



Councillor Jo Bird
Pensions Committee Member
Merseyside Pension Fund

1 February 2022

Dear Councillor Bird,

I write to you in your capacity as Committee Member of Merseyside Pension Fund. I understand that your fund may be considering the future of its investments in companies that do business with Israeli settlements in the Occupied Palestinian Territories (OPT), which are illegal under international law.

Amnesty International has produced a [briefing](#) that is intended to help companies, investors and firms advising them, weigh up whether they can do business in or with Israeli settlements in the OPT while respecting human rights. It draws on international law and on the UN Guiding Principles on Business and Human Rights. It sets out the case for companies to regard this as a compliance issue.

Our conclusion is that no due diligence process, however enhanced, can overcome the reality that all companies that do business with Israeli settlements are contributing in some way to the maintenance, development and expansion of the settlements, and therefore reinforcing an illegal situation.

Companies operating or investing in settlements in the OPT, supplying goods or services to settlements or sourcing from them, benefit from Israel's unlawful confiscation of Palestinian land and other resources. They also benefit from Israel's discriminatory policies for planning and zoning, in addition to financial incentives and preferential access to utilities and infrastructure, all of which disadvantage Palestinian businesses.

Encouraging companies within your portfolios to conduct enhanced due diligence on their business dealings with Israeli settlements is not a substitute for divesting from those companies. Had these companies conducted such human rights due diligence properly, they would no longer be undertaking any form of business with these settlements.

I would urge Merseyside Pension Fund to take steps to divest from companies that do business with Israeli settlements in the OPT and avoid any such investments in future. This would send clear signals to other companies, fund managers and pension funds that are linked to Israeli settlements via their business relationships that such connections are increasingly regarded as unethical and unacceptable.

By all means let me know if you would like any further information on this issue.

Yours sincerely,

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