

## Has Europe Changed Its Stance on Israel... or Just Its Language?



Two years of the operation “Al-Aqsa Flood” have ensured many changes, and have forced other matters into a moment of genuine confrontation. One such issue that had been frozen was the relationship between Israel and the European Union, and the Union’s stance on recognizing a Palestinian state.

In the face of many optimistic interpretations inclined to magnify European recognition of a Palestinian state as proof of a confrontation or clash between the EU and Israel or a rearrangement of Brussels’ alignments in the Middle East we need to revisit certain milestones in the history of those relations, to see where that “new” element fits in the relationship between them, and how it might affect the future of the Palestinian cause.

We also need to explore another domain of Israel’s place in Europe after two years of war, which has not been widely addressed: in light of Israel’s deteriorating relations with some EU member states, has its relationship with other states deepened? In other words: are Israel’s relations in Europe improving, or collapsing?

The West Bank: Cornerstone

The partnership agreement between Israel and the European Union serves as the legal basis for trade relations and joint scientific programmes between the Israeli entity and EU countries, and that agreement entered into force in June 2000. In 2004, a clause was introduced forbidding products originating from Israeli settlements in the territories occupied in 1967 from receiving preferential customs treatment but that did not constitute any real future barrier, as we will see.

According to EU figures, the agreement represents a lifeline for Israel, since the EU is Israel's largest trade partner (in 2024), representing 32% of Israel's total goods trade. Imports into Israel from the EU in that same year accounted for 34%.

Since 2012, the EU's position toward Israeli settlements in the West Bank has become more assertive, reflected in both rhetoric and policy, with settlements viewed as the principal obstacle to Middle East peace and as raising doubts about Israel's commitment to a negotiated peaceful settlement. Because of the settlement issue in the West Bank, it has become the cornerstone of the tensions between Israel and the EU. But another viewpoint must be presented.

The complex partnership between Israel and the EU predates far the events of October 7. Writer Antony Loewenstein explains in his book *The Palestine Laboratory* (published May 2023) that since 2015 the EU has been investing billions of dollars in a programme to develop new weapons and technologies for member states and others, to compete with Israeli, American and Chinese military capabilities. The ultimate aim of all this is to end dependence on Israeli and American drones, and to develop an indigenous European drone fleet.

Within this framework, European states approved in late 2020 the establishment of a "European Peace Facility," aimed at boosting Europe's defence capacity. Israeli equipment is central, though not exclusive, to Europe's vision of its military and security future. Despite the stated aim of reducing dependence on Israel, the EU's Horizon Europe programme allowed Israel to join the research and innovation pathway for seven years, with a budget of €95.5 billion.

Loewenstein offers an example of the ambivalent relationship between the EU and Israel: the EU which has not officially recognised the illegal Israeli settlements in the West Bank does not allow any funds that Israel obtains in the occupied territories.

Yet, according to the research centre at the European Council on Foreign Relations, since 2013 the EU and its member states have done almost nothing; the EU simply added a clause in any new contract with Israel confirming the exclusion of the settlements.

Instead, most European bilateral agreements with Israel benefit Israeli settlements and their companies and citizens, including social security provisions, tax arrangements, and flourishing cooperation in research and development. According to the ECFR study of more than 260 agreements between Israel and the EU.

Only a few include a geographic definition of Israel; among those that do, the definitions are often vague, including expressions such as “according to Israeli law” or “the territory subject to taxation,” descriptions that can justify including the Israeli settlements.

The EU has a certain vision for the future of the Middle East, given that it is a neighbouring region with major influence on Europe. That vision is based on advancing the establishment of a Palestinian state on the 1967 borders, and resisting the settlement endeavour that aims to swallow the West Bank.

Yet this policy, despite the strength of its principles, has always been constrained by internal European divisions and by the extent to which the EU’s decisions depend on the White House. Hence the West Bank issue remains the best illustration of the complexity of the relationship, and of what is expected of its future after the events of October 7 pushed it in a completely new direction.

Therefore, any change in the relationship between Israel and its European partners must begin with a sign in the West Bank which has long been the cornerstone of the dispute between the EU and Israel, as we have seen but that dispute, which remained confined to papers and bureaucratic action in recent years, is it becoming a real point of conflict? That is the first question any observer of a worsening Europe-Israel relationship must ask.

### Toward More Firm Relations

One of the traditional major supporters of the Palestinian cause was Greece the last European country to recognise Israel (in 1990). But that stance began to change in 2012, slowly but steadily, and reached its peak because of the Gaza war since 2023.

The Greek-Israeli relationship solidified, despite the embarrassment this posed for Greece, which assessed that its interests with Israel, which secures its strategic position in the eastern Mediterranean, and partnerships in energy and defence against Turkey, were a worthwhile price for undermining Greece’s credibility in international law.

Greek Prime Minister Kyriakos Mitsotakis who was the first world leader to visit Israel in the wake of October 7—said: “I came here as a friend of Israel, not an ally.”

Over the two years of war, Greece provided Israel with refuge in many matters. For example, when Israel struck targets in Yemen in July 2024, the furthest Israeli air strike to originate from Israeli territory, some of the participating jets had previously trained in Greece's Souda Bay base on Crete to simulate similar missions.

Greece stood alongside its neighbour Cyprus, Germany, Hungary, Italy, the Czech Republic, Croatia, Lithuania and Bulgaria in opposing a Dutch proposal in May 2025 to suspend the EU-Israel Comprehensive Trade and Cooperation Agreement.

