



None the wiser after consulting Statistics Netherlands?

Many of the fresh fruits and vegetables on European supermarket shelves come from Israel. However, a portion of these imports come from Israeli settlements in the Israeli-occupied Palestinian territories. These settlements are illegal and have disastrous consequences for local, Palestinian, people and economy. Human rights and international humanitarian law are being violated. Nonetheless, products from these settlements are being imported into Europe. The EU orders that if a product comes from an "Israeli settlement", that must be explicitly stated on the package or on the shelf. However, this is never done in Dutch supermarkets. SOMO has been trying to investigate the scope of imported fruit and vegetables to the Netherlands from illegal Israeli settlements.

The Netherlands is, next to France, the largest European importer of fruit and vegetables from Israel. It is known that a portion of European imports from Israel originates from Israeli settlements in the Palestinian territories¹. In 2015, the European Union clarified regulations for labelling products from these illegal settlements², based on the right of European consumers to correct, non-misleading information on the origin of products. Thus, products which come from an "Israeli settlement" must explicitly state their origin on the packaging or shelf. However, this is seldom if ever disclosed in Dutch supermarkets. Fruit and vegetables from illegal settlements are most likely simply to be labelled as "Product of Israel". SOMO has been trying to find out what quantities of fruits and vegetables are imported to the Netherlands from illegal Israeli settlements. In our search we turned

to CBS, where we hoped to get information on this flow of goods. CBS is an autonomous administrative body, but the Dutch Minister of Economic Affairs is politically responsible for legislation and its budget.

Our search led us to Statistics Netherlands [Centraal Bureau voor de Statistiek (CBS): a Dutch institution that gathers statistical information about the Netherlands], where we requested data on the import of fruit and vegetables from Israel and the importers/exporters involved. We hoped this information would give us more insight into Dutch imports of products from illegal Israeli settlements.

The CBS states that it continually receives the most recent data on customs-regulated flows of goods and provides

definitive figures on international trade in goods. The CBS states that its task is to publish reliable and cohesive statistical information, responding to the needs of society. What is more, the CBS profiles itself as a *“modern news organisation that actively feeds social debate with information”*. It sounded promising.

To find out which fruit and vegetable products are sent to the Netherlands from Israel and the Palestinian territories, we consulted StatLine, CBS' free and freely accessible electronic databank. Anyone can compile their own tables and graphs via StatLine. After extensive exploration, we were able to find some information on our subject.

Disproportionate flow of trade

The Netherlands imports considerable quantities of fruit and vegetables from Israel. But significantly less is imported from the areas under control of the Palestinian Authority. In 2016, this amounted to a modest € 157,583. That is 0.12%, just a fraction of the fresh fruit and vegetable products imported from Israel, which that year amounted to € 121,545,425. Included were bell peppers, peppers, dates, leeks and other edible alliacious varieties, certain spices, and parts of plants, seeds and fruits (used in perfumery and for medicinal purposes).

Import figures to the Netherlands in 2015 presented the same picture. Imports from Regions under Palestinian Authority comprised 1% of imports from Israel that year.

Box 1 Captive economy

A customs union operates between Israel and the territories under control of the Palestinian Authority, which was created as part of the “Paris Protocol” on economic cooperation agreed in 1994. This protocol is incorporated into the well-known “Oslo Accords” and over the years has led to an enormous flow of Israeli products into the Palestinian market. However, at the same time severe limits have been set for the export of Palestinian goods into Israel, within the occupied territories, or to other regions. This has created a stranglehold occupation economy, which has often been called a captive economy or a captive market. According to the UN organisation UNCTAD, in 2015 more than 85 per cent of Palestinian exports were absorbed by Israel. Israeli products were responsible for more than 70 per cent of the Palestinian imports.³

In 2015 too, very modest quantities of products were concerned: strawberries, sweet almonds, blueberries and cranberries, grapes, leeks and other edible alliacious varieties, tomatoes, and plants, parts of plants, seeds and fruits (for perfumery and medicinal purposes).

This disproportionate ratio is the direct result of the Israeli occupation and cutting off of the areas under the Palestinian Authority.

The limits of StatLine

But we quickly reached the limit of what we could get from StatLine on our own. StatLine offered no insight into the import of fresh fruit and vegetables from Israeli-occupied territories to the Netherlands.

