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Stalled by Division: EU Internal Contestation over the Israeli-Palestinian Conflict

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Abstract

Since 1980, Europe's policy towards the Israeli-Palestinian conflict has served as a major barometer of the Union's ability to formulate an autonomous and cohesive foreign policy. This paper reflects on the impact of the factors that hamper the effectiveness and coherence of EUFSP towards the Israeli-Palestinian conflict. While there is broad consensus that the EU has some impact in supporting socio-economic development and institution-building in Palestine, its political impact has been negligible. An unfavourable regional and global environment has made the Israel-Palestine question an especially difficult foreign policy dossier. The EU's failure to fully exploit its limited leverage on this conflict is largely its own making. The case displays the symptoms of EU deficiencies in EU internal consensus, politics and institutional set-up in a particularly harsh manner, and shows how the effectiveness and sustainability of EUFSP often falls victim to the requirement of unity. The result is a dysfunctional stalemate in which policy statements and action (or lack thereof) drift ever further apart.

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Introduction: The Palestinian-Israeli conflict, a benchmark for EU Foreign and Security Policy

Relations between Israel and Palestine remain on sword's edge. In 2020, the conclusion of the so-called Abraham Accords on the normalisation of relations between Israel, the United Arab Emirates (UAE) and Bahrain, with the mediation of the Trump administration (2017–2021), were meant by its proponents to revamp the Middle East Peace Process (MEPP). However, two years later, it has become apparent that the Abraham Accords effectively side-lined the Israeli-Palestinian conflict, which until then was seen a central strategic and political problem of the region. Furthermore, the Accords were not joined by Kuwait, Oman, Qatar and Saudi Arabia.¹ In other words, the Accords have done little to nothing to bring peace between Israel and Palestine or stop violence. In fact, the United Nations labelled 2022 as the “deadliest year” for Palestinians since 2006, especially in the West Bank.² The escalation of tensions resulted in the upsurge of Palestinian armed resistance groups in the West Bank centred in Jenin and Nablus that had been relatively calm since the Second Intifada of 2000–2005.³ In short, 2022 was more tense than the previous years in terms of daily raids and killings as well as the escalation of political tensions among the conflicting parties. The prospects for the future are bleak. In December 2022 veteran Israeli politician Benjamin Netanyahu emerged as the leader of what has been described as the “most far-right and religious-nationalist government” in Israel’s history, with some of Netanyahu’s ruling partners openly favouring annexation of all Palestinian lands in the West Bank or, at the very least, a further expansion of Israeli settlements there.⁴

The fate of the Israeli-Palestinian conflict has been greatly conditioned by external players as mediators or facilitators, irrespective of how ineffective international conflict resolution efforts have proved to be in the past. The European Union has traditionally seen itself as a mediating party. Since the 1970s, the EU’s policy

¹ Gerald M. Feierstein and Yoel Guzansky, “Two Years On, What Is the State of the Abraham Accords?”, in *MEI Articles*, 14 September 2022, <https://www.mei.edu/node/84699>.

² Zena Al Tahhan and Maram Humaid, “Six Major Developments that Shaped 2022 for Palestinians”, in *Al Jazeera*, 26 December 2022, <https://aje.io/p8or0c>.

³ Ibid.

⁴ Center for Preventive Action, “Israeli-Palestinian Conflict”, in *Global Conflict Tracker*, updated 17 January 2023, <https://www.cfr.org/global-conflict-tracker/conflict/israeli-palestinian-conflict>.



towards the Israeli-Palestinian conflict has actually served as a major barometer of the Union's ability to formulate an autonomous and cohesive foreign policy. During the years following the 1991 Madrid Peace Conference and the 1993 Oslo Accords, when Israel and the Palestine Liberation Organisation (PLO) agreed on launching the MEPP and the Palestinian Authority (PA) was established, EU member states' and institutions' willingness to put differences aside helped consolidate this peace opportunity. However, divisions among member states became more acute as the window for peace started to close and the peace process entered a stalemate.

Over time, this trend has exacerbated, and today EU consensus on matters related to the MEPP remains even more elusive than in the past. Due to frequent disagreements among member states and, even worse, obstructionist practices by some of them, decision-making on this dossier in the EU Foreign Affairs Council has been largely stalled for a decade, thus undermining the capacity of the High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the Commission (HR/VP) or the EU Special Representative (EUSR) for the Middle East Peace Process to exert pressure on the conflicting parties or influence international actors. As a result, EU foreign and security policy (EUFSP) – the combination of actions and external engagements pursued by EU institutions and member states – towards the Israeli-Palestinian conflict has become ever more fragmented and ineffective.

This paper reflects on the impact of the factors that hamper the effectiveness and coherence of EUFSP towards the Israeli-Palestinian conflict. The EU has been engaged with this conflict due to its political, strategic and humanitarian aspirations as a global player and supports the peaceful existence of two-states between the Jordan River and the Mediterranean, a prospect rapidly receding from the politically realistic horizon. The EU's capacity to act has not lived up to expectations, due to an interplay of regional fragmentations, global competitions and EU-level contestations. There is no hope for a two-state solution while Israel continues its settlement-building policies and Palestinian politics remain divided. Human rights and rule of law abuses continue in Palestine, as do violent clashes between the two parties, and there is no prospect of peace in the short and medium run. This paper suggests that it is at present highly unlikely for EUFSP to become more joined-up and consequently effective, since the combination of intra-EU divisions, Middle Eastern fragmentation and geopolitical rivalries have

left the EU almost no room to act.

1. The context of EUFSP in Israel-Palestine

This section analyses how intra-EU contestation in the case of the Israeli-Palestinian conflict and its interplay with systemic trends such as regional fragmentation and multipolar competition impact EUFSP in terms of both politics (process) and policy (outcome). In this overarching framework, we first look at the ways in which this conflict matters for the EU, then we outline the EUFSP towards it, and finally evaluate the extent to which EUFSP has succeeded in mitigating the effects of the interplay between the three constraints of contestation, fragmentation and competition – or has failed to do so.

1.1 Relevance of the Israeli-Palestinian conflict for the EU

The conflict between Israel and Palestine has been a matter of concern for European countries since even before the EU established its Common Foreign and Security Policy with the 1993 Treaty of Maastricht. In 1980, the then nine member states of the European Community, the forebear of the EU, released the so-called Venice Declaration, in which they committed to promoting diplomacy on the dual principles of the respect for Israel's security and the right to self-determination of the Palestinians.⁵ The EU's engagement in this conflict has since taken place against the backdrop of the Union's ambition to project global influence and effectively face regional and/or global threats with direct or indirect repercussions for European political, economic or security interests. In the European Security Strategy of 2003, the EU explicitly tasked itself with conflict management, especially in its neighbourhood.⁶ The 2003 Strategy specifically identified the Israeli-Palestinian conflict as a strategic priority for the EU:

⁵ European Council, Venice Declaration, 13 June 1980, https://eeas.europa.eu/archives/docs/mepp/docs/venice_declaration_1980_en.pdf.

⁶ European Council, *A Secure Europe in a Better World. European Security Strategy*, 12 December 2003, <https://doi.org/10.2860/1402>.

Resolution of the Arab/Israeli conflict is a strategic priority for Europe. Without this, there will be little chance of dealing with other problems in the Middle East. The European Union must remain engaged and ready to commit resources to the problem until it is solved. The two-state solution which Europe has long supported is now widely accepted.⁷

The EU's 2016 Global Strategy, the document that superseded the 2003 Security Strategy, also explicitly mentioned the ambition to deal with the Palestinian-Israeli conflict and "preserve the prospect of a viable two-state solution based on 1967 lines with equivalent land swaps, and [...] recreate the conditions for meaningful negotiations".⁸ In no other subsequent strategic document has the EU officially downgraded its commitment to the MEPP in accordance with its stated preference for a two-state solution. Thus, the Israeli-Palestinian conflict has continued to be on the EU's security agenda for a while, since – according to the EU – stability in the Middle East and the resolution of this conflict are intertwined. Moreover, in line with the aim of ensuring the stability and security in the Middle East, Israel and Palestine have become targets of the European Neighbourhood Policy (ENP) since 2003.⁹

In addition to security considerations and strategic and political concerns, the Israeli-Palestinian conflict is relevant for the EU for humanitarian reasons as well. According to EU data, 2.1 million Palestinian people out of 5.3 million need humanitarian assistance,¹⁰ as poverty, unemployment, limited access to water, food, education, electricity, healthcare and housing, as well as demolitions and evictions of people to Israel's settlements affect the Palestinian population at large.¹¹ Accordingly, being the world's leading donor of external aid, the EU takes

⁷ Ibid., p. 36.

⁸ European Union External Action Service (EEAS), *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy*, June 2016, <https://www.eeas.europa.eu/node/17304>.

⁹ European Commission, *Wider Europe-Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours* (COM/2003/104), 11 March 2003, <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52003DC0104>.

¹⁰ Website of the EU Civil Protection and Humanitarian Aid Operations: *Palestine-Factsheet*, <https://europa.eu/!qfyF6w>.

¹¹ Swedish International Development Cooperation Agency (SIDA), *Humanitarian Crisis Analysis 2022. Palestine*, March 2022, <https://cdn.sida.se/app/uploads/2020/11/05084123/HCA-Palestine-2022.pdf>.

responsibility for assisting the Palestinians for better living conditions as well as supporting them in their efforts for state-building.

1.2 EUFSP in the Israeli-Palestinian conflict: Politics and policies

1.2.1 EU presence and agency in the Israeli-Palestinian conflict

All these political, strategic as well as humanitarian reflections on the Israeli-Palestinian conflict have resulted in the involvement of the EU in multilateral platforms. The Middle East Quartet, established in 2002 by the United Nations, the United States, Russia as well as the EU, is supposed to coordinate international assistance to the PA and the Palestinians as well as support and promote peace mediation.

