

**Correspondence** PO Box 3166 Manuka ACT 2603

## Submission to the report of the Special Rapporteur on the occupied Palestinian territory to the Human Rights Council 58th session

Australia Palestine Advocacy Network 30 November 2024

## Introduction

This submission focuses on Australian connections to private sector entities linked to Israel's genocide, illegal occupation and apartheid. These private sector entities, and the Australian relationships with them, have been the subject of community action – including petitions, lobbying, direct action, and letter-writing efforts – much of which was spearheaded, supported, endorsed or promoted by the Australia Palestine Advocacy Network (APAN) and/or BDS Australia.

The submission examines how these private entities, their Australian connections and policy environments conducive to their continued operation, sustain Israel's ongoing occupation, genocide, and human rights abuses. It highlights the role of due diligence and accountability measures (if existent), and how the community has mobilised to challenge and address private sector complicity.

The submission underscores Australian connections that actively sustain Israel's violations of international law and human rights in Palestine. These connections include:

- 1. **Government contracts** with Israeli companies, or **policy settings** that benefit the Israeli private sector;
- 2. The **continued use of permits** allowing the export to Israel of inherently lethal items manufactured by Australian companies;
- 3. Australian connections to and support of Israeli private sector;
- 4. **Investments** linking Australian private sector to Israeli private sector involved in sustaining occupation and apartheid policies.



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In lodging this submission, we also wish to highlight and endorse the complementary submission made by a coalition of Australian human rights defenders, including lawyers, academics, students, union members, and campaigners, whose collective expertise underscores the urgency of addressing these issues.

## About the Australia Palestine Advocacy Network

The Australia Palestine Advocacy Network (APAN), established in 2011, amplifies the voices of Australians concerned about Israel's ongoing human rights abuses and the dispossession of Palestinians. Our diverse membership includes grassroots groups, unions, aid organisations, and individuals from various professions committed to Palestinian justice.

APAN's work spans advocacy, lobbying, community organising, youth training, and media engagement, aiming to raise awareness about Palestinian rights and the path to justice. Since 2024, APAN has also led Boycott, Divestment and Sanctions (BDS) work on this continent.

Our movement is rooted in equality and human rights. We oppose all forms of discrimination, including anti-Palestinian racism, antisemitism, and Islamophobia, while supporting Palestinian self-determination and freedom.

We stand in solidarity with First Nations peoples in their struggle for rights and recognition, linking the fight for Palestinian liberation with the ongoing resistance to colonialism on this land.

# Australia's inaction on legal obligations and community-led advocacy

Australia has failed to meet its international legal obligations in response to Israel's actions in Gaza, including genocide, apartheid, and war crimes, as defined by the ICJ and ICC. Despite ICJ rulings and advisory opinions on Israel's occupation, Australia has taken limited actions, such as issuing statements of concern,<sup>1</sup> providing humanitarian aid,<sup>2</sup> and imposing sanctions on

<sup>&</sup>lt;sup>1</sup> Albanese, A., (2024). "Joint statement by the Prime Ministers of Australia, Canada and New Zealand," *Prime Minister of Australia*, https://www.pm.gov.au/media/joint-statement-prime-ministers-australia-canada-and-new-zealand-1

<sup>&</sup>lt;sup>2</sup> Australian Department of Foreign Affairs and Trade, (2024). "Hamas-Israel conflict and Middle East Regional escalation," https://www.dfat.gov.au/crisis-hub/hamas-israel-conflict-and-middle-east-regional-escalation



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a few individuals and entities linked to settler violence.<sup>3</sup> However, this selective application of international law highlights Australia's insufficient efforts to address its complicity in Israeli violations through its private sector ties.

Australia has not implemented sanctions against Israeli officials or entities despite having the authority to do so under its Autonomous Sanctions Regime.<sup>4</sup> This failure to act contrasts with Australia's legal obligations under international law. Additionally, frameworks like the Defence Export Controls<sup>5</sup> system remain opaque, shielding Australian arms exports to Israel from public scrutiny.<sup>6</sup> This lack of transparency allows Australian made military goods to flow to Israel without accountability, undermining efforts to align Australia's policies with human rights standards.

Notably, progress towards greater transparency, contract reviews, or changes in government dealings with private entities complicit in these violations has primarily resulted from grassroots activism, civil society advocacy, and pressure from progressive political parties. Likewise, efforts to hold private actors accountable for their complicity in Israel's human rights abuses have been driven almost entirely by community-led campaigns, underscoring the failure of the Australian government to take proactive or sufficient measures in this regard.