Therefore, in February 2017, SOMO tried to contact CBS' *“Statistics & International Trade in Goods”* department to ask for detailed information on the import and transit via the Netherlands of fruit and vegetable products from Israel and the Israeli-occupied territories. After many emails back and forth, in which the CBS repeatedly emphasised the limitations that apply to information which it is permitted to provide, in July 2017, SOMO submitted a formal request to provide information.

Formal request for information provision

We wanted to know the figures on imports to the Netherlands of all fresh fruit and vegetable products, such as potatoes, vegetables, fruit, herbs and spices, which are sourced from Israel and the territories that have been occupied by Israel since 1967, including the Gaza Strip, the Golan Heights and the West Bank including East Jerusalem. SOMO based this geographic description on European Commission guidelines⁴.

We asked the CBS for information on the period from 2012 to 2016, divided up by month. We requested searchable Excel documents, with data divided into the most specific level of detail available, including product category, product name, HS code, volumes, values, export location, import location and available information on exporters, transporters and importers. We added that if the CBS could not provide company names, information on the nationality and registered company location of the market parties involved would be an acceptable alternative.

In early September, we received the “definitive figures” on the import of the requested goods for 2016 from the CBS with lists⁵ of imported fruit and vegetable products. We received data concerning import of products to the Netherlands from Israel and from the territories under Palestinian Authority.

Table 1
Value of imports of goods from Israel and Territories under Palestinian Authority

	Israël	"Territories under Palestinian Authority"	Together
2016	€ 121,387,842	€ 157,583	€ 121,545,425
2015	€ 127,207,012	€ 133,378	€ 127,340,390
2014	€ 126,441,132	€ 414,354	€ 126,855,486
2013	€ 136,895,083	€ 718,561	€ 137,613,644
2012	€ 176,458,923	€ 736,367	€ 177,195,290
Totals	€ 688,389,992	€ 2,160,243	€ 690,550,235

These figures show that fruit and vegetable imports from these countries to the Netherlands have decreased sharply in value over a five-year period, a decline of more than 30%. This reduction is mainly due to the decreased import of potatoes and vegetables. Moreover, the decline appears to be continuing: in 2017 fruit and vegetable imports from Israel to the Netherlands has totalled €103 million up to now, according to the RVO [*Netherlands Enterprise Agency*]⁶, based on figures from the CBS.

Table 2
The top 10 most imported fresh fruit and vegetable products to the Netherlands in 2016, combined from both areas

2016	Waarde
1 Potatoes (including new potatoes)	€ 18,391,493
2 Avocados	€ 18,255,577
3 Dates	€ 13,358,213
4 Citrus fruit (all categories)	€ 13,347,285
5 Carrots and turnips	€ 9,316,808
6 Sweet bell peppers (non-sharp)	€ 7,477,599
7 Guavas, mangoes and mangosteens	€ 4,982,754
8 Fruit, fit for human consumption (this is a residual category)	€ 2,948,336
9 Sweet potatoes/yams	€ 1,300,465
10 Onions	€ 334,349

Imports to the Netherlands in 2016 were concentrated in the first months of the year. These peaks corresponded to the local harvest season in the export region. March 2016 was a peak month, mainly due to the import of peppers and avocados.

Missing information

Although the figures provided a good picture of the scope and development of trade with Israel and the territories under control of the Palestinian Authority, many details were still missing – particularly information on the exact

origin of products, so we still could not tell whether the products originated from Israeli-occupied territories in Palestine. Even after further enquiries and reformulation of our question, nearly to the point of nagging, it appeared that the CBS was unable to provide much of the information we requested.

No import or export locations

SOMO had requested information on the locations where the goods were shipped from (seaports or airports)* and how the goods were imported to the Netherlands (via seaport or airport). The CBS reported that export and import locations "are not standard variables" and could not provide this information.

No information on exporters, importers, transporters or importing parties

The worst deficiency was the lack of information about exporters, importers, transporters or importing parties. The CBS provided neither company names, nor any information about nationality or registered company locations. SOMO then requested anonymised or aggregate information, but the CBS remained firm, stating that it was not possible to provide "addresses or location information or any other company data". The CBS referred to their own regulations. Although the CBS does receive company information, it is "purely for statistical purposes and the CBS cannot make this public", stated the CBS in an email to SOMO.

The CBS Code of Conduct states: "CBS undertakes to protect the identity of its data suppliers (persons, companies, government services and other respondents) and the confidentiality of the information they supply, and also to use the information for statistical purposes only. The Act on CBS stipulates that CBS may only use the information it receives for statistical purposes. Information may only be made public in a way that no individual person, household, company or institution can be identified."