As part of the Quartet, the EU supports the two-state solution as “the only way to ensure a fair and sustainable solution to the conflict” between Israel and Palestine. Support for this solution was reiterated at the Middle East Peace Conference of January 2017, a multilateral platform launched by France and attended by the EU (as part of the Quartet) and a total of seventy countries and international organisations. The participants in this last, but fruitless multilateral platform, “call[ed] upon both sides to officially restate their commitment to the two-state solution, thus disassociating themselves from voices that reject this solution” and asked the parties to start direct bilateral talks.¹² The failure of that platform combined with the striking developments on the ground have so far not seen the EU or its member states revise their position on the resolution of the Israel-Palestine conflict, even if the “two-state solution” is becoming more a mirage than an aspiration.

Alongside its involvement in multilateral platforms, the EU has been an active presence on the ground. A European Commission Delegation was established in Tel Aviv in 1981. The Office of the EU Representative for the West Bank and Gaza Strip has been mandated since 1994 with contributing to the MEPP on the basis of the “two-state solution”. Two Common Security and Defence Policy (CSDP)

¹² France et al., *Middle East Peace Conference Joint Declaration*, Paris, 15 January 2017, <https://reliefweb.int/node/1859094>.

missions have also been active for over twenty years. Finally, a representation of the European Commission Humanitarian Aid Department (ECHO) organises aid to the Palestinians.¹³

In almost all official EU documents on Palestine as well as in academic and policy sources, the fact that the EU is the biggest provider of external assistance to the Palestinians is constantly and strongly emphasised. In 2017–2020, EU funding under the European Neighbourhood Instrument (ENI), the main financial tool for Palestine, amounted to 1.28 billion euro.¹⁴ The EU plans to provide up to 1.152 billion euro from 2021 to 2024 under the ENI's successor, the Neighbourhood, Development and International Cooperation Instrument (NDICI).¹⁵ Through the ENI and the NDICI the EU has provided and will continue providing *direct financial support*, which includes the payment of salaries and pensions of civil servants to the PA in the West Bank, assistance to the most vulnerable Palestinian families and the East Jerusalem hospitals as well as the purchase of Covid-19 vaccines authorised by the European Medicines Agency. The Union also supports *Palestinian refugees* for health, education and social services, including salaries for teachers, doctors and social workers active in refugee camps, and provides aid for *development programmes* that mainly focus on job creation and access to water and energy.¹⁶ Moreover, ECHO has been providing *humanitarian aid* to Palestine since 2000 in close coordination with local and regional international actors.¹⁷ Thus far, the EU has provided more than 852 million euro of humanitarian aid to the Gaza Strip and the West Bank, and allocated 25 million euro just in 2022.¹⁸

The EU conducts bilateral relations with both sides of the conflict, currently under the ENP. The EU entered an association agreement with Israel in 2000 to secure

¹³ EUBAM Rafah website: *EU in Israel and Palestine Territories*, <https://www.eubam-rafah.eu/en/node/5057>.

¹⁴ European Neighbourhood Policy and Enlargement Negotiations (DG-NEAR) website: *Palestine**, https://neighbourhood-enlargement.ec.europa.eu/node/3430_en.

¹⁵ EU Representative Office for the West Bank and Gaza Strip, *EU Renews Its Support for the Palestinian People with a €224.8 Million Assistance Package*, 14 June 2022, <https://www.eeas.europa.eu/node/414851>.

¹⁶ European Commission DG-NEAR website: *Palestine**, cit.

¹⁷ EU Representative Office for the West Bank and Gaza Strip, *The European Union and Palestinians*, 9 August 2021, https://www.eeas.europa.eu/node/410440_en.

¹⁸ Website of the EU Civil Protection and Humanitarian Aid Operations: *Palestine-Factsheet*, cit.

“regular political dialogue”, “freedom of establishment and liberalisation of services, the free movement of capital and competition rules and the strengthening of economic and social cooperation”.¹⁹ Moreover, the Action Plan with Israel as part of the Neighbourhood Policy in 2005 aimed at integrating Israel further into the EU market and policies (Israel, for instance, takes part in the EU’s Horizon Programme, which funds research across the 27 member states).²⁰ The EU-Palestine partnership is based on the Interim Association Agreement on Trade and Cooperation, signed in 1997 between the European Community and the PLO on behalf of the Palestinian Authority. The EU-Palestine Action Plan under the ENP was approved in May 2013, setting the agenda for economic and political cooperation with the EU. The Action Plan was recently prolonged for additional three years, until 2025.²¹

The EU is Israel’s largest trade market, and Israel was ranked 24th in the EU’s trade partners list in 2021. In 2022, total EU-Israel trade amounted to 36.9 billion euro (12.6 billion in imports and 24.2 billion in exports).²² By contrast, Palestine’s trade with the EU is very limited. Palestine was the EU’s 151st trade partner in 2020, with total trade amounting to just 244 million euro. The EU’s imports from Palestine are negligible, at 26 million euro in 2020, consisting of agricultural and raw products.²³

In addition to the policies of the EU under the ENP, the EU has been a party to conflict management efforts through its civilian operations under the CSDP. The first was launched after Israel’s 2005 unilateral disengagement from Gaza, which resulted in an agreement between Israel and the PA on Movement and Access at border crossing points of the Gaza Strip. As envisaged in the agreement and by invitations from both sides, the EU agreed to deploy the Border Assistance Management (EUBAM Rafah) mission to monitor the crossings and support Palestinian border administration’s capacity-building.²⁴

¹⁹ EU Delegation to the State of Israel, *The European Union and Israel*, 28 July 2021, https://www.eeas.europa.eu/node/410007_en.

²⁰ European Commission DG-NEAR, *EU-Israel Action Plan*, 2005, https://neighbourhood-enlargement.ec.europa.eu/system/files/2019-11/eu-israel_action_plan_2005.pdf.

²¹ European Commission DG-NEAR website: *Palestine**, cit.

²² European Commission DG Trade, *European Union Trade in Goods with Israel*, 2 August 2022, https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_israel_en.pdf.

²³ European Commission DG-NEAR website: *Palestine**, cit.

²⁴ Council of the European Union, *Council Joint Action 2005/889/CFSP of 12 December 2005 on Establishing a European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM*

The second operation was established in January 2006 to assist and improve Palestine's civil police reform as part of a security sector transformation effort begun under the Oslo Accord and the subsequent 1994 Cairo Agreement, which addressed the withdrawal of Israeli forces from Gaza and Jericho. The EU established a Coordinating Office for Palestinian Police Support (EUPOL COPPS) in the areas in the West Bank where the Palestinian civil police could operate autonomously from Israeli forces. According to the original mandate, the EU would assist the Palestinian Civil Police (PCP) by "advising and closely mentoring", "coordinat[ing] and facilitat[ing] EU and Member State assistance, and where requested, international assistance to PCP" and "advise on police-related Criminal Justice elements" (Article 2).²⁵ In 2008, the EU added a rule of law dimension, upgraded further in 2014.²⁶ In the most current version, the EUPOL COPSS is also responsible for advising and mentoring the criminal justice officials and bar association members.²⁷

1.2.2 EU coherence and effectiveness: An analysis of constraining factors

In order to analyse whether or not the EU's aforementioned policies towards the Israeli-Palestinian conflict have been effective and coherent, the level of internal contestation within the EU as well as the regional fragmentation and multipolar competition among the states of the region (and beyond) should be considered thoroughly. The lack of a joined-up, sustainable and effective EUFSP toward the Israel-Palestine dossier is broadly rooted in factors of EU-internal contestation, which interplay with a highly unfavourable framework environment shaped by fragmented or inexistent regional governance mechanisms and geopolitical rivalries.²⁸

Rafah), http://data.europa.eu/eli/joint_action/2005/889/oj.

²⁵ Council of the European Union, *Council Joint Action 2005/797/CFSP of 14 November 2005 on the European Union Police Mission for the Palestinian Territories*, <https://eupolcoppss.eu/uploads/1608725673624384742.pdf>.

²⁶ Council of the European Union, *Council Joint Action 2008/958/CFSP of 16 December 2008 amending Joint Action 2005/797/CFSP on the European Police Mission for the Palestinian Territories*, <https://eupolcoppss.eu/uploads/16087532561171784293.pdf>.

²⁷ Council of the European Union, *Council Decision 2014/447/CFSP of 9 July 2014 amending Decision 2013/354/CFSP on the European Union Police Mission for the Palestinian Territories (EUPOL COPPS)*, <http://data.europa.eu/eli/dec/2014/447/oj>.

²⁸ Riccardo Alcaro et al., "A Joined-Up Union, a Stronger Europe. A Conceptual Framework to Investigate EU Foreign and Security Policy in a Complex and Contested World", in *JOINT Research*

A. Internal contestation

Intra-EU or internal contestation refers to challenges by actors within the EU to either fundamental norms or long-standing positions and established practices of EUFSP (or a combination of these elements) for reasons of domestic expediency.²⁹ The evolution of domestic politics in some EU member states has contributed to accentuating an intra-EU gap in terms of perceptions, principles and policies, hampering the difficult task of reaching a consensus on sensitive topics. Some member states and political groups within member states have vocally expressed their support for either Israel or Palestine. Although accentuated differences rooted in historical trajectories or varying prevalence of norms (e.g. resistance) did not in principle prevent the EU from reaching meaningful political decisions in the past, politicisation and de-politicisation of the Israel-Palestine issue in recent years³⁰ has seen dissenting member states succeed in obstructing a common decision in an attempt not only to favour one of the parties but also to weaken EU's unity. Some authors have referred to this as a process of de-Europeanisation.³¹

The divides and inertia resulting from the lack of consensus among European actors – most notably among member states, but also across EU institutions – have been a key factor conditioning EUFSP towards the Israeli-Palestinian conflict. EU member states fall into roughly three camps regarding this dossier: a first group stressing human rights and international law, often seen as pro-Palestinian (including Ireland, Belgium, Sweden and Luxemburg); a second group stressing balance and good relations with both Israel and Palestine (including Denmark, Sweden, France, Germany, Spain); and a third group seen as tilting towards Israel (including Austria, Hungary, Czech Republic). Public opinion also varies a lot across member states, leading to different political decisions and priorities.³²

Papers, No. 8 (March 2022), <https://www.jointproject.eu/?p=969>.

