

Opinion **EU foreign policy**

It's in Europe's interest to put sanctions on Israel

Limiting trade, travel and freezing foreign reserves would show the EU is willing to act independently of the US

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Benjamin Netanyahu, Israel's prime minister. The hardest-hitting sanctions against the country would probably be on trade and travel © Ronen Zvulun/AP

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Europe's patience with Benjamin Netanyahu's war in Gaza and Israeli settlers' aggression in the occupied West Bank may finally be running out.

[In the past few weeks](#), EU foreign ministers have triggered a review of Israel's association agreement with the bloc, Britain has halted trade talks, Norway's sovereign wealth fund [blacklisted](#) an Israeli company for facilitating energy deliveries to West Bank settlements, and the leaders of France, the UK and Canada [threatened to put sanctions](#) on the country. Even Germany, Israel's most stalwart backer in Europe, is criticising the country's conduct.

Too little too late, some will say. And they will point to how fast the west imposed sanctions on Russia, in meaningful and unprecedented ways, after Vladimir Putin's full-scale invasion of Ukraine, and put the difference down to hypocrisy. No doubt the west has treated Russia and Israel differently, and hypocrisy is part of it. But an analogy to the war in Ukraine is also misguided. Russia never faced a campaign

against its very existence, nor a heinous attack by Ukraine the way Israel did at the hands of Hamas.

But this simple comparison misses the point. It is possible — indeed sensible — to think Israel is entitled to wage war against Hamas in Gaza, while insisting that it may only do so in lawful ways and concluding that these lawful limits have long since been transgressed.

Indeed, the UN has found overwhelming evidence of Israeli war crimes and crimes against humanity in Gaza and in connection with the increasingly brutal occupation of the West Bank.

There is no need, in other words, to deem the two wars in any way equivalent to judge that sanctions may be justified in both. And that is why it is time for Europe to clarify specifically how it might place sanctions on Israel, and to develop its ad hoc sanctions decisions into a systematic policy framework for how to use this geoeconomic tool generally.

On the specifics, it is obvious that if European countries opt for sanctions, they will have to do so without the US. So the time is right to map out the areas where sanctions on Israel by Europe alone (or with any other willing allies) would have the most impact.

Banking and financial sanctions are mostly likely to be ineffective, as the US can easily duplicate any payment and funding channels. There is one exception: immobilising foreign exchange reserves, as the west has done with Russia, would impose an economic cost.

The Bank of Israel [invests](#) about a quarter of its relatively large stock of reserves in Europe, which a freeze would make unavailable for their financial stabilisation function and could in time be put towards any compensation due to Palestinians.

The hardest-hitting sanctions would probably be on trade and travel. Israel sources nearly half of its goods imports from Europe and sends more than a third of its

[exports](#) to the continent, according to its statistics bureau. A significant share of the imports [consists of fuels](#), a trade Europe has outsize influence over due to its dominance of shipping-related services. At least a quarter of Israel's large services trade is also with [European markets](#). Restrictions on business services and tourism would be highly disruptive.

Preparing for sanctions is important beyond the immediate moral and political imperative of reacting to violations of international law. The EU, in particular, needs to upgrade sanctions decision-making. Its strong measures against Russia have happened despite political squabbles and claims of legal uncertainty.

These shortcomings, even though they have been repeatedly overcome against Moscow, will continue to hamper the union's ability to project diplomatic power. The EU needs to clarify and systematise which behaviours will trigger which reactions, and ideally remove decisions regarding sanctions from the current unanimity requirement, which undermines its foreign policy leverage.

Preparations are also needed to counter any US sabotage, which is already under way with Washington's debilitating [moves against the International Criminal Court](#).

By showing it is ready to act against Israel if it so chooses, the EU would show it is ready to act against grave breaches of international law by anyone. Legal consistency would make threats of sanctions more credible; incentives to respect European red lines would strengthen them and signal consequences for crossing them.

It was a US president who advised speaking softly and carrying a big stick. Today, it is the EU that can make most of his advice.

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