



The road to olive farming

Challenges to developing the economy
of olive oil in the West Bank



One Summary

For thousands of years, the olive tree has been an integral part of the Palestinian landscape: a symbol of Palestinian identity, culture and tradition. The majority of Palestinian farmers are at least partially dependent on olive cultivation. The current profitability of olive farming is evident in the increase in recent years of farmers who are planting new trees and tending to their orchards. In a good year, the olive oil sector contributes over \$100 million income annually to some of the poorest communities. Olive cultivation also has strong social and political aspects, as the planting of olive orchards is often an attempt to prevent the confiscation of land by Israel or settlers and to protect Palestinian livelihoods.

“THE OLIVE TREES ROOT AND ANCHOR US IN OUR LAND, PROVIDE A SENSE OF BELONGING, HOME AND HOPE. INVESTING IN OLIVE OIL IS INVESTING IN OUR FUTURE.” ABU SULEIMAN, OLIVE FARMER FROM THE VILLAGE OF IMMATIN

While the olive oil sector significantly contributes to economic security and generates income and employment, numerous obstacles prevent the sector from realising its full potential. A lack of adequate resources and ineffective sectoral management coupled with environmental factors, poor production and quality practices have caused stagnation in the development of the sector.

Donors and NGOs need to work with the relevant Palestinian authorities and all stakeholders to develop an effective strategy and improve coordination and regulation of the sector. With the right investments, and the adoption of improved agricultural practices, Oxfam estimates that the productivity and therefore the incomes of olive farmers could double.

Practices that improve the quantity and quality of olive oil combined with improved marketing skills could increase local market share and unlock the growing global market to more Palestinian olive farmers. Increased productivity would ensure the stability of prices for olive oil on the domestic market and increase the surplus available for export (which always exists in years of high production). Through improving the quality of olive oil, Palestinian farmers have potential to become leaders in organic and Fair Trade markets. Whilst these niche markets are relatively small globally, they do provide additional marketing opportunities for Palestinian farmers, and the higher prices that make Palestinian olive oil more competitive.

Yet, such investments are meaningless unless Israel, which has occupied the West Bank since 1967, refrains from actions that restrict Palestinian farmers from access to their land and means of livelihoods. The range of physical, logistical and administrative impediments imposed by Israel on Palestinian farmers and traders leaves limited access to local, national and export markets, and prevents the full implementation of international trade agreements.

Oxfam has a long history of assisting olive farmers in Palestine. With funding from the European union, we are currently helping farmers improve farming practices and open local, regional and international markets to their products. This report shares the learning, success and challenges Oxfam and its partners have faced over a number of years. We believe that if the Palestinian Authority, Israel, the international community, donors and NGOs address the issues outlined in this report the future for Palestinian olive farmers looks bright.



Two

The importance of
the olive

It is estimated that 45 per cent of agricultural land in the West Bank and Gaza Strip is planted with around 10 million olive trees with the potential to produce up to 34,000 metric tons of olive oil in a good year, but only 5,000 tons in a bad year, with the average quantity of oil produced between 2001-2009 being around 17,000 tons.¹ As olive cultivation in the West Bank tends to be low-input traditional plantations, with low use of chemicals, it is more environmentally sustainable than the intensive olive cultivation often practiced in other oil producing countries (specifically in Europe).²

APPROXIMATELY 95 PER CENT OF THE OLIVE HARVEST IS USED FOR OLIVE OIL, AND THE REMAINDER FOR PICKLES, TABLE OLIVES AND SOAP. IN A GOOD YEAR THE OLIVE SECTOR CONTRIBUTES ABOUT 15-19 PER CENT OF AGRICULTURAL PRODUCTION.³ THIS IS EQUIVALENT TO AROUND \$160-191 MILLION. OLIVES AND OLIVE OIL ARE ONE OF PALESTINE'S MAIN EXPORTS.⁴

Agriculture in the occupied Palestinian territory is a major provider of both formal and informal work. Employment in the agricultural sector rose from 11.5 per cent in 1996 to 14.2 per cent in 2008.⁵ Most Palestinians depend on agriculture as a secondary form of income and olive farming is no exception.