²⁹ Marianna Lovato et al., "The Internal Contestation of EU Foreign and Security Policy", in *JOINT Research Papers*, No. 1 (September 2021), <https://www.jointproject.eu/?p=516>.

³⁰ Benedetta Voltolini, "Ontological Crises, Framing and the (De)Politicisation of EU Foreign Policy: The Case of EU-Israel Relations", in *Journal of European Integration*, Vol. 42, No. 5 (2020), p. 751-766, DOI 10.1080/07036337.2020.1792463.

³¹ Joanna Dyduch and Patrick Müller, "Populism Meets EU Foreign Policy: The De-Europeanization of Poland's Foreign Policy toward the Israeli-Palestinian Conflict", in *Journal of European Integration*, Vol. 43, No. 5 (2021), p. 569-586, <https://doi.org/10.1080/07036337.2021.1927010>.

³² Cornelius Hirsch and Giovanna Coi, "Where Europe Stands on the Israeli-Palestinian Conflict:

Another major difference is between those countries whose positions have changed little in the last decades, and those who did change position, either due to a re-evaluation of foreign policy interests (e.g., Greece turning towards Israel from a traditional pro-Palestinian and pro-Arab stance) or leadership changes in domestic politics (Sweden, Italy). Some outliers do not fit into any of those groups, such as Poland, whose relations with Israel have intermittently been harmed by history-related controversies. Adding to member states' differences in policy, some member states have initiated a trend of active obstruction of EU policy towards Israel-Palestine, notably the Visegrád states – the Czech Republic, Hungary, Poland and Slovakia – with Hungary at the fore.³³ For instance, the Visegrád states, along with Italy, blocked joint EU statements such as the one that criticised the Trump administration's "Prosperity to Peace" plan of January 2020 because it endorsed a two state solution on a much reduced area for Palestine than it was acceptable to Palestinian leaders.³⁴ In several instances, the policy of these states has not been to lobby for the EU to have a certain position, but for the EU not to display any criticism via-à-vis Israel. Moreover, such tactics are not limited to Israel, as Hungary has repeatedly blocked or threatened to block EU decisions on other countries (e.g., China).³⁵

There are also discrepancies across EU institutions. For instance, Commission President Ursula von der Leyen announced in mid-2022 that after a decision to lift conditionalities, with Hungary as lone dissenter, EU funds would be made available

Polls", in *Politico*, 21 May 2021, <https://www.politico.eu/?p=1709434>.

³³ Sharon Pardo and Neve Gordon, "Euroscepticism as an Instrument of Foreign Policy", in *Middle East Critique*, Vol. 27, No. 4 (2018), p. 399-412, DOI 10.1080/19436149.2018.1516338.

³⁴ International Crisis Group, "Realigning European Policy toward Palestine with Ground Realities", in *Middle East Reports*, No. 237 (23 August 2022), p. 4, <https://www.crisisgroup.org/node/19491>; Joanna Dyduch "The Visegrád Group's Policy towards Israel", in *SWP Comments*, No. 54 (December 2018), <https://www.swp-berlin.org/en/publication/the-visegrad-groups-policy-towards-israel>. This division was also apparent at the EU foreign ministers' meeting of 12 May 2021, where Hungary opposed a cease-fire call over violence in the Gaza Strip since the proposal did not condemn the Palestinian armed group Hamas, which controls the Gaza Strip and is on the EU's list of terrorist organisations, sufficiently. This has stemmed not only from the far-right political tendencies of Hungary's self-styled illiberal leader, Viktor Orbán, who has had a close relationship with all Netanyahu-led governments, but also the fact that Hungary is one of the main trade partners of Israel. See, Shada Islam and Nazlan Ertan, "Why EU Falls Behind US on Palestine-Israel Issue", in *Al-Monitor*, 27 May 2021, <https://www.al-monitor.com/node/42895>.

³⁵ AFP, "Hungary FM Condemns EU's 'One-Sided' Statements on Israel", in *RFI*, 18 May 2021, <https://www.rfi.fr/en/hungary-fm-condemns-eu-s-one-sided-statements-on-israel>.

immediately in Palestine.³⁶ The Commission formally displays a balanced stance by calling on both sides to agree on the 1967 borders and agree on the terms of peace.³⁷ The European Parliament (EP) approaches the issue more critically and taking positions more vocally in favour of Palestinian rights. Recently it called for a European peace initiative that would support the two-state solution, call on Israel to end its illegal settlements while recognising Israel's right to respond to any acts of violence. Moreover, the EP calls for elections in Palestine, which have not taken place since 2006.³⁸

B. Regional fragmentation

Regional fragmentation refers to two separate interrelated processes, namely the dysfunctionality of regional governance and conflict resolution mechanisms and the erosion of state capacity – in this case, the Palestinian Authority's capacity – to set and enforce rules consistently across the territory.³⁹ Both dimensions of fragmentation affect the Israel-Palestinian conflict.

Formerly the rallying cry uniting Arab societies, the Palestinian cause has lost traction in the Arab world – not among the peoples of the region but quite notably among political elites. The Abraham Accords and the trend for some Arab countries to normalise relations with Israel independently from advances on the Palestinian cause are symptomatic of this trend. Today, being seen as more supportive of Israel is no longer a political no-go for Arab elites, and the tangible benefits of closer ties with Israel are readily sought by Arab regimes that no longer fear the same kind of public backlash they did a decade ago. Sure, the periodic flaring up of violence and politically provocative acts by Israeli politicians, such as the recent visit of Israel's new National Security Minister Itamar Ben-Gvir to the Temple Mount or Al-Aqsa

³⁶ Luanna Muniz, "Von der Leyen: EU Funds for Palestine Will Be Disbursed Rapidly", in *Politico*, 14 June 2022, <https://www.politico.eu/?p=2131018>.

³⁷ EEAS, *Israel: Statement by the High Representative Josep Borrell on the Formation of a New Government*, 18 May 2020, <https://www.eeas.europa.eu/node/79576>.

³⁸ European Parliament, *Israel and Palestine: MEPs Call for a European Peace Initiative*, 14 December 2022, <https://www.europarl.europa.eu/news/en/press-room/20221209IPR64421>.

³⁹ Kathleen Gallagher Cunningham, "Understanding Fragmentation in Conflict and Its Impact on Prospects for Peace", in *Oslo Forum Papers*, No. 6 (December 2016), <https://hdcentre.org/?p=18486>; Tanja A. Börzel and Thomas Risse, *Effective Governance Under Anarchy. Institutions, Legitimacy, and Social Trust in Areas of Limited Statehood*, Cambridge, Cambridge University Press, 2021; Agnès Levallois et al., "Regional Fragmentation and EU Foreign and Security Policy", in *JOINT Research Papers*, No. 3 (November 2021), <https://www.jointproject.eu/?p=639>.

complex in East Jerusalem, still trigger angry reactions. Yet, these no longer guide Arab governments' policy toward Israel in the way they used to. One element in this shift has been the sustained regional turmoil, pressures from the United States, and the perception – especially in the Gulf Cooperation Council (GCC) states – that an alliance with Israel helps contain the threat posed by Iran. With other priorities topping Arab rulers' agenda, they are not willing to employ their leverage on Israel for advances in the peace process with the Palestinians.

The Abraham Accords – whose signatories include the UAE, Bahrain, Morocco and Sudan – have not only failed to revamp the MEPP, they have also created a distraction and an alternative vehicle for regional peace and security that has diverted energies away from the Israeli-Palestinian dossier, as acknowledged by HR/VP Josep Borrell.⁴⁰ The wave of normalisation agreements with barely any preconditions touching on the Palestinian question has reassured Israel that it can have relations with the rest of the world including Arab countries without investing in peace with the Palestinians. In line with post-Arab Spring geopolitical trends, relations with Israel ceased to be a liability for the Arab parties to MEPP.

Europe's response to the Abraham Accords has been supportive but cautious and unenthusiastic. Both the EU's and member states' reactions have been mildly positive generic statements underlining the importance of the Accords as a contribution to regional conflict resolution, yet leaving unclear on which grounds. EU officials are confused over the lack of a clear common line. As an EU official put to us, "it is not quite clear if they [the Abraham Accords] are good or bad, or who will back what".⁴¹ At the same time, interviewees for this study reported that in some EU quarters, the Abraham Accords were celebrated as an EU success.⁴² The lack of a common understanding of the deeper significance and impact of Abraham Accords has prevented EU member states from spelling out the challenges inherent in the Accords themselves, including with regard to the MEPP. There is no indication that EU member states have urged the UAE to be openly critical

⁴⁰ EEAS, *Middle East: Remarks by HR/VP Josep Borrell in the EP Plenary on the Normalisation Agreements between Israel and UAE, Bahrain and Sudan*, 24 November 2020, <https://www.eeas.europa.eu/node/89240>.

⁴¹ Authors' interviews with EU officials, November-December 2022.

⁴² Ibid.



of Israel's settlements in East Jerusalem and the West Bank, or that they have used the ongoing momentum of normalisation to prevail over Israel to move to a position of non-occupation and non-annexation.