# 1. Government contracts with Israeli weaponry companies, or policy settings benefitting the Israeli private sector

#### A. Elbit Systems

Israeli weapons manufacturer Elbit Systems was awarded a subcontract worth approximately \$917 million AUD on 28 February 2024, to supply a "high-tech turret" to Hanwa Defence Australia for the Australian Land 400 Phase 3 Project.<sup>7</sup> This project involves the production of

<sup>&</sup>lt;sup>3</sup> Minister for Foreign Affairs, (2024). "Human Rights Sanctions in response to Israeli settler violence in the West Bank," https://www.foreignminister.gov.au/minister/penny-wong/media-release/human-rights-sanctions-response-israeli-settler-violence-west-bank

<sup>&</sup>lt;sup>4</sup> Parliament of Australia, (2024). "Autonomous Sanctions Amendment Bill 2024," https://www.aph.gov.au/ Parliamentary\_Business/Bills\_Legislation/bd/bd2324a/24bd051

<sup>&</sup>lt;sup>5</sup> Australian Defence Department, (no date). "Export controls framework," https://www.defence.gov.au/businessindustry/exporting/export-controls-framework

<sup>&</sup>lt;sup>6</sup> Amnesty International, (2024). "Extended release: Analysis of Australian Compliance with Arms Trade Treaty," https://www.amnesty.org.au/analysis-of-australian-compliance-with-arms-trade-treaty/

<sup>&</sup>lt;sup>7</sup> Greene, A., (2024). "Controversial Israeli weapons company awarded \$917 million Australian army contract," ABC News, https://www.abc.net.au/news/2024-02-28/israeli-weapons-company-awarded-australian-Army-contract/103519558



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heavily armed and armored Infantry Fighting Vehicles used by the Australian Defence Force for ground warfare.

While the contract is technically a subcontract between Hanwa and Elbit, Australia's Minister for Defence Industry and Capability Delivery, Pat Conroy, has affirmed that the Australian Government retains oversight and approval of subcontractors involved in such projects.<sup>8</sup>

In June 2022, RMIT University and Elbit Systems embarked upon a two-year collaboration, with investment from the Victorian Government, to establish an AI Centre of Excellence in Melbourne, which was to focus on developing applications for defence, homeland security, and emergency services.<sup>9</sup> The collaboration included joint research projects aimed at employing drones to assist with mass evacuations during natural disasters and other emergencies.

#### Community actions to end private entities' involvement in Israel's actions in the oPt

BDS Australia has led ongoing community mobilisation, including via a petition to the Federal Minister for Defence Industry and the Victorian Premier, to compel both the federal and Victorian governments to end their contracts and partnerships with Elbit Systems.<sup>10</sup> Other community efforts have included petitions to federal parliament to call for a ban on Elbit Systems.<sup>11</sup>

Government contracts/partnerships with Elbit have also been the target of dedicated progressive political action by Federal and Victorian Greens members of parliament, with Greens members interrogating the Defence Department in Senate Estimates, and sponsoring and tabling a petition to parliament urging the Victorian Government to end its partnership.<sup>12</sup>

The Victorian Government confirmed to a Victorian Greens member on 22 November 2024 that this partnership was "completed earlier in the year [and that] the Victorian Government is no longer providing support to ELSA for this project."<sup>13</sup>

<sup>&</sup>lt;sup>8</sup> Australian Defence Department, (2024). "Radio interview, RN Drive with Patricia Karvelas," https://www.minister. defence.gov.au/transcripts/2024-06-10/radio-interview-rn-drive-patricia-karvelas

<sup>&</sup>lt;sup>9</sup> Ferguson, G., (2022). "IN DETAIL: Elbit's Centre of Excellence teams with RMIT University," *EX2*,

https://www.ex2.com.au/news/in-detail-elbits-centre-of-excellence-teams-with-rmit-university/

<sup>&</sup>lt;sup>10</sup> Boycott, Divestment and Sanctions Australia, (no date)., "Stop Elbit," https://bdsaustralia.net.au/campaigns/stopelbit/

<sup>&</sup>lt;sup>11</sup> Parliament of Australia, (2024). "Petition EN5997 - Ban Elbit Systems from Australian Government contracts," https://www.aph.gov.au/e-petitions/petition/EN5997

<sup>&</sup>lt;sup>12</sup> Parliament of Victoria, (2024). "End partnership with Elbit Systems," https://www.parliament.vic.gov.au/ parliamentary-activity/tabled-petitions-search/tabled-petitions-details/8258

<sup>&</sup>lt;sup>13</sup> De Vietri, G., (2024). Instagram post about end of partnership between Victorian Government and Elbit Systems, *Instagram*, https://www.instagram.com/p/DC51mHrzF8J/?img\_index=1



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#### B. Hewlett Packard

The NSW Government has awarded Hewlett Packard (HP) and its related entities at least \$24 million in current contracts.<sup>14</sup> Local councils, including Inner West Council and the City of Sydney, also have current contracts with HP.

