that any of its donors intend to reduce the millions they are sending the UAWC for illegal development projects in Area C.

The UAWC and its defenders have repeatedly stressed that it has no ties to the PFLP. Repeated documented efforts to reach the UAWC and its leaders, including Bashir Kairi and Abdul Razeq Farraj, as well as the PFLP, for comment were unsuccessful.
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