A popular hope underlying regional cooperation schemes such as the Abraham Accords or the Negev Forum (involving Israel, Bahrain, Egypt, Morocco, the UAE and the United States) has been to activate Arab states and make them play a leading role in regional security, with a revival of the 2002 Arab peace initiative – according to which all Arab countries would recognise Israel in exchange for a two-state solution based on the 1967 borders – as one possible avenue. So far there is little tangible movement to nurture this hope, however. The Abraham Accords or Negev Forum meetings have remained largely symbolic and most of the concrete cooperation is taking place at a strictly bilateral level (notably, Israel–UAE and Israel–Morocco). Internal EU debates now focus on the degree to which this is a suitable vehicle and how Arab states could be held accountable to deliver something tangible on the MEPP amidst a host of conflicting priorities. Limited EU leverage on Arab states, in particular the Gulf countries, has further decreased due to the EU's need for energy alternatives to Russia's supplies following the invasion of Ukraine.⁴³

Another trend detrimental to the peace process is the ongoing right-wing drift in Israeli society and politics, away from the two-state solution, towards an increased legitimisation of settlement activity. The new Netanyahu-led government, which includes openly pro-annexation parties, is an expression of that trend. The resulting policies – continuation of settlement expansion, not providing Palestinians with access to the Holy sites, police brutality and other actions – are all working against a conducive environment, thereby also raising the difficulty of international efforts on the MEPP. On the Palestinian side, the consequence of sustained occupation has further delegitimised PA institutions and contributed to de-democratisation and fragmentation of Palestinian politics. The Israeli shift away from the two-state solution is mirrored in Palestine, in both the parties' and the public's attitude. The lack of intra-Palestinian reconciliation (especially between the PA and Hamas) and legitimacy, and deteriorating security, all contribute to the sense of a dead-end

⁴³ Authors' interview with EU and member states' officials, November–December 2022.

moment in the conflict.

The EU's no-contact policy with Hamas, established when Hamas was included in the EU list of terrorist organisations in 2003 and re-affirmed by the non-recognition of its victory in the 2006 parliamentary elections, have contributed to the fragmentation of the Palestinian political landscape and further limited the EU's influence in the MEPP. In Palestine, the EU has focused on capacity-building "as a red herring distraction", when it should have really focused on democratisation and re-legitimisation.⁴⁴ The key challenge today is how to rethink the EU's relation with the PA. The latter is the centrepiece of the EU's relations with Palestine. If it slides ever more into authoritarianism, is no longer able to provide stability and its authority is increasingly contested – not because it lacks weapons, but because it lacks legitimacy, the EU effectively has no interlocutor that can deliver. In the scenario of the PA no longer being the core of a future Palestinian state and/or if the creation of a separate state is no longer possible, it would make little sense for the EU to continue its high levels of funding for Palestine. Reconsidering the no-contact policy with Hamas, in coordination with Egypt and Jordan and other international partners – including those who have not followed this policy, such as Norway, Turkey and Qatar – to help facilitate a re-legitimisation and re-democratisation of Palestinian authorities has been discussed, but lacks consensus among EU member states.⁴⁵

C. Multipolar competition

A final factor that constrains the ability of EU member states to come up with a consistent and effective policy towards the Israel-Palestine conflict is multipolar competition, whereby regional and global powers construe international crises as arenas of strategic confrontation, thus hindering effective crisis management.⁴⁶

⁴⁴ Authors' interview with EU officials, November-December 2022.

⁴⁵ Authors' interview with EU and member states' officials, November-December 2022.

⁴⁶ Graeme P. Herd (ed.), *Great Powers and Strategic Stability in the 21st Century. Competing Visions of World Order*, London/New York, Routledge, 2010; Charles A. Kupchan, *No One's World. The West, the Rising Rest, and the Coming Global Turn*, Oxford, Oxford University Press, 2012; Walter Russell Mead, "The Return of Geopolitics", in *Foreign Affairs*, Vol. 93, No. 3 (May/June 2014), p. 69-79; Riccardo Alcaro (ed.), *The Liberal Order and its Contestations. Great Powers and Regions Transiting in a Multipolar Era*, London/New York, Routledge, 2018; Assem Dandashly et al., "Multipolarity and EU Foreign and Security Policy: Divergent Approaches to Conflict and Crisis Response", in *JOINT Research Papers*, No. 6 (December 2021), <https://www.jointproject.eu/?p=697>.



Recent shifts in the broader international environment have taken their toll on the MEPP. The United States as the main financier of the Israeli security sector and the one player with significant leverage on Israel is a key influence in framing the environment of the peace process. However, both the active intervention of former US President Donald Trump (2017–2021) in the Israeli-Palestinian dossier, which led to significant changes in the US diplomatic stance, and the disengagement and relative absence of US administrations before and after Trump have empowered Israel and harmed Palestinian interests and leverage.

The United States is not willing to invest political capital in the Middle East, even under the current president, Joe Biden. He has not reversed Trump's decision to move the US Embassy from Tel Aviv to Jerusalem and recognise the annexation of the Golan heights by Israel. Similarly, the Palestinian Representation in Washington remains closed, and the Biden administration has shown very little reaction to the deteriorating situation on the ground. The United States is not paying attention and continues to refrain from putting meaningful pressure on the Israelis, which *de facto* amounts to a blank cheque to the Israelis in the Palestinian territories.

The war in Ukraine has diminished Russia's role in the region but has not erased it. Importantly for the MEPP, however, the Ukraine invasion has made the Quartet in its original composition defunct, increasing the reliance on other channels and fora. The Ukraine war has also raised Israel's profile as the only democracy in the Middle East, an actor not to be alienated, thereby further reducing some EU member states' willingness to pressure Israel. A key impact of developments in Ukraine is that it has profoundly deepened perceptions of Western double standards across the Arab world. The refusal of Western countries to make a direct comparison between Ukraine and Palestine – occupation of each being seen as unacceptable and acceptable, respectively – has been widely criticised, both within and beyond the Arab world.⁴⁷ Another significant impact of the Ukraine war on the MEPP has been that it has exacerbated the trend of regional and international de-prioritisation of the MEPP and the plight of the Palestinian people as Europe's and the United States' attention and capacities are consumed with confronting Russia

⁴⁷ Clare Short, "Letter: Palestine Double Standards Mock NATO Ukraine Stance", in *Financial Times*, 6 December 2022, <https://www.ft.com/content/87616bb2-ef66-4059-b78a-929c941b7ae6>.

in Eastern Europe. This is a factor which largely conditions their relations with their Gulf and southern neighbourhood partners, too. The war has pushed the EU to explore alternative suppliers of energy and Israel with its offshore gas reserves – bilaterally and in tandem with Egypt – has appeared as a potential candidate, thereby further increasing Israel’s leverage.⁴⁸

Thus, effectiveness and coherence of EU policies and politics regarding the Israeli-Palestinian conflict have been heavily constrained by internal contestation coupled with regional fragmentation and multipolar competition. In a context where the peace process has collapsed, where the region is increasingly fragmented and the few influential international players are at odds with each other over other issues they prioritise, traditional EU coordination and consultation mechanisms are insufficient to overcome these obstacles. In order not to become irrelevant and/or paralysed, EU institutions have had to embrace other mitigation strategies: lead groups and ad hoc coordination mechanisms have proliferated, as well as more creative mechanisms to express positions which are not foreseen in EU treaties but also do not violate them.⁴⁹

⁴⁸ In 2022 the EU signed a memorandum with Israel and Egypt on energy matters which was heralded by the then Israeli minister for energy as “a historical moment in which the small country of Israel becomes a significant player in the global energy market”. Egypt, Israel and EU, *Memorandum of Understanding on Cooperation Related to Trade, Transport, and Export of Natural Gas to the European Union*, Cairo, 15 June 2022, <https://europa.eu/dwx3Ct>; Israel Ministry of Energy, *First-Ever Export of Natural Gas from Israel to the European Union*, 15 June 2022, https://www.gov.il/en/departments/news/ng_150622.

⁴⁹ Giovanni Grevi et al., “Differentiated Cooperation in European Foreign Policy: The Challenge of Coherence”, in *EU IDEA Policy Papers*, No. 5 (August 2020), <https://euidea.eu/?p=1192>.

Table 1 | Constraining factors on EUFSP towards the Israeli-Palestinian conflict

EUFSP constraint	Operationalisation	Explanation
<p><i>Intra-EU contestation</i></p>	<p><i>Contesting actors:</i> EU member states, national political parties, EU institutions (EU Commission and European Parliament), Public opinion</p>	<p><i>Lines of contestations</i></p> <ul style="list-style-type: none"> · first group stressing human rights and international law, often seen as pro-Palestinian (including Ireland, Belgium, Sweden and Luxemburg); · a second group stressing balance and good relations with both Israel and Palestine (including Denmark, Sweden, France, Germany, Spain); · and a third group seen as tilting towards Israel (including Austria, Hungary, Czech Republic) · Public opinion also varies a lot across member states, leading to different political decisions and priorities
	<p><i>Object of contestation:</i></p> <ul style="list-style-type: none"> · Level of EU engagement · Choice of policies and instruments · Two-state solution 	<ul style="list-style-type: none"> · EU statements such as the one that criticised the Trump administration’s “Prosperity to Peace” · Distribution of funds to Palestine · Recognition of borders · Israeli settlement policy · Elections in Palestine
<p><i>Regional fragmentation</i></p>	<p><i>Level of fragmentation:</i> sub-national, state and regional</p> <p><i>Phase of fragmentation:</i> conflict prevention ongoing conflict post-conflict</p>	<ul style="list-style-type: none"> · Erosion of state capacity (Palestinian Authority’s capacity) and lack of intra-Palestinian reconciliation · Increasing division of political parties/ actors in Palestine · Palestinian cause has lost traction in the Arab world among political elites; Arab countries normalising relations with Israel · Provocative acts by Israeli politicians and violence sparked in both Israel and Palestine · Gulf Cooperation Council (GCC) states perceive alliance with Israel helpful in countering Iran · Abraham Accords and Negev Forum · ongoing right-wing drift in Israeli society and politics, away from the two-state solution, towards an increased legitimisation of settlement activity
<p><i>Multipolar competition</i></p>	<p><i>Scope and nature of competition:</i> both wide and narrow, zero-sum and limited</p>	<ul style="list-style-type: none"> · US engagement (before and after the Trump administration) · War in Ukraine and Russia’s role in the Middle East · EU engagement in/with Israel · EU engagement in/with Palestine

1.3 Weaknesses and strengths of EUFSP in the Israeli-Palestinian conflict

Within the challenging regional and global context, it is almost impossible to write a success story for EU foreign policy, which remains centred on the goal of a two-state solution through assisting state-building in Palestine and showing respect to the sovereignty of Palestinians and through supporting the right of Israelis to protect their security.