HP and its spin-off companies are complicit in sustaining Israel's occupation and apartheid, providing technology to the Israeli army and police, maintaining the central ID system enforcing racial segregation, and supporting illegal settlements by managing data and operating a research center in the Beitar Illit settlement in the occupied West Bank.<sup>15</sup>

#### Community actions to end private entities' involvement in Israel's actions in the oPt

Public Service Association (PSA) Unionists for Palestine, NSW public servants and NSW Greens MPs have led a campaign against this government contract with HP. A central action of the campaign has been an NSW Legislative Assembly E-Petition, presented by Greens MP Jenny Leong, demanding that the NSW Government cease awarding contracts to HP, protect public sector workers who refuse to administer HP contracts, and review its Procurement Policy Framework to exclude companies complicit in violations of international law, including the occupation of Palestinian territories.<sup>16</sup>

Public pressure and APAN/BDS support of Inner West, City of Sydney, City of Canterbury-Bankstown and Merri-Bek councils saw the moving of procurement motions aimed at ending council investment and contracts with Israeli private entities, including HP.

<sup>&</sup>lt;sup>14</sup> CRN, (2020). "HPE wins \$24 million NSW Health deal," https://www.crn.com.au/news/hpe-wins-24-million-nsw-health-deal-553400

<sup>&</sup>lt;sup>15</sup> Boycott, Divestment and Sanctions Australia, (no date)., "Don't buy HP products," https://bdsaustralia.net.au/ campaigns/dont-buy-hp-products/

<sup>&</sup>lt;sup>16</sup> Parliament of New South Wales, (2024). "Ms Jenny Leong—Boycott HP and oppose Israeli genocide in our workplaces - Petition by PSA for Palestine," https://www.parliament.nsw.gov.au/la/petitions/pages/tabled-paper-details.aspx?pk=189754



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The Inner West motion was unsuccessful,<sup>17</sup> however City of Sydney,<sup>18</sup> Canterbury-Bankstown<sup>19</sup> and Merri-Bek<sup>20</sup> will engage in reviews of their ties with companies profiting from Israeli occupation and genocide, including HP as a result of successful motions.

#### C. The Australia-Israel Tax Treaty

In March 2019, Australia and Israel signed the Convention between the Government of Australia and the Government of the State of Israel for the Elimination of Double Taxation with Respect to Taxes on Income and the Prevention of Tax Evasion and Avoidance.<sup>21</sup>

As part of the agreement, Israeli companies benefit from significant tax reductions in Australia, such as lowered withholding tax rates on cross-border payments, including dividends, royalties, and interest.<sup>22</sup> These measures are aimed at promoting business and investment between the two countries, but their broader implications on Israel's ongoing occupation and apartheid regime in the Palestinian territories remain significant.

The tax treaty has the potential to directly support Israeli companies that are involved in the occupation, including those operating in illegal settlements in the West Bank and East Jerusalem.

#### Community actions to end private entities' involvement in Israel's actions in the oPt

In January 2024, Labor MP Julian Hill raised concerns about this issue, questioning whether the Australia-Israel tax treaty applies to Israeli companies operating on illegally occupied land and

 <sup>&</sup>lt;sup>17</sup> Evans, R., (2024). "Inner West Labor votes against council investigating its ties to Gaza genocide," *Green Left*, https://www.greenleft.org.au/content/inner-west-labor-votes-against-council-investigating-its-ties-gaza-genocide
<sup>18</sup> Koziol, M, (2024). "City of Sydney backs boycott of Israel, in bid to add pressure for ceasefire," *Sydney Morning Herald*, https://www.smh.com.au/national/nsw/city-of-sydney-backs-boycott-of-israel-adding-pressure-for-ceasefire-20240624-p5joe4.html

<sup>&</sup>lt;sup>19</sup> Chidiac, V, (2024). "City of Canterbury-Bankstown Council follows City of Sydney, passes a BDS motion to review its investments," *Honisoit*, https://honisoit.com/2024/07/city-of-canterbury-bankstown-council-follows-city-of-sydneypasses-a-bds-motion-to-review-its-investments/ <sup>20</sup> Bolton, S., (2024). "Merri-bek Council votes to do more for Palestine," *Green Left*, https://www.greenleft.org.au/

<sup>&</sup>lt;sup>20</sup> Bolton, S., (2024). "Merri-bek Council votes to do more for Palestine," *Green Left*, https://www.greenleft.org.au/ content/merri-bek-council-votes-do-more-palestine

<sup>&</sup>lt;sup>21</sup> Australian Treasury, (2019). "Israel Tax Treaty," https://treasury.gov.au/media-release/israel-tax-treaty

<sup>&</sup>lt;sup>22</sup> Australian Treasury, (2019). "Tax Treaty between Australia and Israel," https://treasury.gov.au/consultation/ c2019-t401152



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settlements.<sup>23</sup> Hill argued that Australians should not financially support businesses profiting from illegal settlement activities, especially through tax incentives.<sup>24</sup>

Via direct lobbying with elected representatives, APAN has reiterated these concerns, and calls for the tax treaty to be suspended, or at least due diligence applied to ensure Israeli companies operating in the oPt, supporting illegal settlements or military operations do not benefit from this treaty.

