



Note on the Occupied Territories Bill - June 2026

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ICJ: international law requires a full ban, goods and services

- **ICJ:** The basis for the Government's shift to support the OTB was the historic [ICJ Advisory Opinion](#) issued in July 2024. The top court in the UN system was unequivocal that the occupation is illegal, the settlements built on Palestinian land are illegal, and crucially that because of this all countries are obliged to end trade and economic support for them. The ICJ found (para 278) that "*all states are under an obligation to [...] abstain from entering into economic or trade dealings*" and "*prevent trade or investment relations*" with the settlements.
- **All trade must end:** As some of the world's most eminent [legal experts told the Dáil Foreign Affairs Committee](#), the ICJ and international law make no distinction between trade in goods and trade in services. A euro flowing to the settlements from trade in physical products provides the same support & recognition as a euro flowing from trade in services. The court was clear that it all must end.
- **Goods only = inconsistent with int law:** A ban on trade in goods alone is does not meet our obligations under int. law and the Irish Govt have recognised this. During the FA Ctte PLS hearings, DFA legal advisors accepted that a ban on goods alone would be "partially compliant" and move us "towards compliance" with IL. In formal [analysis of the Bill](#) published June 2026, the Irish government states that "*considering the Advisory Opinion in the wider context of international law... the only reasonable reading of the ICJ Opinion is that a complete prohibition on trade with Israeli settlements is required.*"

Most trade is in services

- **Most valuable:** Services matters not only for compliance with international law, but also because it's where the money is. As a modern, open economy, about 70% of Ireland's trade with the wider world is in services, just 30% in goods. The same is true of Ireland's trade with Israel. While the CSO has not published data on services trade with the illegal settlements specifically, the direction of travel is clear and tallies with other research. Physical goods like dates and olives are only a fraction of the economic relationship.
- **Research shows services matter:** [Research](#) from Christian Aid, Oxfam and 80+ other organisations showed how high profile companies are enabling and profiting from the settlements, and how services such as shipping, tourism and finance are key to this. These services help to sustain the settlements. We cannot deliberately exempt this crucial part of the settlement economy and let those companies off the hook.

Services not implementable? Spain have done it

- **Spanish law:** The Government's argument that restricting trade in services is "not implementable" is deeply misleading. In October 2025, Spain passed its own OTB (law [here](#), announcement [here](#)) which banned trade in goods, but also the advertisement of certain services. What matters is not the exact wording, but the effect: it has forced service-based companies to stop providing support to the settlements. For the purposes of EU law it is a 'measure having equivalent effect' (MEQR), a de facto barrier on this trade.
- **Being implemented:** In December the [Spanish authorities](#) wrote to 7 online tourism platforms ordering them to remove 100s of ads for tourism accom in illegal Israeli settlements. As of today, 6/7 of those companies have complied, and 108/138 listings have been removed. ([link](#)) That is a revenue stream to illegal settlements that has been shut off from Madrid – and it should be shut off from Dublin too. The Irish Government is effectively proposing to let similar companies based here, like Airbnb, off the hook. More info on Airbnb below.
- **EU law:** The Spanish legislation is not perfect, but it goes further than Ireland. From October to December 2025, they moved in a matter of weeks on something we have been debating for 8 years. If Spain, subject to the exact same EU law restrictions, can include services, why can't we? As the Irish Government [has noted](#), the EU has not challenged Spain's services provisions: *"Spain has already enacted a ban. To date, the EU has not indicated that it intends to initiate infringement proceedings against any of these Member States before the Court of Justice of the European Union."*

Services not implementable? We did it with Russia

- **This is not new:** In 2014 when Russia occupied Ukrainian territory, within months Ireland and the entire EU rightly took action. We saw a ban on the import of goods, but *also* investment and the provision of certain services in those territories (full timeline below). That ban has been in place for over a decade. All we ask is that companies comply with that same standard again.
- **IBEC told the Dáil FA Ctte** that it was difficult to track services, but later [accepted](#) that its members had complied with the ban on services regarding Russia. Taoiseach Micheál Martin [has said](#) that because services are "intangible", banning trade in them is "impossible to implement". If Irish businesses can be required by law to stop providing services to the Russian companies tearing up Ukraine, why can't they be asked to do likewise with the Israeli companies and organisations tearing apart the West Bank?

EU law: goods & services doable, with political will

- **The 'public policy' exemption:** Under EU law, trade rules are generally set in Brussels collectively, but national-level restrictions are permissible where they can be justified "*on grounds of public morality, public policy or public security, and the protection of the health and life of humans*". (Articles 36, 45, 62, 63-65 TFEU). This is what Senator Black has argued since 2018, in published detailed

legal opinions. In 2024 Government finally accepted that this offers a ‘narrow pathway’ to ban trade with settlements at the national level.