A main problem with this approach is that not only does the two-state solution seem unattainable in practice, it is also explicitly challenged by Israel and Palestine alike. The coalition government led by Prime Minister Naftali Bennett (in office between June 2021 and July 2022) firmly voiced the opposition towards the creation of a Palestinian state.⁵⁰ The new Netanyahu government includes the most radical right-wing elements of the Israeli political spectrum that deny any rights to Palestinians and are suspicious of Israel's own Arab citizens.⁵¹ Moreover, the Palestinian Authority has lost much of its legitimacy because of corruption, collaboration with Israeli authorities and the fact that scheduled presidential elections have not taken place for nearly thirteen years. Thus, the EU is once plagued by the failure to adapt its capabilities to expectations.

Another expectation-capability gap exists in EU's aid policy itself. The EU's external assistance policy is directly linked to its goal of a "two-state solution" and, in fact, EU financial support for Palestinians either for state-building or humanitarian reasons has been the one EU policy with greatest impact on the ground. However, as stated in a recent International Crisis Group report, the two-state solution cannot be saved through humanitarian aid because the EU aid has not been matched by political engagement and support from EU capitals.⁵² There has actually been a decline in the amount of the EU aid to Palestinian Authority since 2015 due to the

⁵⁰ Tovah Lazaroff, "Palestinian Statehood Would Be a 'Terrible Mistake' - Bennett", in *The Jerusalem Post*, 15 September 2021, <https://www.jpost.com/israel-news/bennett-palestinian-statehood-would-be-a-terrible-mistake-679518>.

⁵¹ Hadas Gold, "Netanyahu Outlines Vision for Two-State Solution-without Palestinian Sovereignty", in *CNN*, 1 February 2023, <https://edition.cnn.com/2023/02/01/middleeast/netanyahu-palestinian-sovereignty-mime-intl>.

⁵² International Crisis Group, "Realigning European Policy toward Palestine with Ground Realities", cit., p. 29.

escalation of the crisis and the loss of hopes for a political solution to the conflict. Moreover, this decline coincided with the Trump administration's policy to cut aid as well as with a decreasing commitment to the MEPP by Arab Gulf states.⁵³ The cancellation of elections in the PA, rule of law failures, human rights abuses and lack of good governance in Palestine have compelled the EU to consider linking its aid policy in all fields and political support with conditionality. However, this is unlikely since the EU is reluctant to risk punishing the Palestinian people by withholding assistance. This means that, as much as EU member states have failed to generate consensus to act against Israeli violence and settlement policy with one voice, they are also too divided to blame Palestine for anti-democratic practices. In other words, the EU's aid policy towards Palestinians has not helped, beyond sustaining the Palestinian population, in attaining a desired political solution. This has stemmed from *regional fragmentation* such as the escalation of intra-Palestinian divides as well as Israeli's expansionist policies that have undermined the long-term viability of a two-state solution, but also from *internal divisions* within the EU as some member states have come to follow a pro-Israeli line.

A further capability-expectation gap is apparent in the EU's operational capacity. The mandate of the EUBAM Rafah mission, for instance, was constantly adapted to changing, and worsening, circumstances. EUBAM was first tasked with monitoring, verifying, and evaluating Palestine's border management governance, and for a time it performed its functions diligently. Until the mission suspended its operations at the Rafah Crossing Point (RCP) after Hamas took control of the Gaza Strip in 2007, around 450,000 people used the crossing between the Gaza Strip and Egypt securely under EUBAM's supervision and under its guidance. In the following years, EUBAM-Rafah continued to work on its other task, namely providing assistance to all aspects of border management at Rafah,⁵⁴ even after the RCP was closed. It did so specifically by mentoring and training the Palestinian General Administration for Borders and Crossings (PGABC) staff.⁵⁵ The EU even established a Training Centre in 2017. Currently, EUBAM Rafah is engaged in training activities to build-

⁵³ Ibid.

⁵⁴ Council of the European Union, *Council Joint Action 2005/797/CFSP of 14 November 2005*, cit., Article 2(b).

⁵⁵ European Union Border Assistance Mission in Rafah (EUBAM), *Factsheet*, August 2022, <https://www.eubam-rafah.eu/sites/default/files/u208/Fact%20Sheet%202022%20August%20II.pdf>.

up PGABC's capacity in order to equip the personnel with the knowledge on state-of-the-art technologies and other skills to increase their readiness to operate when the crossing is reopened in future.⁵⁶ The third mandate for EUBAM Rafah was to liaise between all stakeholders on the issues related to the governance of the RCP. In this context, EUBAM Rafah mission officials have worked in cooperation with the PGABC of Palestine, the Coordinator of Government Activities in the Territories (COGAT) of Israel and the Egyptian authorities.⁵⁷ Currently, the Mission, which will remain operational until 30 June 2023 (subject to renewal), stands ready for redeployment at the RCP, but this is unlikely to happen unless the EU changes its policy of no-contact with Hamas, which keeps control of the Gaza Strip.⁵⁸ Thus, regional actors' conflicting perspectives and fragmentations impede any effective EU action and contribution.

Similarly, the EUPOL COPPS has been only modestly successful. In terms of strengths, the mission has provided and coordinated assistance to the Palestinian Civil Police.⁵⁹ EUPOL COPPS has also trained and mentored judges, prosecutors and mostly PCP officers especially in the area of "crime investigation and crime statistics, information and intelligence sharing as well as forensic investigation methods".⁶⁰ To a limited extent, Palestinian police have received training on how to handle protests. As argued by Kristoff, "urban public order has improved and militia activity has decreased".⁶¹ However, this has not prevented Palestinian police from using excessive – even lethal – force against the population.⁶² The EU has failed to break the tradition of coercion in Palestine's security forces and this has resulted in a lack of public trust in the PA and the EU alike.⁶³ This is an indication that the EU

⁵⁶ Ibid.

⁵⁷ EUBAM website: *About Us*, <https://www.eubam-rafah.eu/en/node/5048>.

⁵⁸ Michelle Pace and Polly Pallister-Wilkins, "EU–Hamas Actors in a State of Permanent Liminality", in *Journal of International Relations and Development*, Vol. 21, No. 1 (January 2018), p. 223-246, DOI 10.1057/s41268-016-0080-y.

⁵⁹ Beste İşleyen, "Building Capacities, Exerting Power: The European Union Police Mission in the Palestinian Authority", in *Mediterranean Politics*, Vol. 23, No. 3 (2018), p. 321-339 at p. 332, <https://doi.org/10.1080/13629395.2017.1319750>.

⁶⁰ Ibid., p. 326.

⁶¹ Madeline Kristoff, "Policing in Palestine: Analyzing the EU Police Reform Mission in the West Bank", in *SSR Issue Papers*, No. 7 (February 2012), p. 6, <https://www.cigionline.org/publications/policing-palestine-analyzing-eu-police-reform-mission-west-bank>.

⁶² Beste İşleyen, "Building Capacities, Exerting Power", cit., p. 336.

⁶³ Madeline Kristoff, "Policing in Palestine", cit.



in its advising and mentoring missions had difficulties in understanding the local dynamics, as EUPOL COPPS's tendency to resort to top-down training methods have not been well-received by PCP. To be sure, intra-Palestinian divisions have hindered the EU's ability to act. Since the mission's actions were limited mostly to the West Bank and did not include the Gaza Strip, the aim of ensuring the security of the Palestinian people as a whole was always somewhat unattainable.

EUBAM Rafah and EUPOL COPPS mostly aim at supporting the state-building efforts of Palestine, in theory – but not in practice – as part of a broader conflict resolution effort. However, both operations have been impaired by regional fragmentations as well as the EU's internal divisions over the broader political aims of EUFSP towards Israel and Palestine, whereby their potential for bringing about positive change has been much reduced. As intra-EU contestation and regional fragmentation (and to a lesser extent geopolitical competition too) have seriously impaired EUFSP, the future capacity of EU institutions and member states to contribute to conflict management is a function of their ability to mitigate these constraining factors.

2. Mitigating the negative effects of constraining factors on EUFSP

A look at mitigating strategies on the Israeli-Palestinian conflict needs to start with the difficult regional and international framework conditions in which EUFSP unfolds.

2.1 Working around regional and global constraints

For any single player to attempt improving the unfavourable regional and global conditions in which the Israeli-Palestinian conflict unfolds appears almost intractable. While great power competition has always played a role in the conflict, working around the constraints imposed by the current international environment shaped as it is by Western confrontation with, and increasing decoupling from, Russia and China, is way beyond the EU's capacities. At the regional fragmentation level, however, there are a number of openings that the EU could consider.