The Australian government has not yet responded to Hill's attempts to clarify whether companies benefiting from the Australia-Israel tax treaty are complicit in Israel's illegal occupation/genocide.

# 2. Continuing export of Australian made components, inherently lethal goods, coal for end-use by Israel

#### A. F-35 supply chain participation

Australia is a significant participant in the 18-nation consortia<sup>25</sup> behind the global supply chain for F-35 fighter jets, with more than 70 Australian companies contributing critical parts and components to every F-35 aircraft that is built.<sup>26</sup>

These Australian companies hold export contracts valued at AUD \$4.13 billion,<sup>27</sup> with components exported to Lockheed Martin in the United States before being distributed globally, including to Israel.

F-35 fighter jets have been linked to specific airstrikes in Gaza, including the bombing of Al-Mawasi, a designated safe zone.<sup>28</sup> This attack – the first confirmed instance of an F-35 being

<sup>&</sup>lt;sup>23</sup> Karp, P., (2024). "Labor MP condemns Netanyahu's rejection of Palestinian state as a step toward apartheid," *The Guardian*, https://www.theguardian.com/australia-news/2024/jan/20/benjamin-netanyahu-rejects-palestine-state-labor-mp-condemns-julian-hill

<sup>&</sup>lt;sup>24</sup> Ibid.

<sup>&</sup>lt;sup>25</sup> Minister for Foreign Affairs, (2024). "Interview with David Speers, ABC Insiders,"https://www.foreignminister.gov.au/ minister/penny-wong/transcript/interview-david-speers-abc-insiders-0

<sup>&</sup>lt;sup>26</sup> Fahy, M., (2024). "Lockheed Martin deletes Australian F-35 ties," *The Klaxon*, https://theklaxon.com.au/lockheedmartin-australian-government-joined-at-the-hip/

<sup>27</sup> Ibid

<sup>&</sup>lt;sup>28</sup> McEvoy, J., (2024). "F-35 components sent to Israel from Royal Air Force base," https://www.declassifieduk.org/ f-35-components-sent-to-israel-from-royal-air-force-base/



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directly linked to an air attack in Gaza – killed 90 Palestinians and resulted in over 300 injuries.<sup>29</sup> Israel, the only Middle Eastern country operating F-35s, continues to expand its fleet with US-funded purchases.<sup>30</sup>

Australia's export of F-35 components is governed by domestic policies that lack robust end-use controls, which raises significant concerns under international law. Unlike the US, which employs a large staff towards stronger end-use compliance, Australia's enforcement mechanisms are insufficient.<sup>31</sup> This deficiency increases the risk that Australian-manufactured components are used in international law violations.

As a signatory to the Arms Trade Treaty (ATT), Australia is obligated to halt arms transfers if they contribute to grave violations of international humanitarian law, as outlined in Articles 3 and 4 of the treaty.<sup>32</sup> These articles prohibit the export of ammunition, munitions, parts, and components that may be used in such violations, including transfers through intermediary countries.<sup>33</sup> Yet, Australian officials have sought to downplay the country's role by labelling exported components as "non-lethal" parts,<sup>34</sup> a distinction that neither exists under, nor is relevant to, international law.<sup>35</sup>

#### Community actions to end private entities' involvement in Israel's actions in the oPt

BDS Australia has been involved in ongoing efforts to highlight the role Australian companies play in manufacturing components for F35 jets used by Israel.<sup>36</sup> Amnesty International Australia has also been involved in exposing Australia's involvement in the F-35 supply chain, stating that it "has serious concerns as to Australia's adherence to both the spirit and letter of the Arms

<sup>&</sup>lt;sup>29</sup> McEvoy, J., (2024). "F-35 components sent to Israel from Royal Air Force base," *Declassified UK*, https://www.declassifieduk.org/

f-35-components-sent-to-israel-from-royal-air-force-base/

<sup>&</sup>lt;sup>30</sup> Dougherty, R., (2024). "Israeli Air Force acquires third F-35 squadron under new US agreement," *Defence Connect*, https://www.defenceconnect.com.au/air/14196-israeli-air-force-acquires-third-f-35-squadron-under-new-us-agreement