It is admirable that the CBS complies with the Dutch Data Protection Act, but SOMO believes that the CBS is taking it too far. Information on the nationality or the company's business location and any other information which cannot be traced back to a specific company should have been provided.

The CBS argued that anonymised or aggregate data at the company level cannot be provided either, "due to the limited data on various types of goods". SOMO continued its enquiries: what types of goods was the CBS referring to? How does the CBS determine the accuracy/completeness of the data? Are there types of goods for which the data are accurate/complete? Would it be possible to provide anonymised data at the company level for those types of

* If the shipping location of a product was known, it would be easier to determine the origin of the product.

goods? But unfortunately, these questions remained unanswered.

No transit data

The CBS provided us only with import data; data on transit of goods could not be supplied. The CBS was unable to provide information on the transit of fruit and vegetables from the region named to other European countries.

No reason for this was given.

In general, the CBS does have data on transit and re-export, and presents this on its own website⁷. The Netherlands is a global player in fruits and vegetables, and exports fresh fruit and vegetables to 150 countries all over the world. More than 70 per cent of imported fruit and more than 80 per cent of imported vegetables are re-exported⁸. The Port of Rotterdam and Schiphol Airport are major transit ports for fruit and vegetables to the outlying areas of Europe, mainly to Germany. Re-export data is of great importance in determining which fruits and vegetables from Israel and Palestine and the Israeli-occupied territories are on the shelves of European supermarkets. Unfortunately, the CBS was not helpful in providing this data.

Secret data

While reviewing the Excel sheets, we noticed that the quantities and values of certain shipments in 2015 and in 2013 were not listed. Instead, the word "SECRET" was listed in those fields. The shipments involved shelled groundnuts, sunflower seeds for planting in 2015, and nectarines and persimmons in 2013, with the country and origin listed as Israel. These "secret" fields appeared randomly throughout the data provided by the CBS.

We asked the CBS for the missing data. After all, the quantities and values must be known; otherwise Customs could not have determined the proper import duties. But we received no satisfactory answer: the CBS *"naturally tries to create the same level of confidentiality throughout the years so that users can compile stable series of figures. But, given the complexity of confidentiality, that is unfortunately not always possible."*

Country definitions

SOMO wanted to know why the CBS does not apply the European guideline on reporting the origin of goods that are sourced from the territories occupied by Israel since June 1967.

In the Excel sheets that SOMO received from the CBS, the designation "Israel" and/or "Territories under Palestinian Authority" is listed for the "country description" column. There is no category listed as "Territories occupied by Israel

Box 2 EU guideline (2015/C 375/05)

Interpretative Notice on indication of origin of goods from the territories occupied by Israel since 1967 (2015/C 375/05) from the EU⁹. Article 1 van de Interpretative notice states: (1) The European Union, in line with international law, does not recognise Israel's sovereignty over the territories occupied by Israel since June 1967, namely the Golan Heights, the Gaza Strip and the West Bank, including East Jerusalem, and does not consider them to be part of Israel's territory, irrespective of their legal status under domestic Israeli law¹⁰.

since 1967". This is the standard definition used by the European Commission as well as by the Dutch government in regulations that concern the region. It is used to mean the occupied Palestinian territories (the Gaza Strip and the West Bank, including East Jerusalem) and the Syrian-occupied Golan Heights. Why does the CBS not make that distinction? Furthermore, the settlements in the Palestinian territories and in the Golan Heights also remain unnamed within the assigned categories "Israel" and "Territories under Palestinian Authority".

When asked, the CBS explained that the country designation "IL" in StatLine is described as "Israel". The country "PS" is described as "Territories under Palestinian Authority, and that includes the West Bank (with the inclusion of East Jerusalem) and the Gaza Strip". But, stated SOMO, Israeli settlements in the Golan Heights and the West Bank (with the inclusion of East Jerusalem) are not Israeli territory. Which country code(s) does the CBS use for products sourced from these areas? Does the CBS have traceable data on the origin of products (from the product categories such as those requested by SOMO) from settlements in the Golan Heights and the West Bank (with the inclusion of East Jerusalem)? When asked, the CBS explained that the parties responsible for providing information are not required to distinguish between these territories/countries. The CBS cannot classify the data into these areas. The CBS only has "totals" for the "country PS". Thus, the CBS does not distinguish between imports to the Netherlands from Israel and imports from the illegal settlements.

