



By: TA | AP Insight

EU lays out new tariffs and sanctions on Israel over war in Gaza



The European Union laid out its toughest plan yet to pressure Israel to end the war in Gaza as Palestinians **fled** en masse from Israeli tanks, drones and troops pushing deeper into the coastal enclave ravaged by 23 months of war.

Kaja Kallas, the EU's foreign policy chief, urged the 27 member nations to increase tariffs on some Israeli goods and impose sanctions on Israeli settlers, and two **members** of Prime Minister Benjamin Netanyahu's Cabinet – National Security Minister Itamar Ben-Gvir and Finance Minister Bezalel Smotrich. She also proposed sanctioning 10 Hamas leaders.

"We are proposing these measures not to punish Israel or Israel people, but to really try to pressure (the) Israeli government to change course and to end the human suffering in Gaza," Kallas said at a press conference in Brussels. "The war needs to end, the suffering must stop, and all hostages must be released."

The sanctions would freeze any of the individuals' European assets and ban travel within the EU.

The EU is Israel's largest trading partner, so the tariffs could have far-reaching effects on Israel's economy, which is already rattled by the **cost** of a long war.

Roughly 32 million euros (\$37.5 million) in bilateral funds controlled by the European Commission would be immediately suspended. The commission also gives support to the Palestinian Authority.

Israel denies there is starvation in Gaza and says it allows in enough humanitarian aid.

The proposed sanctions reflect worsening relations between Europe and Israel. Last week, European Commission President Ursula von der Leyen broke with her strong pro-Israel **stance** to call for European pressure on Israel over its military campaign in Gaza.

Israeli Foreign Minister Gideon Saar sent a strongly worded letter to von der Leyen accusing her of empowering a terrorist organization and vowing that Israel will buck

the European campaign.

"Pressure through sanctions will not work. The State of Israel is a proud sovereign nation, and we will not be bent through threats while Israel's security is at stake," he wrote in the letter.

EU members divided over Israel

The 27-nation EU has been **split** over the past 23 months of war in the Gaza Strip. It's unclear whether a majority will agree to endorse the sanctions and trade measures.

The bloodshed in Gaza has prompted protests in multiple European cities, from Amsterdam to Barcelona, and fueled criticism of Brussels' bureaucracy and its perceived inability to meaningfully pressure Israel to halt military operations and let in more humanitarian aid.



The proposed partial suspension is a carefully considered response to an increasingly urgent situation - Maroš Šefčovič

The death count in Gaza on Wednesday **surpassed** 65,000 Palestinians since the war began Oct. 7, 2023, with a Hamas-led attack on Israel, according to health officials in the enclave.

"The proposed partial suspension is a carefully considered response to an increasingly urgent situation," said Maroš Šefčovič, the European Commission trade representative.

What's in the proposal

If enough EU nations agree, tariffs amounting to about 230 million euros (\$166 million) will be slapped on the 37% of the 15.9 billion euros total of Israeli goods imported to the EU, Šefčovič said. The EU currently levies no tariffs on that set of Israeli goods due to an Association Agreement.

A review by the EU diplomatic corps **found** in June that Israel had violated the human rights component of that agreement, called Article 2. European critics of Israel have called on the entire trade deal to be suspended over the war in Gaza.

Israel's military campaign in Gaza and also increasingly violent settlement activity in the West Bank had given "new momentum" to the sanctions

But for now, the commission is proposing to revoke the zero-tariff preference for a select amount of imported Israeli goods and instead fall back on World Trade Organization tariffs, which vary from 8% to 40% on individual goods.

The proposal followed the announcement last week by von der Leyen that she will seek sanctions and a partial trade suspension against Israel over its military campaign in Gaza.

European officials speaking on background said that Israel's military campaign in Gaza and also increasingly violent settlement activity in the West Bank spearheaded by Ben-Gvir and Smotrich had given "new momentum" to the sanctions.

But they said that Israeli arms exports to the EU will remain unaffected under the proposal.