<sup>&</sup>lt;sup>31</sup> Mc, A, (2024). "Australia challenged on 'moral failure' of weapons trade with Israel," *Al Jazeera*,

https://www.aljazeera.com/news/2024/3/28/australia-challenged-on-moral-failure-of-weapons-trade-with-israel <sup>32</sup> Fahy, M., (2024). "Orwell revisited. The Government playing word games with weapons to Israel," *Michael West*, https://michaelwest.com.au/government-playing-word-games-with-israel-weapons-supply/ <sup>33</sup> Ibid

<sup>&</sup>lt;sup>34</sup> Fahy, M., (2024), "Decoded: Defence Department's deadly deceits," *Declassified Australia*, https://declassifiedaus.org/2024/07/01/decoded-defence-departments-deadly-deceits/

<sup>&</sup>lt;sup>35</sup> Cosh, A., (2024). "Stat Can Data Raises More Concerns About 'Non-Lethal' Israel Exports," The Maple,

https://www.readthemaple.com/armoured-vehicles-raise-more-concerns-about-non-lethal-israel-exports/ <sup>36</sup> Boycott, Divestment and Sanction Australia, (2023). "Australian arms companies and Israel's human rights violations," https://bdsaustralia.net.au/tag/f-35/



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Trade Treaty,"<sup>37</sup> and staging a day of action in May 2024 to call for an end to F-35-related and other arms transfers.<sup>38</sup>

Meanwhile, grassroots protesters have targeted Australian manufacturers supplying components for F-35 jets, including Heat Treatment Australia (HTA), Rosebank Engineering<sup>39</sup> and Ferra Holdings,<sup>40</sup> with this pressure compelling HTA Melbourne to deny its role in the F35 supply chain.<sup>41</sup>

The Federal Greens spokesperson for Defence has thoroughly investigated and challenged Australia's role in the F-35 supply chain, including via Senate Estimates hearings.<sup>42</sup>

#### B. Other Australian arms exports to Israel

Australia's military-related export permits are a crucial aspect of private sector involvement in Israel's unlawful occupation and its racial segregation and apartheid regime in the oPt. Since 2019, Australia has issued approximately 247 military-related permits to Australian companies to enable the export of goods to Israel. This includes 66 currently active permits, approved prior to the genocide, for military-related goods.<sup>43</sup>

 <sup>&</sup>lt;sup>37</sup> Amnesty International, (2024). "Extended release: Analysis of Australian Compliance with Arms Trade Treaty," https://www.amnesty.org.au/analysis-of-australian-compliance-with-arms-trade-treaty/
<sup>38</sup>

Amnesty International, (2024). "Nationwide events: Australia joins Global Day of Action to end arms transfers to Israel," https://www.amnesty.org.au/nationwide-events-australia-joins-global-day-of-action-to-end-arms-transfers-to-israel/

<sup>&</sup>lt;sup>39</sup> Mc, A, (2024). "Australia challenged on 'moral failure' of weapons trade with Israel," Al Jazeera,

https://www.aljazeera.com/news/2024/3/28/australia-challenged-on-moral-failure-of-weapons-trade-with-israel <sup>40</sup> Dougherty, R., (2024). "Repeat rally: Ferra Holdings picketed by pro-Palestine protesters again," *Defence Connect*, https://www.defenceconnect.com.au/industry/13501-repeat-rally-ferra-holdings-picketed-by-pro-palestine-protestors-a gain

gain <sup>41</sup> Andrewartha, J., (2024). "After 12-week community picket, HTA denies role in F-35 fighters for Israel," Green Left, https://www.greenleft.org.au/content/after-12-week-community-picket-hta-denies-role-f-35-fighters-israel

<sup>&</sup>lt;sup>42</sup> Parliament of Australia, (2024). "Foreign Affairs, Defence and Trade Legislation Committee - 05/06/2024 -Estimates - and - DEFENCE PORTFOLIO - Department of Defence," https://www.aph.gov.au/Parliamentary\_ Business/Hansard/Hansard\_Display?bid=committees/estimate/28111/&sid=0002

<sup>&</sup>lt;sup>43</sup> Hurst, D., (2024). "Australia to review all 66 military export permits to Israel approved before Gaza conflict," *The Guardian*, https://www.theguardian.com/australia-news/2024/oct/20/australia-to-examine-66-military-export-permits-to-israel-approved-before-gaza-conflict



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#### Community actions to end private entities' involvement in Israel's actions in the oPt

The Australian Centre for International Justice (ACIJ), working alongside Palestinian human rights organisations, has repeatedly sought to address Australia's inadequate adherence to international law by advocating for a "full arms embargo: no imports, no exports, no transfers."<sup>44</sup>