Later, in July, Greece refused to sign a joint statement by 26 states demanding humanitarian assistance access to Gaza; though it signed with Cyprus 24 hours later. During a week of war between Iran and Israel, Prime Minister Benjamin Netanyahu's official aircraft "Wing of Zion" landed in Athens which Greece said carried only the Israeli ambassador.

Greece refused to clarify whether it would execute the arrest warrant issued by the International Criminal Court against Netanyahu if he stepped on Greek soil; government spokesperson Pavlos Marinakis stated that the warrant was "just a decision that won't solve any problem."

Meanwhile, the volume of trade and military relations between Israel and Greece grew over the last two years: trade increased by 41% in 2024 compared to 2023, and in the same year the two countries began talks to develop a defense missile system in Greece worth \$2.11 billion, similar to the Iron Dome system.

The Czech Republic, Serbia and Hungary are not among Europe's large economies or those with significant military power. Yet they held a stance contrary to mainstream European tendencies from the early days of the war.

Amid the war, while Israel faced increased restrictions and severed military relations with partners in the EU, Serbia was Israel's lifeline.

On 23 June 2025, President Aleksandar Vučić announced that Serbia halted all its military exports to Israel, saying: "Now we export nothing, we have stopped everything; we should have taken a special decision if we wanted to stop anything (referring to stopping the genocide in Palestine)."

On the same day a cargo plane from Israel landed in Belgrade, an event repeated in the last two years; the plane returned to Nevatim airbase in Israel the next day. When asked about the plane, Vučić replied: "I have no idea which plane took off or landed!"

In the two years of war, the Serbian state-owned company Yugoimport SDPR increased its arms shipments to Israel significantly, especially 155mm artillery

shells, which are at the heart of modern ground warfare. In the first six months of this year, the Serbian government exported ammunition to Israel worth €55.5 million, exceeding its full-year military exports to Israel of €47.9 million. In this way, Serbia continued to support Israel's war arsenal, profiting from unprecedented profits for its military-industrial complex.

On the other hand, Hungary provided political support to Israel, using its veto right more than once during the two years of war to block European Union resolutions seeking economic sanctions on Israel. Foreign Minister Péter Szijjártó argued that imposing sanctions would be wrong now, "because now is the time for dialogue and diplomacy, not sanctions."

This was in line with Prime Minister Viktor Orbán's approach since April 2025, when Hungary withdrew from the International Criminal Court's process against Israel and the President announced that he considers Israel to be "an anchor of peace in the Middle East." Although the move drew condemnation from the European Parliament as "an additional betrayal of European values," Hungary's and Orbán's stance toward Israel has never changed.

### Recognitions and Divisions

One of the costly outcomes of the "Al-Aqsa Flood" operation paid for by human lives and rubble in Gaza was that many Western heavyweight states moved to recognise a Palestinian state. First, Spain, Ireland and Norway declared recognition of the State of Palestine in 2024, followed in 2025 by the United Kingdom, France, Canada, and Australia, among others.

Although that sequence may express a new pattern in the West's relation to the Palestinian cause and its future, and indeed it does, it is in fact a pattern laden with many divisions and contradictions that make the recognition step mere ink on paper unless supported by other stances that value its significance.

Essentially, over the two years of war the European stance proceeded on the basis of unilateral positions driven by local political pressures and legal manoeuvres. Spain froze arms export licences in October 2023, eventually cancelling an anti-tank missile deal with Israel worth €285 million, followed by another deal worth €700 million under pressure from opposition parties. In Belgium, after continuous pressure from NGOs, the Walloon region in February 2024 revoked two gun-powder export licences.

Despite the multiplicity of those positions, the European Union has still not gathered to adopt a unified stance on its Comprehensive Agreement with Israel. Unfortunately, bias toward Israel still dominates the decisions of heavy-weight states such as Germany and Italy, whose trade and military ties with Israel have been little affected by popular pressure, according to a report by the Stockholm

International Peace Research Institute.

The moment at which current European-Israeli relations stand is one that can be described as “the gap between rhetorical eloquence and reality,” a phrase used by researcher Haya Qussooni in a study at the University of Ghent.

While the EU rhetorically supports both Palestinian and claimed Israeli rights, in practice it essentially recognizes Israeli rights and ignores Palestinian ones through many measures, most importantly its failure to act on the international stage to stop settlement expansion in the West Bank or to revisit the agreement with Israel.

Discussion of a real change in the official European stance toward Palestine must move on to face the fact that the reality of the annexation of the West Bank is not a future threat but already an ongoing reality, and it cannot wait until the West Bank becomes a de facto condition. In light of that, the EU need not use an army to protect the West Bank from the bulldozers of the Zionist project, but a strategy with teeth backed by a matching political commitment and it holds the cards itself through its ability to impose sanctions on Israel or review the joint agreement.

Europeans can also coordinate with their Arab allies engaging in the trail of normalization with Israel by pursuing a common stance that ties Europe and the Arab states to a commitment to prevent the annexation of the West Bank and the existence of a Palestinian state, in exchange for recognition of Israel, as recommended by a International Crisis Group briefing paper released on 9 October.

What the Palestinian side wants from Europe is certainly more than recognition: while European powers may have become more critical of Israel, they must respond to Israel’s violations in the West Bank with more than symbolic gestures such as designating settlers as terrorists, denying them entry, and listing them as internationally wanted. It has been proven that this approach has no potential for success on the ground otherwise it would have succeeded long ago.