Both the trend toward Arab state normalisation with Israel and the cautious, nascent rapprochement between Iran and Saudi Arabia open up an avenue for regional mediation and de-escalation that could benefit the Palestinian cause. On the one hand, the EU could significantly step up its efforts, in sync with the United States, to pressure the UAE to face up to Israel in condemning settlements and implement differentiation. At the same time, while the Emirates may have failed to use the Abraham Accords to stop (as opposed to postpone) annexation, Saudi Arabia still has that option as it considers normalisation. Establishing formal relations with Riyadh is a huge interest and incentive for Israeli elites which gives Riyadh a key position in using this leverage to get tangible concessions from Israel on Palestinian rights. Riyadh's ongoing discourse that normalisation is conditional on Israeli concessions on Palestine appears to suggest exactly this. At the same time, Saudi-Israeli rapprochement has been moving forward even without normalisation. Riyadh is at a crossroads where it could position itself as a leader of the Arab world and defender of the Palestinian cause. In this role, it could offer Israel normalisation and also de-escalate the tensions between Israel and Iran in the process. So, on the other hand, Europe could work toward this goal and encourage a regional leadership role for Riyadh along those lines. The Europeans' focus on the Arab Peace Initiative could be the right vehicle for this line of action. In addition, Europeans could use their leverage on Israel to show in particular the current right-wing Israeli government how such a grand regional bargain is in its interests. Whether Europeans are willing to invest the necessary political capital is however questionable, given the above detailed accumulated evidence to the contrary. However, if such a grand regional bargain presents itself as a tangible opportunity to solve several pressing regional problems at the same time and benefit everyone's strategic interest, European capitals might change their calculus (as might Tel Aviv, Riyadh and Tehran).

Another, more tangible area in which the Europeans could help alleviate the constraints posed by regional fragmentation is, of course, Palestinian governance. Whether or not the EU realistically has enough leeway as the PA's main donor to apply conditionality has been excessively debated. The most commonly accepted argument is that negative conditionality is not a viable option since withdrawing aid would primarily punish the Palestinian people and push the Palestinian territories into chaos and violence. At the same time, this line of reasoning is at least questionable since chaos and violence is where the Palestinian territories are

headed now, and there is a case to be made that EU aid is currently sustaining bad governance and the durability of an illegitimate Palestinian governing elite. One member state official interviewed for this study therefore suggested that a withdrawal of EU aid to the PA, or just the threat of it, would not only erase EU complicity, but could also undo the stalemate of unaccountable paralysis, leading to a convulsion that could end up fostering Palestinian renewal and unity. Of course, EU policy can only actively help foster Palestinian unity and legitimacy if it ends its no-contact policy with Hamas.

Within the highly unfavourable and challenging global and regional framework on which the Europe's margin of leverage is very thin, however, the EU still has significant room to raise its effectiveness and impact potential on the Israeli-Palestinian conflict if it manages to reduce internal contestation. This could be attained in particular by navigating policy divisions, enhancing political incentives for engagement on this dossier, and improving internal processes.

2.2 Navigating policy divisions

EU-internal contestation on the Israeli-Palestinian dossier is overwhelmingly governmental, although non-governmental actors play an indirect role in shaping the diverging policies of member states. Internal contestation on this dossier can be grouped into three domains: the lack of policy consensus among member states (and to a lesser degree, among EU institutions); the politics of engaging on this dossier; and the difficulties inherent to the EU's institutional design and processes.

Despite significant and increasing divisions among member states, the basic common denominator of EUFSP – the condemnation of occupation and the support for a peace process centred around the two-state solution – has remained unchanged, as recently reaffirmed in the EU's position for the EU-Israel Association Council meeting in October 2022.⁶⁴ However, beyond this basic common denominator, member states differ considerably in terms of the concrete actions

⁶⁴ Council of the European Union, *Relations with Israel - European Union's Position for the Association Council's 12th Meeting*, Brussels, 3 October 2022, <https://www.consilium.europa.eu/media/59337/st13103-en22.pdf>.

and policies this goal should be furthered. Disunity in voting behaviour in the United Nations has made this trend apparent, most notably in the General Assembly resolution 67/19 on upgrading Palestine's status to non-member observer state in November 2012 and the vote at UNESCO in 2011 to admit Palestine as a full member. At the UN, the EU normalised the idea of disunited voting because the alternative would have been a rather unconstructive abstention.

Three other examples reveal the depth of these discrepancies. First, whether recognising Palestine as a state makes peace more or less likely. Sweden, in 2014, announced the recognition of the State of Palestine and the government led by Stefan Löfven justified the move as a step towards a two-state solution and a just and lasting peace in the Middle East. Besides harsh criticism from Israeli authorities,⁶⁵ and more nuanced remarks by the United States considering it "premature", Sweden's decision prompted a discussion on whether this was a sign of de-Europeanisation or an attempt to take the lead in trying to break the impasse and keep the vision of a two-state solution alive.⁶⁶

Second, how to react to Israel's settlement policy. The EU had repeatedly expressed its opposition to Israeli settlements in the West Bank and East Jerusalem, which are considered illegal under international law.⁶⁷ The EU has called on Israel to halt the expansion of settlements and stated that they are an obstacle to the peace process and a two-state solution. In the past the EU was able to adopt measures in relation to Israeli settlements, including common positions stating that those settlements were illegal under international law, the guidelines on the labelling of Israeli settlement products as well as restrictions to funding Israeli organisations located in the settlements.⁶⁸ However, since the mid-2010s the EU has systematically failed to issue new jointly agreed statements and some EU politicians such as

⁶⁵ Christian Christensen, "Sweden Rebuffs the US on Palestine", in *Al Jazeera America*, 8 October 2014, <http://america.aljazeera.com/opinions/2014/10/sweden-palestinestatehoodisrael.html>.

⁶⁶ Lisbeth Aggestam and Federica Bicchì, "New Directions in EU Foreign Policy Governance: Cross-loading, Leadership and Informal Groupings", in *Journal of Common Market Studies*, Vol. 57, No. 3 (May 2019), p. 515-532, DOI 10.1111/jcms.12846.

⁶⁷ The UN Security Council, the UN General Assembly and the International Court of Justice have in numerous resolutions and declarations reaffirmed the illegality of Israeli settlements in line with Article 4 of the Fourth Geneva Convention, e.g. UN Security Council Resolution 465 of 1 March 1980.

⁶⁸ See for example, Council of the European Union, *Council Conclusions on the Middle East Peace Process*, 20 July 2015, <https://www.consilium.europa.eu/en/press/press-releases/2015/07/20/fac-mepp-conclusions>.

Hungary's foreign affairs minister even dismissed previously agreed measures, stating that his country would not comply with those decisions and qualifying them as "irrational".⁶⁹ As recalled above, Hungary and other countries also blocked other statements regarding Trump's policies – which critics assessed as measures that backed and promoted occupation. In May 2018, Romania, Hungary and the Czech Republic blocked an EU statement condemning the US move, and in February 2020, Hungary, the Czech Republic and four other members objected to an EU declaration opposing Trump's peace plan. In 2021 Hungary also vetoed a statement calling for a ceasefire between Israel and the Palestinians.⁷⁰

Thirdly, and very much connected to this second block of disagreement, the EU has been openly divided in its assessment on whether the intervention of the International Court of Justice (ICJ) should be requested to provide an advisory opinion relating to the legality of Israeli occupation of Palestinian territory: Belgium, Ireland, Luxemburg, Malta, Poland, Portugal and Slovenia voted in favour of UN General Assembly resolution 77/400; Bulgaria, Cyprus, Denmark, Finland, France, Greece, Latvia, Netherlands, Spain, Slovakia, Sweden, abstained; Austria, Croatia, Czechia, Estonia, Germany, Hungary, Italy, Lithuania and Romania, rejected it. Those rejecting or abstaining did not do so because they would consider occupation legal but rather because of their different assessment of the impact that such decision would have on occupation itself or the attempts to revive the peace process.⁷¹

Divisions between member states have engendered inertia and an unwillingness to adapt EU policy on the Israeli-Palestinian conflict that fails to acknowledge and operationalise realities on the ground. Often, interviewees report, pressing dossiers are left alone out of fear of stirring controversy. Or, in turn, previously settled discussions are not re-opened for fear of creating frictions.⁷²

⁶⁹ Greer Fay Cashman, "Hungary Says No to Settlement Labelling", in *The Jerusalem Post*, 16 November 2015, <https://www.jpost.com/israel-news/politics-and-diplomacy/hungary-says-no-to-settlement-labeling-434233>.

⁷⁰ Hans von der Burchard and David M. Herszenhorn, "Borrell Calls for Israeli-Palestinian Ceasefire, but Hungary Blocks Joint EU Position", in *Politico*, 18 May 2021, <https://www.politico.eu/?p=1710323>.

⁷¹ Authors' interview with EU and member states officials, November-December 2022.

⁷² Ibid.

In terms of EU institutions, the position of the EUSR for the Middle East Peace Process has existed for over a decade. Successive EUSRs have engaged in shuttle diplomacy, but their profile has remained low in and outside the EU, with little tangible impact overall, especially as external actors calibrate and groom member states instead. Trying to mitigate paralysis and build consensus, former EUSR Susanna Testa played an important role in forging alliances and building confidence among the various member states camps. She divided the 27 into three groups and would invite them in heterogeneous groupings in workable sizes, also at capitals and senior officials' level. The format has added value as there are plenty of likeminded groupings that reinforce each other's premeditated views, but less opportunity to engage with the non-like-minded.⁷³

The significant influence of the Commission as the owner of the financial instruments that fund EU assistance contrasts with the comparatively low profile of the European External Action Service (EEAS). The latter has recently sought to expand its coordination role, making sure the Commission works in line with member states and EU policy interests/objectives, by means of inter-service consultations and EU heads of missions (HOMS) meetings.