Amnesty International Australia<sup>45</sup> and the Australian Greens<sup>46</sup> have spearheaded petitions to the government to call for an end to these export permits and greater defence export transparency. Amnesty also led a group of Australian civil society and humanitarian organisations in staging a Day of Action calling for an end to Australian export permits allowing the continued transfer of military items to Israel.<sup>47</sup>

This pressure is responsible for an October 2024 government review of active export permits. This case-by-case reassessment<sup>48</sup> resulted in the government "lapsing" or amending 16 export permits to "remove Israel as an end user because we can't be confident in relation to some of those permit applications."<sup>49</sup>

However, the Australian government continues to defend its policy of issuing export permits for what it states are repair and maintenance purposes.<sup>50</sup>

<sup>&</sup>lt;sup>44</sup> Australian Centre for International Justice, (2024). X post about Australian review of export permits to Israel, *X*, https://x.com/theACIJ/status/1847823344269459906

<sup>&</sup>lt;sup>45</sup> Amnesty International, (2024). "Australia: No weapons for war crimes," https://action.amnesty.org.au/act-now/ australia-stop-selling-arms-to-the-israeli-authorities-j

<sup>&</sup>lt;sup>46</sup> The Australian Greens, (2024). "Stop military exports to Israel," https://greens.org.au/campaigns/stop-militaryexports-israel

<sup>&</sup>lt;sup>47</sup> Amnesty International, (2024). "Nationwide events: Australia joins Global Day of Action to end arms transfers to Israel," https://www.amnesty.org.au/nationwide-events-australia-joins-global-day-of-action-to-end-arms-transfers-to-israel/

<sup>&</sup>lt;sup>48</sup> Basford Canales, S., (2024). "Australia amends or ends 16 defence export permits to Israel amid review," *The Guardian*, https://www.theguardian.com/australia-news/2024/nov/13/australia-amends-or-ends-16-defence-export-permits-to-israel-amid-review-ntwnfb

<sup>&</sup>lt;sup>49</sup> Ibid

<sup>&</sup>lt;sup>50</sup> Hurst, D., (2024). "Australia only granted defence export permits to Israel for repair of equipment since conflict, estimates told," *The Guardian*, https://www.theguardian.com/australia-news/article/2024/jun/05/australia-only-granted-defence-export-permits-to-israel-for-repair-of-equipment-since-conflict-estimates-told



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#### C. Australian coal exports to Israel

In exporting coal for energy generation to Israel, Australian coal companies play a role in supporting and profiting from Israel's unlawful occupation of Palestinian territories. Most recently, on 8 November 2024, a bulk carrier ship carrying Australian coal from Newcastle arrived at Israel's Hadera port, most likely intended for Israel's largest power station.<sup>51</sup>

Israel relies on coal for approximately 22% of its energy output.<sup>52</sup> with electricity powering both civilian and military infrastructure, including illegal settlements, arms factories, and the infrastructure that sustains the Israeli Occupation Forces. Israel Electric Corporation (IEC) operates and maintains energy infrastructure within the oPt, including on land unlawfully seized by Israel.<sup>53</sup> The coal exported by Australia likely contributes to this energy supply, enabling Israel to perpetuate its illegal occupation and apartheid practices.

In stark contrast to Australia's continued coal exports, Colombia has ceased coal exports to Israel, aligning with international calls for economic measures to stop trade that supports Israel's occupation and systemic violations of human rights.<sup>54</sup>

#### Community actions to end private entities' involvement in Israel's actions in the oPt

During its recent lobbying trip to federal parliament, APAN directly addressed the issue of coal exports to Israel, calling on the Australian government to follow the example of Colombia and put an end to these exports due to their role in supporting Israel's occupation and apartheid. In response, Independent Senator Fatima Payman initiated a petition to the government, reiterating this call and its alignment with international legal obligations.<sup>55</sup>

<sup>&</sup>lt;sup>51</sup> Cronau, P., (2024). X post about Australian export of coal to Israel, X, https://x.com/PeterCronau/status/ 1854834194347626880

<sup>&</sup>lt;sup>52</sup> Progressive International, (2024). "Colombia's Coal Embargo on Israel Is a Model to Follow,"

https://progressive.international/wire/2024-07-10-colombias-coal-embargo-on-israel-is-a-model-to-follow/en <sup>53</sup> Rawoot, I., (2024). "How South Africa's coal exports are fuelling Israel's genocide in Gaza," *The New Arab*, https://www.newarab.com/features/how-south-africas-coal-exports-fuel-israels-genocide-gaza

<sup>&</sup>lt;sup>54</sup> Tekin, E., (2024). "Colombia halts coal exports to Israel in protest over devastating Gaza onslaught," Anadolu Ajansi, https://www.aa.com.tr/en/economy/colombia-halts-coal-exports-to-israel-in-protest-over-devastatinggaza-onslaught/3307546 <sup>55</sup> Australia's Voice, (2024). "End the Genocide Now," https://australiasvoice.com.au/free-palestine/



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### 3. Australian connections to and support of Israeli private sector

#### A. ZIM Shipping

ZIM Shipping, Israel's largest and oldest shipping company, is complicit in sustaining Israel's occupation and human rights abuses in the oPt. Historically tied to Israeli state-building and military logistics, ZIM has been accused of transporting military supplies critical to the "Israeli war machine.".