- **EU law experts – can include goods & services:** Some of the world’s most eminent legal experts have made clear, [in the Dáil FA Ctte](#) last year, and in several detailed legal opinions published in 2018, [2024](#) and [2025](#), that the public policy exemption in EU law applies to both goods and services. There is no clear reason we cannot ban both.
 - This includes two of the world’s leading experts, Professors [Panos Koutrakos](#) and [Takis Tridimas](#), who in those opinions and before the Ctte stated that: *“Public policy provides a derogation not only from the free movement of goods, but also... the freedom to provide services. For the reasons explained above in relation to the prohibitions on settlement goods... the prohibitions on settlement services, to the extent that they fall within the scope of EU law, are also justified by reasons of public policy. I see no objective reasons why services may here be differentiated from goods.”* [...]: *“We take the view that a ban such as that provided for in the Bill, and which could be extended to services, would be justified on grounds of public policy.”*
 - **Professor Graham Butler:** Disagreed with the Bill & a ban in general, but [agreed that](#) if the public policy exemption justifies a ban on goods, then it would also cover services: *“I am in total agreement with what Professor Koutrakos said about the existence of the [public policy] exception even if it is not explicit for services in the same way as it is for goods.”*
 - **Blinne Ní Ghrálaigh KC:** *“There is [no basis in international law](#) for differentiating between trade in goods and trade in services in the manner proposed, and no international law justification for legislating for less than full compliance by Ireland with an international obligation articulated by the ICJ. On the contrary, provision in a revised Bill for the prohibition of trade in services with Israeli settlements and with Israeli firms profiting from them, and provision for the prevention of investment relations that assist in maintaining the illegal situations created by Israel, is the minimum required for compliance by Ireland with its international obligations.”*
 - **400+ of Ireland’s most prominent lawyers:** *“Successive Irish governments have delayed and prevaricated on what is known as the Occupied Territories Bill. We do not consider there to be any insurmountable legal obstacles, in either Irish, European or international law, preventing the adoption of legislation prohibiting the import of goods and services produced in the unlawful Israeli settlements in the West Bank. We consider this is the absolute minimum required from the State to comply with its international legal obligations and the holdings of the International Court of Justice. Anything less would be an abrogation of*

Ireland's long-standing commitment to international law and human rights." ([link](#))

- **IHREC:** Excluding services “*has no legal basis*”. “*If Ireland is to give real meaning to its commitment to international law and human rights, the Bill must include services as well as goods. This is a moment for courage and principled leadership.*” ([statement](#))
- **Political will matters – like Spain:** the Irish Government has argued that there is an EU law barrier to banning services, but [also notes](#) that EU has raised no issue with Spain's services ban. This is important. There is legal uncertainty no matter what path is taken here - a ban on goods alone, or services too – and EU law is not supposed to have an unreasonable chilling effect on policymaking in contested areas of law. What matters is political will. Is the Irish Government willing to do as Spain has done, include services, and then argue the case before the EU courts if needs be? There is no reason to lower ambition now, before even being willing to test the legal question – especially given the weight of expertise saying we *can* do this, as well as the Spanish precedent.

International law > EU law

- As the above EU law experts [set out](#), the EU courts have made clear that EU law must be interpreted in a manner that enables individual Member States like Ireland to meet their own obligations under international law – including banning all trade with settlements.
- **Professor Koutrakos:** “*There is settled case law which tells us that even in areas where international law does not directly bind the European Union, the EU should try its best to interpret its law in a manner that is consistent with the international obligations of member states. The European Court of Justice does this because it does not want the supremacy of EU law to put member states in an impossible position where they would have to choose between complying with EU law or complying with international law. The objective to avoid, so far as possible, interpreting EU law in a manner that makes it impossible for the Member States to fulfil their international law commitments.*” ([link](#))

FA Ctte support

- **July 2025, Foreign Affairs Committee:** concluded pre-legislative scrutiny of the Government version of the OTB. After weeks of hearing from legal experts, NGOs, business groups and others, their [unanimous conclusion](#) was to “*strongly recommend progressing the Bill and that the prohibition of imports should be extended to include trade in services, in line with the Advisory Opinion of the ICJ and the [Resolution](#) which Ireland co-sponsored at the UN General Assembly.*”