The persistence of the basic EU policy consensus on the two-state-solution is largely rooted in two factors: the lack of a more viable and acceptable alternative, and the need to formulate demands in sync with those of the Israeli and Palestinian counterparts. The goal is also used tactically as the benchmark in negotiations with Israeli and Palestinian partners. EU officials laconically note that the EU's goals will be whatever both parties accept, so there is little flexibility on the EU's side regarding the macro goals of policy.⁷⁴ At the same time, the EU demands a two-state solution but is not willing (or capable) to act upon it. The result is that EU policies contribute to the preservation of a clearly unsatisfactory and dangerous status quo.⁷⁵ In practice, policy is for both EU and Israeli-Palestinian partners to pay

⁷³ Ibid.

⁷⁴ Authors' interviews with EU and member states officials, October-December 2022.

⁷⁵ Dimitris Bouris, "Unintended Consequences of State-building Projects in Contested States: The EU in Palestine", in *The International Spectator*, Vol. 54, No. 1 (March 2019), p. 89-104, <https://doi.org/10.1080/03932729.2019.1555910>; see also Raffaella A. Del Sarto, *Israel Under Siege. The Politics of Insecurity and the Rise of the Israeli Neorevisionist Right*, Washington, Georgetown University Press, 2017.

lip service to the two-state-solution goal until someone comes up with a better, feasible idea that all parties can agree upon. At the same time, there is considerable concern that the rigid clinging to a long-moribund peace process, which reflects the EU's inflexibility to adapt to changing realities on the ground, will help prolong an unsustainable situation that will eventually erupt in large-scale violence. The risk of regional destabilisation via a third Intifada was a frequently voiced concern in this context.⁷⁶

In sum, divisions among EU member states should be assumed as natural and inevitable. Rather than sacrificing impact potential for unity, mitigation should seek to navigate dissent, finding creative ways around absolute majority requirements that allow the EU to deliver. This may take the form of normalising initiatives by a certain number of member states to take position or to jointly act, while informing EU institutions early on. When possible, personal statements by the HR/VP taking note of these positions could contribute to convey the message that there is a European position on specific developments even if some member states do not adhere to it. Similarly, the active cooperation between the EU actors on the ground (Delegations and EUSR) and the diplomats of those EU member states willing to take the lead and coordinate amongst themselves may foster the technically misled external perception of those initiatives as an EU position.

2.3 Handling the politics of engagement

Another series of obstacles to a joined-up, sustainable and effective EUFSP relates not to the substance of policy but to the politics behind actions and omissions, which often have little or nothing to do with the Israel-Palestine dossier itself. Overall, representatives from both EU institutions and member states affirm how the Israeli-Palestinian conflict had turned toxic because its circumstances make it so difficult for the EU to deliver. Now being widely considered a “graveyard for political careers”, the lack of incentive to build one’s career in this area contrasts with more dynamic phases in the peace process in the 1990s and 2000s, when a functioning political process and the related opportunities for potential achievements made it a more attractive dossier for politicians, diplomats and bureaucrats.⁷⁷

⁷⁶ Authors’ interview with EU and member state officials, November-December 2022.

⁷⁷ Authors’ interviews with EU and member states officials, October-December 2022.



Other conflicts have now taken up priority, relegating the MEPP to the back burner. The combination of intractability and conflicting priorities have greatly reduced EU policymakers' incentives to invest political capital on behalf of the peace process at large (although there is still plenty of incentive to lobby on behalf of any of the two parties). As a result, EU political action is stalled at the bare minimum, and decisions that are seen as politically difficult – such as robust responses to Israeli occupation measures or altering the EU's no-contact policy toward Hamas – are often avoided. At the same time, even when acknowledging policy failure and inertia, there is little incentive and appetite to undertake a substantial policy change even in the capitals more inclined toward human rights, and officials rightfully wonder about the timing and benefit of undertaking such a review at the present moment.⁷⁸

Of course, instances in which a lack of unity, sustainability and effectiveness in EUFSP is rooted in politics rather than policy are harder to mitigate. While policy arguments are relatively straightforward, arguing why an EU government should invest political capital in this dossier now is a more complex argument. Interviewees for this study largely agreed that a significant escalation would be an element capable of producing the necessary urgency to re-establish the MEPP on the upper ranks of EU policy-makers priorities. A change of leadership in any of the two parties could also inject new dynamism. Europe has gotten used to the cycle of periodic violence flaring up in Gaza, followed by a short window of international outcry and attention, and a quick return to the status quo ante. To substantially alter the EU's inertia, interviewees agreed, escalation must be big and sustained. While the big bang fails to arrive, escalation slowly boils up in a mode of incremental urgency.⁷⁹

The current trajectory is making the reality of a democratic Jewish Israeli state *de facto* impossible, so the only option Israeli proponents of this option will have eventually is an Israel of unequal democracy, an idea often referred to as an *apartheid* state, a controversial denomination which has nonetheless become increasingly mainstream with the rising number of experts and institutions ringing the alarm bells on this time-sensitive conundrum. The UN's recent referral to ICJ to investigate

⁷⁸ Authors' interview with EU and member state officials, November-December 2022.

⁷⁹ Ibid.



Israel's handling of the Occupied Palestinian Territories is likely to inject the term into mainstream narrative, which would put pressure on the EU to step up its act to ensure equal rights. In discourse, the EU has already embraced that narrative – EU talking points state that Israeli settlements perpetuate a state of unequal rights – but follow-up action falls short. In addition, the fact that member states such as Germany have rejected the ICJ referral on the grounds that it undermines the MEPP stands witness to an either distorted perception of reality or a politically motivated unwillingness to rock the boat.⁸⁰

As the biggest international donor to the Palestinian Authority and the biggest trading partner to Israel, one might assume the EU has substantial leverage to put pressure on both sides. However, there are clear limits to the use of this leverage in practice. EU assistance is what keeps the Palestinian institutions afloat, pays for public service salaries and hospitals. Reducing the money would lead to an untenable reduction of those basic services in an already tense environment, likely leading to escalation. Instead, EU member states are slowly disinvesting over the years (France), largely due to other priorities (Ukraine). Increasing budgets can be equally counter-productive in disincentivising local stakeholders and sustaining a stability based on occupation. Whether and how the EU should use its considerable socio-economic leverage more efficiently for political/diplomatic ends on the Israel-Palestine dossier has been controversially discussed, but most member states (especially Germany) reject this line of action.⁸¹

The most evident mitigation strategy for the EU to update its situational awareness and adapt policy accordingly would be to conduct an evidence- and forecast-based policy review. Part of this is raising awareness that EU inertia is not sustainable as conditions on the ground are on an incremental negative trajectory that may eventually explode. In a first step, the EU should make use of its foresight capacities and instruments such as the European Union Institute for Security Studies, which has long invested in strategic forecast; or the European Strategy and Policy Analysis System (ESPAS), an interinstitutional initiative. With the support of these institutions, the EU should promote an effort at identifying medium and long-term trends, critical junctures and scenarios for the Israel-Palestine conflict and

⁸⁰ Ibid.

⁸¹ Ibid.

the policy implications for the EU. In a second step, they should conduct a policy review to adapt EU policy priorities on both Israel and Palestine to the realities on the ground. Along this line it should also be considered imperative to engage EU institutions and personnel in the growing debate about imaginative modalities other than the two-state solution for the resolution of the long simmering Israeli-Palestinian conflict.

The two-state solution goal is far off right now, and even if it is formally maintained in want of a viable alternative objective, it can no longer be the cornerstone of a post-review policy. Instead, the focus of EU policy would likely have to tilt towards the primary goal of promoting equal rights. Former HR/VP Federica Mogherini undertook a notable attempt of policy review in 2018, which was laudable in its content-driven approach but unsuccessful because it remained EU-driven, lacking the backing of member states (content right, channel wrong, plus bad timing at a moment where no one wanted change).⁸² The lesson here is first to do the lobbying to build the necessary constituency, and then, rather than an initiative by the HR/VP, have a few member states take the initiative.

Regarding Israel, there is room for the EU to implement differentiation more thoroughly, and also to lobby Israel's main trade partners to join them in this effort.⁸³ Initiatives to exclude cooperation with Israel from bilateral relations (labelling initiative for settlement products) should be contemplated much more seriously. In line with UN Security Council Resolution 2334 (2016), external relations have to differentiate between Israeli territory and settlements.⁸⁴ The EU has implemented this to some degree but not fully,⁸⁵ although its implementation still compares favourably to other relevant international actors (e.g. the UAE signed trade agreements with settlements, contrary to UNSCR 2334). The EU should apply the provisions of UNSCR 2334 fully and coherently, and lobby with other

⁸² Ibid.

⁸³ On differentiation, see especially the points brought forward by Hugh Lovatt in 2016: "EU Differentiation and the Push for Peace in Israel-Palestine", in *ECFR Policy Briefs*, October 2016, <https://ecfr.eu/?p=3708>.

⁸⁴ UN Security Council, *Resolution 2334 (2016)*, 23 December 2016, [https://undocs.org/S/RES/2334\(2016\)](https://undocs.org/S/RES/2334(2016)).

⁸⁵ Hugh Lovatt, "Differentiation Tracker", in *ECFR Policy Briefs*, 1 October 2019, <https://ecfr.eu/?p=58786>.

governments to implement it more coherently, to show the world that not only the EU is against settlements. Hard differentiation measures, for instance excluding Israeli settlements from EU-Israel agreements, or banning settlement products from the EU market, need to be legally justified. The EU has not done the latter, because of politics.