While ZIM denies carrying arms between Australia and Israel, the Australian Broadcasting Corporation (ABC) confirms that it facilitates shipments between the two countries. Moreover, in October 2023, ZIM's CEO pledged to prioritise transporting cargo globally to meet the needs of Israel's Ministry of Defense, highlighting the company's role in supporting Israel's military operations and apartheid policies.<sup>56</sup>

#### Community actions to end private entities' involvement in Israel's actions in the oPt

In January 2024, the Port of Melbourne was blockaded for three days due to direct action, coordinated by grassroots group Free Palestine Melbourne, preventing trucks transporting goods to/from ZIM ships from entering or exiting the port. This action held up port operations for two nights and one day, and was eventually dismantled by police<sup>57</sup>.

Similar actions occurred in November and December of 2023 in Sydney, Melbourne and Perth<sup>58</sup>, and actions were endorsed by the Maritime Union of Australia<sup>59</sup>, as a part of a larger global Block The Boat campaign<sup>60</sup> which aims to prevent Israeli ships and shipping companies supplying Israel from enabling their apartheid, genocide and occupation.

<sup>58</sup> Szumer, Z., (2023). "In Australia, Palestine Solidarity Activists Are Blockading ZIM Ships Owned by Israel," *Jacobin*, https://jacobin.com/2023/12/australia-palestine-solidarity-zim-isreal-war-gaza-blockade

<sup>59</sup> Maritime Union of Australia, (2024). "MUA members united in calling for peace, safety and justice in Palestine," https://www.mua.org.au/news/mua-members-united-calling-peace-safety-and-justice-palestine

<sup>&</sup>lt;sup>56</sup> Whiteman, A., (2023). "Zim offers its 'ships and infrastructure' to support Israel," *The Loadstar*, https://theloadstar.com/zim-warns-of-war-related-interruptions/

<sup>&</sup>lt;sup>57</sup> Charles, B., (2024). "Australia's pro-Palestinian activists to continue targeting Israeli ships," *Al Jazeera*, https://www.aljazeera.com/news/2024/1/29/australias-pro-palestinian-activists-to-continue-targeting-israeli-ships

<sup>60</sup> Block the Boat #BDS, (no date). Block the Boat, https://blocktheboat.org/



**Correspondence** PO Box 3166 Manuka ACT 2603

### 4. Private sector investments

## A. Australian superannuation funds and investment in companies complicit in Israeli settlement activities

Since 1967, private sector entities have contributed to and profited from the establishment and maintenance of Israel's illegal occupation of the oPt. In 2023, the UN updated a database of companies complicit in illegal settlement activities, resulting in the listing of 97 complicit companies.<sup>61</sup> This underscored the ongoing role of business enterprises in facilitating Israel's violations of international law, including those related to apartheid and racial segregation.

Superannuation funds in Australia manage substantial investments on behalf of their members, some of which are directly or indirectly linked to companies that the UN has included on this list.

#### Community actions to end private entities' involvement in Israel's actions in the oPt

In 2024, APAN launched a campaign to investigate Australian superannuation fund investments in these identified companies, encouraging community members to question the ethical implications of their funds' holdings in businesses involved in settlement construction, resource exploitation, and infrastructure support.<sup>62</sup>

The vast majority of Australian superannuation funds contacted as part of APAN's campaign invest in some of the companies highlighted by the UN as being implicated in Israel's illegal settlement activities. The following four major superannuation funds have substantial investments in businesses listed in the UN's database:

- AustralianSuper: Invests \$167 million in 19 companies.
- Hostplus: Invests \$157 million in eight companies linked to settlement activities.
- UniSuper: Invests \$101 million in 12 companies.
- Hesta: Invests \$100 million in 10 companies.