Olive cultivation provides employment and income for around 100,000 farming families who are olive oil producers. Olive orchards are usually run as small family businesses, utilising unpaid family labour. More than 80 per cent of olive farmers are small-medium scale farmers, owning olive orchards equal to or less than 25 dunums in size.⁶ The sector creates thousands of jobs. Olive production generates seasonal employment for labourers during the harvest season (around 3 million work days in a good year).⁷ Many of these labourers are share-croppers (who contribute labour during harvest season and receive a share of the crop in return). In 2009, there were 490 paid employees working in some 235 olive presses operating throughout the oPt.⁸ The sector also provides jobs to those who work in nurseries and bottling plants as well as traders.

One third of all women working are employed in the agricultural sector.⁹ Women play an active role in the production of olives and olive oil, specifically in weeding,

harvesting, grading/sorting of olives and storing.¹⁰ Yet, they lack control over land ownership or ownership of productive assets (such as machines) which are largely controlled by men as well as access to capital.¹¹

Further, olives and olive oil are largely marketed and sold by men in local markets or to traders and exporters, while women sell small volumes through informal networks and within their community, which is less profitable.¹² However, within female-headed households women often have control over productive assets as well as credits and input enabling them to participate in, and benefit from, agriculture on an equal basis with men.



Selling olives and oil. Photo: Karl Schrembri/Oxfam

Three

Growing pains

Olive harvests in the West Bank fluctuate since olive trees tend to give a bountiful crop in alternate years only. The level of fluctuation is currently unpredictable making it harder for farmers to maintain a consistent product and access to external markets, while meeting local consumption requirements.

According to testimonies from olive growers and records of the Ministry of Agriculture, the harvesting season of 2009 was one of the worst seasons to have occurred in the last 15 years. Olive oil production in 2009 was around 27 per cent of production in 2008. Whilst alternate bearing is a natural phenomenon, fluctuations in yield can be stabilised through improving farming and production practices. The chart below shows the fluctuations in yield between 2001 and 2009.

Farmers can stabilise yields by applying the environmentally sound practices outlined below:

1. Addressing climate change The effect of climate change cannot be underestimated especially in a society where access to land and water resources is constrained due to the Israeli occupation, placing an already fragile agricultural society at greater risk. Climate change, both increased temperature and decreased

rainfall causing more frequent drought and increasing desertification, will significantly impact on Palestinian agriculture, food security and water availability.

The majority of olive trees are rain fed, making olive farmers particularly vulnerable to drought. Rainfall in 2008/2009 was well below the yearly average and in the arid and drought prone regions of Bethlehem and Hebron olive production was significantly reduced.¹³

Practicing irrigation techniques can significantly improve crop yield, yet West Bank Palestinians lack access to water resources that are predominantly under Israeli control. Figures from the Ministry of Agriculture show relatively high yield for Jericho and Gaza in 2009, in comparison with other regions, as supplementary irrigation is practiced.¹⁴ A number of organisations are currently piloting initiatives to introduce water pools, which collect rainwater in winter to use in summer, as a method to increase crop yield.¹⁵

Whilst climate change is now on the agenda of the Palestinian Authority and the Environmental Quality Authority has been working to assess risk and vulnerability and create an adaptation strategy, this is yet to be developed into a comprehensive policy and national plan of action to address climate change.