What's next?

Customs data was used for the statistics on international trade in goods. According to the CBS, Customs did not further break down this data either.

However, the import of goods from Israeli settlements in the occupied territories to the European Union is not eligible for a preferential tariff. Therefore, the postal code and place where the products were obtained must appear on all certificates of origin (invoice declarations) concerned. If the certificate and/or the declaration of origin list a postal code and location that appears on the European Union's list of Israeli settlements in the occupied territories¹¹, then these goods are not eligible for tariff preference. Thus, importers definitely must supply data on the exact origin of products to Customs, and this data is known to Customs. In our search for the origin of fruit and vegetables from the occupied territories, SOMO also wrote to Customs. What happened then is revealed in SOMO's search "From the Dutch customs authorities to the courts".

Box 3 Tariff preference

Based on the EU-Israel Association Agreement, products from Israel that are sold on the European market are eligible for tax advantages. However, this does not apply to any products imported from Israeli settlements labelled "Israel".

References

- 1 Who Profits website, Research report "Made in Israel. Agricultural Exports from Occupied Territories", April 2014, https://www.whoprofits.org/sites/default/files/made_in_israel_web_final.pdf.
- 2 European Union website, Interpretative Notice on indication of origin of goods from the territories occupied by Israel since June 1967 12-11-2015, [http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112\(01\)&from=NL](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112(01)&from=NL)
- 3 UNCTAD website, Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the Occupied Palestinian Territory, 01-09-2016, http://unctad.org/en/PublicationsLibrary/app2016d1_en.pdf
- 4 Eurolex website, Interpretative Notice on indication of origin of goods from the territories occupied by Israel since June 1967. [http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112\(01\)&from=NL](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112(01)&from=NL)
- 5 CBS website, Products fall under chapters 07, 08, 09, 10 and 12, and code for goods 21039090, as described in codes for goods in chapters 07, 08, 09, 10, 12 and the code for goods 21039090. The CBS uses the prescribed EU Combined Nomenclature (CN), also known as the International trade in goods name list (Goederennaamlijst Internationale Handel) <https://www.cbs.nl/en-gb/deelnemers%20enquetes/overzicht/bedrijven/onderzoek/lopend/international-trade-in-goods/idep-code-lists>
- 6 RVO website [Netherlands Enterprise Agency], Handel en economie Israel [Israel trade and economy: in Dutch only], <https://www.rvo.nl/onderwerpen/internationaal-ondernemen/landenoverzicht/isra%C3%ABl/handel-en-economie>, 19-12-2017.
- 7 CBS website, Half of all inbound goods destined for other countries, 01-13-2017, <https://www.cbs.nl/en-gb/background/2016/49/half-of-all-inbound-goods-destined-for-other-countries>.
- 8 Groente en fruit huis website [Fresh Produce Centre], Groenten en Fruit. Gezond voor de Nederlandse economie en samenleving [Fruit and vegetables. Healthy for the Dutch economy and society: in Dutch], 26-03-2015, <https://www.groentenfruihuis.nl/docs/default-source/standaard-bibliotheek/groenten-en-fruit---gezond-voor-de-nl-economie-en-samenleving.pdf?sfvrsn=0>.
- 9 Eurolex website, Interpretative Notice on indication of origin of goods from the territories occupied by Israel since June 1967, [http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112\(01\)&from=NL](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112(01)&from=NL), 19-12-2017.
- 10 Eurolex website, [http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112\(01\)&from=NL](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015XC1112(01)&from=NL)
- 11 European Commission website, EU-Israel Technical Arrangement, https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/euisrael-technicalarrangement_en, 19-12-2017.



Stichting Onderzoek Multinationale Ondernemingen
Centre for Research on Multinational Corporations

Sarphatistraat 30
1018 GL Amsterdam
The Netherlands
T: +31 (0)20 639 12 91
info@somo.nl
www.somo.nl

Colophon

SOMO's search for fruit and vegetables from the occupied Palestinian territories: Did we learn anything from Statistics Netherlands?

Author **Pauline Overeem**

With contributions from

Lydia de Leeuw en Sanne van der Wal

Editor **Meike Skolnik**

Layout **Frans Schupp**

ISBN **978-94-6207-128-5**



This article has been made possible through a financial contribution from the European Union. The content of this publication is the full responsibility of SOMO and in no way reflects the positions of the European Union.