<sup>&</sup>lt;sup>61</sup> UN Human Rights Office of the High Commissioner, (2023). "OHCHR update of database of all business enterprises involved in the activities detailed in paragraph 96 of the report of the independent international factfinding mission to investigate the implications of the Israeli settlements on the civil, political, economic, social and cultural rights of the Palestinian people throughout the Occupied Palestinian Territory, including East Jerusalem," https://www.ohchr.org/sites/default/files/documents/hrbodies/hrcouncil/sessions-regular/session31/database-hrc3136/23-06-30-Update-israeli-settlement-opt-database-hrc3136.pdf

<sup>&</sup>lt;sup>62</sup> Australia Palestine Advocacy Network, (2024). "Demand your superannuation fund does not PROFIT from the oppression of Palestinians," https://apan.good.do/bdssuper/complaint/



**Correspondence** PO Box 3166 Manuka ACT 2603

These funds collectively manage billions of dollars, representing the retirement savings of millions of Australians. Despite this scale, few funds have committed to divesting from companies on the UN list, highlighting a significant gap in corporate responsibility.

This responsibility gap is baked into Australian law, with the Superannuation Industry (Supervision) Act 1993 legally requiring superannuation funds in Australia to prioritise financial returns over ethical considerations.<sup>63</sup>

While the UN's identification of these companies is not legally binding under Australian law, it signals an increasing expectation that businesses align with international norms. The lack of accountability mechanisms in Australia, such as sanctions or divestment regulations, means that these funds continue to profit from activities contributing to the oppression of Palestinians.

Moreover, many funds claim adherence to Environmental, Social, and Governance (ESG) frameworks, yet their investments in these companies reveal a selective application of ESG criteria.<sup>64</sup> While ESG factors may be considered for risk management and financial performance, they are not consistently applied to human rights issues, such as private sector complicity in Israeli settlements, despite clear violations of international law.

### 5. Recommendations

- End Australia government contracts with complicit companies: The Australian government should review and suspend all contracts with complicit companies.
- **Suspend the Australia-Israel Tax Treaty:** Australia should suspend or renegotiate the Australia-Israel Tax Treaty to prevent Israeli companies engaged in the occupation from benefiting from reduced tax rates.
- Strengthen due diligence and accountability: Australian businesses involved in operations in the occupied territories should be required to conduct thorough human rights due diligence and publicly disclose their activities to ensure they are not supporting violations of international law.
- **Support ethical investment and BDS Movement:** Australia should strengthen its commitment to human rights by supporting the BDS movement and promoting ethical investment practices that align with international law and human rights standards.

<sup>&</sup>lt;sup>63</sup> Australian Government, "Federal Register of Legislation: Superannuation Industry (Supervision) Act 1993," https://www.legislation.gov.au/C2004A04633/2020-06-23/text

<sup>&</sup>lt;sup>64</sup> Kaczmarska, M., (2019). "Environmental, Social and Governance (ESG) Factors in a Superannuation Context," *The Association of Superannuation Funds of Australia Limited (ASFA)*, https://www.superannuation.asn.au/wp-content/uploads/2023/09/1910-ESG\_Factors\_in\_a\_Superannuation\_Context.pdf



**Correspondence** PO Box 3166 Manuka ACT 2603

- End participation in the F-35 supply chain: Australia should cease its involvement in the global supply chain for the F-35 fighter jet, given the direct link between these jets and Israeli airstrikes in Gaza.
- Strengthen export controls for military and dual-use goods: Australia must tighten its export controls including end-use controls and increase the transparency of its exports systems, particularly regarding military-related goods such as F-35 components.
- **Suspend arms exports to Israel**: Australia should halt all military-related exports to Israel, including active export permits and the transfer of components for repairs and maintenance. The Australian government must ensure its policy is in strict alignment with international law, particularly the Arms Trade Treaty.
- Support and act upon global calls for economic sanctions and an energy embargo on Israel: Australia should heed international legal calls, such as those from the ICJ's 2024 Advisory Opinion, to stop trade that sustains Israel's unlawful occupation. This includes halting coal and other economic support that underpins Israel's military and civilian infrastructure in the occupied Palestinian territories. Australian ports and companies must not facilitate the transportation of goods linked to Israel's military operations or settlement expansion.
- Encourage superannuation divestment from complicit entities: Australian superannuation funds and investment entities must divest from companies involved in illegal settlement activities in the occupied Palestinian territories. Legislative changes should mandate that these funds prioritise human rights considerations and align their investments with international legal standards, particularly in relation to Israel's occupation.
- **Reform ESG investment frameworks**: Superannuation funds and other investment bodies must integrate human rights-based criteria into their ESG frameworks, ensuring investments are not linked to Israel's illegal occupation of Palestinian territories. Enhanced member oversight and mechanisms for challenging unethical investments should be established.
- Strengthen Australian private sector accountability mechanisms: The Australian government should implement stronger regulatory frameworks to ensure businesses comply with international human rights laws, including sanctions and divestment measures targeting companies complicit in the occupation.