Services example - Airbnb

- **Goods in, services out:** For goods, the primary direction of travel is *imports* – like fruit and vegetables picked in illegal settlements, shipped and sold into Ireland and across the EU. But when we talk about services, the primary direction is *exports* – large companies based in Ireland and the EU providing services to the settlements to help them function.
- **Airbnb settlement listings:** This includes Airbnb, who continue to facilitate the rental of stolen Palestinian homes in the West Bank. See research from [Human Rights Watch](#), the [Guardian](#), as well as a recent legal challenge lodged against this by award-winning Palestinian Human Rights organisation [AlHaq](#) and the Global Legal Action Network (GLAN) [here](#). This is direct economic support for something the Irish Government, EU and UN insist is totally illegal. Airbnb themselves have already recognised that the settlements could “[contribute to human suffering](#)”, but reneged on a plans to delist the properties. Companies will only take these obligations seriously with proper regulation.
- **Only a fraction of their business:** Is it too onerous a demand for those companies, some of the biggest and most profitable in the world, that they don't support the occupation? No. If we look at the data, on any given day, Airbnb have over 8 million holiday rentals available worldwide. Only about 250-300 are in illegal Israeli settlements. We are talking about a fraction of their business, so small it would barely even register on a balance sheet. But it matters hugely to Palestinians whose homes have been stolen, and the settlers who profit from the rentals.
- **Legal challenge shows risk of not acting:** The [legal challenge](#) to Airbnb in the Irish courts shows that there is also a risk for these companies for being involved in the settlements. They could face criminal prosecution for their role.
- **Many EU companies involved:** The Oxfam, Christian Aid and 80+ organisations' [research referenced above](#) shows how major companies trading in services include Spanish company eDreams Odigeo, one of the biggest travel companies in the world, which has been documented as offering hotels and accommodation in illegal Israeli settlements, as well as the German travel conglomerate TUI, which offers holiday tours. Foreign banks BNP Paribas, HSBC and Barclays also continue to finance illegal settlement trade through loans and financial support. Danish shipping company Maersk provides shipment services regarding the settlements.

US Law and penalties

- In the US, there are laws adopted at both federal and state levels that seek to penalise companies participating in foreign 'boycotts' of Israel.
- **Not a boycott:** But as Taoiseach Micheal Martin himself said before the 2024 general election, this is not a boycott, nor a boycott of Israel. Why? Because the illegal settlements are *not* Israel, they are built on occupied Palestinian territory. The Israeli government is trying to cynically and unlawfully collapse that distinction, and that is precisely why this legislation is needed. It is up to EU countries to refuse to accept Israel's further theft of Palestinian land.

- **Taoiseach Micheál Martin, speaking before the 2024 general election to The Journal:** *“The US Embassy did communicate [on the OTB]. Their concern is the boycott divestment movement in the United States, which essentially says to any American company, if you participate in any such activity, you will be penalized in the US. That American companies located in Ireland could be inadvertently caught up in this legislation and could be damaged as a result. But I was aware of that, that's not a new concern. That's been there a long time. The US Embassy communicated that five or six years ago, and that's been a standard position. Our position is that it relates to the occupied territory, not to Israel. And that might be a point of difference in the US, but we have a very clear view of it here.”*
- **Spain has not had this response:** Spain has already passed laws banning trade with the illegal settlements, both goods and services. It has not been added to a Boycott list, and US companies continue to operate there. The US remains one of Spain's most significant trading partners.
- **Penalties:** Human rights organisations, civil liberties groups and legal experts in the US have argued that, on balance, a ban of this nature would *not* violate federal Anti-Boycott laws, because it is focused on the settlements and not Israel. At state level the relevant laws differ, but penalties include suspending a company from tendering for state-level contracts or receiving state investment. These penalties should not be overstated. These laws are also being actively challenged. When states including Arizona, Kansas and Texas sought to apply them, they were blocked by the courts. There is an active fight in the US to insist that the settlements are *not* Israel, which should be supported.
- **Calm, sober analysis from The Hill, the biggest publication in Washington DC:** Threatening letters sent to the Irish Government were signed by 3-4% of the US Congress. Many countries that have far stronger stances on Israel, including the Qatar & Saudi Arabia, maintain robust trade with the US. “I think the fears are being rather overplayed”. [Listen here](#).
- **Removing services irrelevant re US law:** The position of the extreme voices in the US is that any bill at all is enough to trigger the US anti-BDS laws. As a source [told the Irish Times](#), *“from the US point of view there is no difference seen between boycotting just goods, versus both goods and services, either politically or legally.”* Removing services would dilute the legislation without appeasing those extreme voices.
- **Modest measure:** In reality this is a modest measure, the bare minimum under international law. The majority of companies, American or otherwise, are not doing significant trade with the illegal Israeli settlements for the same reason that they are not trading with occupied Ukraine. The standard we are setting is modest: that a small number of companies will no longer be able to trade with, and profit from, war crimes. And while that impact here is small, the political significance is much greater because of the domino effect we are already seeing across Europe. That is why Israel has opposed it so strongly, and we have to hold our nerve.
- **A war crimes exemption for US companies?** As the Irish Government has recognised, the settlements are illegal. They violate the 4th Geneva Convention and constitute war crimes under the Rome Statute of the ICC. We are required