Broadly speaking, implementation of international law and support for international bodies' efforts for accountability must be embraced, not least as a diplomatic cover some member states will welcome. Importantly, member states must stop shielding settlements against international institutions and let them do their work. The ICJ referral, which now appears inevitable, should be embraced as a window of opportunity. Additionally, the EU could start discussing the possibility of a framework for restrictive measures to individuals actively engaged in occupation and settlement activities, if only to alert decision-makers and decision-shapers in Israel that the current situation is not sustainable.⁸⁶

2.4 Improving process

In terms of EU institutional and process design and their impact on the unity, sustainability and effectiveness of EU FSP, some of the key themes include political consensus-building and decision-making; internal information and coordination; division of labour and distribution of competences; diplomatic formats and channels.

Years of debate have produced a broad backing for the notion that moving away from absolute majority to qualified majority voting in the European Council could boost the bloc's efficiency in external action. However, observers agree that the political will in European capitals to implement the treaty change necessary for such a bold change is currently absent.⁸⁷ On this assumption, the focus of debate, including on the Israeli-Palestinian dossier, has switched to finding creative formulae to circumvent EU-27 votes when consensus is unlikely.

⁸⁶ Some signs that this may be happening: "EU to Adopt Restrictive Measures against Israel for Demolition of Funded Palestinian Structures", in *Ahram Online*, 11 January 2023, <https://english.ahram.org/News/484115.aspx>.

⁸⁷ Authors' interview with EU and member state officials, November-December 2022.

This development has seen a host of different informal formats and channels come to new life, such as groups of like-minded countries on specific issues or semi-permanent ad hoc coalitions such as the Quint (comprising France, Germany, Italy, the United Kingdom and the United States). On the MEPP, there are groups of like-minded on all sides, including mixed groups. For example, the Munich format (France, Germany, Egypt and Jordan) is increasingly being used in the face of the Quartet's suspension due to the Ukraine war. While interviewees cherish the pragmatic effectiveness of pursuing certain goals via groupings of like-minded, they also fear this trend may in the long run reinforce premeditated conceptions and undermine EU unity and cohesion.⁸⁸

Like-minded formulae also play a significant role in shaping both policy positions and public statements. Behind closed doors, whenever it becomes clear that EU-27 consensus is faltering, proposals for demarches are sent around by some inviting others to join. Sometimes member states later fall in line when others take the lead, which can be because of bandwidth, or to take diplomatic cover in the initiative of a larger member state. Initiatives led by the big member states are much more likely to muster support among the EU-27.

Faltering EU consensus on the Israel-Palestinian conflict in recent years has produced very few EU-27 joint statements that displayed consensus (the last substantive conclusion by the Foreign Affairs Council on the conflict having been adopted in 2014). The EU-Israel Association Council held in October 2022, the highest intergovernmental meeting level between EU and Israel, had been blocked for ten years; the EU October 2022 statement for the Association Council was the first time in almost a decade that member states could agree on a common stance for this occasion.⁸⁹ Speed is another factor, as reactions to current affairs events need to be out fast. Therefore, Twitter diplomacy is gaining importance, as are EU Presidency and HR/VP statements (a sign of faltering EU-27 consensus or a tool of rapid reaction), neither of which require an EU-27 consensus.

⁸⁸ Authors' interview with EU officials, November-December 2022.

⁸⁹ Council of the European Union, *Relations with Israel - European Union's Position for the Association Council's 12th Meeting*, cit.



The dispersed nature of instruments across the EU's institutional structure is a further obstacle to coherent policymaking. The EU's institutional architecture puts programming in different Directorates-General (DGs), focusing on the neighbourhood (NEAR), development cooperation (DEVCO) and humanitarian aid (ECHO). For a more joined-up, sustainable and effective EUFSP, diplomacy needs both complete information and some degree of control over the different instruments. The silo nature of funding means that the EEAS lacks a full overview over all the instruments by which the EU interacts with the partners as these are all in the portfolio of other Commissioners. But despite the existing consultative coordination processes – so-called inter-service consultations – the ones in charge of the instruments retain the decisive influence on its deployment and influence.

As illustrated above, divisions between EU institutions are also sometimes leading to blockage. In the absence of a mechanism for de-blockage between EU leadership positions, this requires an active leadership intervention and executive decision from the president of the Commission. Von der Leyen did this at least once (grouping coordination mechanism led by HR/VP). The current Neighbourhood Commissioner Olivér Várhelyi echoes the pro-Israeli Hungarian agenda, while HR/VP Borrell is leaning toward the Palestinian cause, leading to bottlenecks. In a textbook inside rift, internal divisions led in 2022 to a stalling of the Commission's payments to Palestine. Commissioner Várhelyi refused to pay it out over a disagreement on antisemitic textbooks, putting the entire funding to Palestine on hold for over a year, preventing the PA from paying salaries. While von der Leyen remained neutral, the blockade was only resolved and the money released upon intervention by member states led by Ireland. The episode led to a lot of internal debates on how it is possible that internal divisions are allowed to have such an impact. Establishing an effective mechanism of de-blockage for such occasions would be helpful, indeed necessary.

In terms of internal formats working around dissent, a new internal platform has been established, 'Friends of the Peace Process', which involves the Deputy Director General level of all the Commission's DGs, VP of President of EU Council, and the Deputy HR/VP, with the objective to enhance policy coordination. Created in 2021, the group was an initiative by the EUSR, agreed upon with HR/VP Borrell and Commission President von der Leyen but, lacking a formal mandate, it remains an informal body with no decision-making power. The lack of overview of



all the EU does in and with regard to Israel and Palestine is an issue, as exchange of information is voluntary and informal, so if the Commissioner in charge is not willing there is no remedy.

Finally, the newly born European Political Community, a forum gathering political leaders from the EU and almost all other countries in Europe such as the United Kingdom, Turkey, Norway or Switzerland, could also be instrumental for the EU to share diagnoses and proposals with other European countries with strong involvement in the Middle East Peace Process and/or influence in Israel, Palestine or both. The flexible nature of the European Political Community would not only allow to join efforts with other European countries but also to bypass individual obstructionist practices by EU member states. However, this avenue, yet unexplored, could be used only exceptionally to collectively resolve concrete pressing issues by EU and non-EU European countries at the highest level.

Table 2 | Options of mitigation strategies for EUFSP in the Israeli-Palestinian conflict

Strategy	Options for mitigation of intra-EU contestations	Mitigation of regional fragmentation	Mitigation of multipolar competition
<i>Working around regional and global constraints</i>		<ul style="list-style-type: none"> • Seize on Arab state normalisation with Israel and cautious Iranian-Saudi rapprochement to renew regional support for Saudi-led Arab Peace Initiative • Pressure the UAE to face up to Israel in condemning settlements, in sync with US • Withdrawal (or threat of it) of EU aid to the PA, to foster Palestinian renewal and unity 	
<i>Navigating policy divisions</i>	<ul style="list-style-type: none"> • Ensure proper reactions (e.g. via statements) condemning Israel's settlement policy and apply measure where necessary • EU member states: be ready to recognise Palestine as sovereign state and government on the path to a two-state solution even if no all-EU consensus exists • Continue to pay lip service to the two-state-solution goal until a more feasible idea that all parties can agree upon, is formed 		
<i>Handling the politics of engagement</i>	<ul style="list-style-type: none"> • Conduct an evidence-and forecast-based policy review • Make greater use of its foresight capacities and instruments such as the EUISS and ESPAS • EU member states: stop shielding settlements against international institutions such as the ICJ 	<ul style="list-style-type: none"> • Engage EU institutions and personnel in the growing debate about imaginative modalities other than the two-state solution • Fully differentiate between Israeli territory and settlements in its dealing with Israel in line with UNSCR 2334 	
<i>Improving process</i>	<ul style="list-style-type: none"> • Establish an effective mechanism of de-blockage between EU institutions • Ensure a more rigorous overview of all the EU does in and with regard to Israel and Palestine 		<p>Make use of the newly established European Political Community to share diagnoses and proposals over Israel and Palestine with other European countries</p>

Conclusion

There is broad consensus that while the EU has some impact in supporting socio-economic development and institution-building in Palestine, its political impact has been negligible. An unfavourable regional and global environment has made the Israel-Palestine question an especially difficult – and unpopular – foreign policy dossier. The ineffectiveness of EUFSP on this dossier, or more concretely, the failure to fully exploit its limited leverage on this conflict, however, is largely its own making. The case displays the symptoms of EU deficiencies in EU internal consensus, politics and institutional set-up in a particularly harsh manner.

Mitigation strategies in this context can suggest specific measures to optimise internal communication, consensus-building and process, leverage European aid, work with international partners in a flexible portfolio of fora to circumvent international tensions, and attempt to take advantage of the momentum of regional rapprochement by re-packaging the Palestinian issue as an integral element of a larger regional security bargain. The degree to which any of these measures will come to fruition depends on resolving the larger structural problems of the EU's institutional set-up in which member states' domestic dynamics are allowed to hold the EU's whole foreign policy apparatus hostage.

Importantly, however, the Israeli-Palestinian conflict is a showcase for how – be it in policy, politics, or process – the effectiveness and sustainability of EUFSP often falls victim to the requirement of unity. This intrinsic tension between EU unity and impact in EUFSP is a key finding, with transcendence for other cases, and potentially, EUFSP at large. When unity – or more precisely, the coherence and consistency of EUFSP it is required for – is structurally incompatible with impact, this has profound implications for mitigating the constraints on EUFSP, because incompatibility means one has to prioritise either coherence or impact and decide to compromise one for the other. For the present case study, as mitigation strategies laid out have amply shown, this means that unity and coherence will often deliberately and purposefully be sacrificed in order to achieve impact - or, in turn, impact will be neglected to safeguard EU internal cohesion. The result of this tension, as the case of the Israeli-Palestinian conflict amply shows, is a dysfunctional stalemate in which policy statements and action on the ground (or lack thereof) drift ever further apart.

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