under international law to ban trade with them, are moving legislation to do that... but first we might check to see if any US companies are involved in those war crimes, so that they might be exempted. That would be a shocking precedent. An effective war crimes exemption for US companies goes far beyond any reasonable FDI policy.

Growing EU support

- **EU momentum:** There is real momentum at EU level now. Several countries, including Ireland, Spain, Belgium, Slovenia and the Netherlands are moving or have passed national legislation to ban trade with illegal Israeli settlements. Finland, Luxembourg, Poland, Portugal, Sweden, Italy and (significantly) [France](#) have all recently shifted position and called for or supported an EU-wide ban. With 12+ EU MS speaking out, and likely more in Council, we could be very close to the qualified majority vote (QMV) needed to get an EU-wide ban passed.
 - **9 EU MS back a ban:** In June 2025, 9 EU Member States formally wrote to the European Commission and urged a full, EU-wide ban on all trade with the settlements, including both goods and services. [Coverage here](#).
 - **EU acceptance:** In July 2025, EU Foreign Policy Chief Kaja Kallas presented an ‘options paper’ for potential actions, which recognised for the first time that individual or groups of EU member states may introduce bans at the national level. Ireland pushing the OTB was crucial in opening this door. [Coverage here](#).
- **Leadership now means including services:** the way to build momentum at EU level is by taking action. Ireland has helped to open the door on this issue, but Spain has walked through it, including services. We should do this right, join them, and help set a new EU standard that’s consistent with the ICJ and international law – not set the bar too low at goods only. That other EU Member States are following Ireland shows the clear potential for leadership, but also the significant downside risk of setting the bar too low here, focusing only on goods – we will help to create a new EU norm that is out of line with int. law.

What did the ICJ say?

In its Advisory Opinion issued in July 2024, the ICJ held (paragraph 278) that:

“All states are under an obligation...” to:

1. *“Abstain from entering into economic or trade dealings with Israel concerning the Occupied Palestinian territory or parts thereof which may entrench its unlawful presence”;* and
2. *“To take steps to prevent trade or investment relations that assist in the maintenance of the illegal situation created by Israel in the OPT”.*

Timeline on ban on trade with Russian-occupied territory

23 June 2014: Ban on import of goods

- [Council Decision 2014/386/CFSP](#) + [Council Regulation \(EU\) 692/2014](#) concerning restrictive measures in response to the illegal annexation of Crimea and Sevastopol

30 July 2014: Extension – ban on some exports and investments

- Ban on export of equipment and technology for infrastructure projects (transport, telecom, energy) and for exploitation of natural resources (oil, gas, minerals)
- Ban on loans and investment in these two sectors
- [Council Decision 2014/507/CFSP](#) + [Council Regulation \(EU\) 825/2014](#)

18 December 2014: Extension – ban on investment and services for infrastructure and tourism

- Ban on all investment
- Ban on export of goods and technology for transport, telecom, energy, natural resources – specification
- Ban on provision of services related to infrastructure and tourism (incl. cruise ships)
- [Council Decision 2014/933/CFSP](#) + [Council Regulation \(EU\) 1351/2014](#)

Final consolidated versions – goods & services

- [Council Decision 2014/386/CFSP](#) + [Council Regulation \(EU\) 692/2014](#)
- NB the above was then extended to other occupied areas of Ukraine. Donetsk and Luhansk (February 2022) and Kherson & Zaporizhzhia (October 2022)

Reflection in Irish law:

- NB, the above provisions are reflected in Irish law.
- Because they are the result of European Council decisions, they were not passed into Irish law by way of primary legislation, but simply actioned by the Minister by way of a Statutory Instrument – Govt had the power to do this without moving full legislation through the Oireachtas.
- Nonetheless the effect is the same, and the ban took effect in Irish law. The relevant Statutory Instrument (SI) is here:
https://www.irishstatutebook.ie/eli/2024/si/17/made/en/print?q=restrictive+measures&search_type=all&button=Search