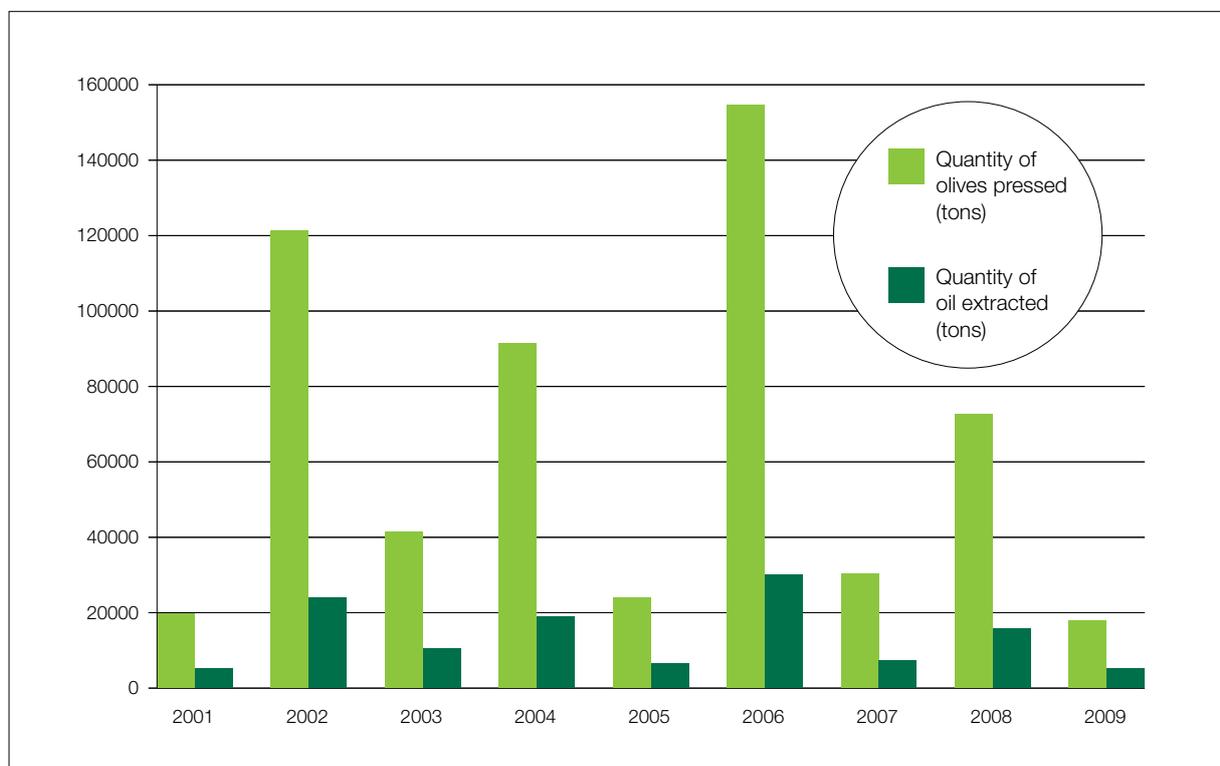


Figure 1. Quantity of olives pressed and oil extracted in the occupied Palestinian territory, 2001-2009. Source: Palestinian Central Bureau of Statistics

2. Improving soil productivity Soil tillage is an important factor in improving the productivity of crops including olive trees. It destroys pests, controls weeds, distributes nutrients throughout the soil and allows the soil to retain moisture. Most olive groves in the oPt are ploughed using animals as the hilly terraces are inaccessible to tractors. Few Palestinian farmers use the specially designed small tractors for such terrain, common in other oil producing countries. Mechanised ploughing can reduce ploughing costs, but may if intensively used lead to greater soil erosion. In order to increase the productivity of the soil in olive orchards, initiatives are being piloted to replace manure with compost under olive trees, which retains moisture in the soil, and reduce the use of herbicides to control weeds.

THE IMPROVEMENT OF THE QUALITY OF THE OLIVE OIL AND PRODUCING EXTRA VIRGIN OLIVE OIL HAS IMPROVED OUR ECONOMIC CONDITIONS. FARMERS ARE PROFITING AROUND 5,000-6,000 ILS MORE (\$ 1,300- 1,600). THE PROFITS WE GAINED ENABLED US TO OPEN NEW AGRICULTURAL ROADS WITH THE SUPPORT FROM THE LOCAL COUNCIL. AN OLIVE FARMER FROM QARAWET BANI HASSAN COOPERATIVE, JUNE 2010

3. Protecting against disease and pests One major problem for olive trees is the olive fly. Olive flies impact on the quantity of olive production and on the quality of olive oil, often making it unfit for human consumption. Another problem affecting olive trees in the oPt is a fungal disease *cycloconium*, commonly known as Peacock Eye.¹⁶ Introducing home-made traps for the olive fly and spraying trees against Peacock Eye disease with copper (within organic guidelines) has proved successful in reducing losses and increasing productivity. Likewise the adoption of pruning techniques could encourage the growth of both branches and olives and reduce the development of fungi such as Peacock Eye. With better pruning and control of olive fly and Peacock Eye disease, it is possible to reduce the impact of the alternate bearing phenomenon and increase the yield by up to 50 per cent.

4. Improving harvesting techniques Most harvesting is done by hand, which significantly contributes to around half of all labour costs for Palestinian olive farmer. Traditionally Palestinians have harvested olives by beating them out of the trees with sticks which can damage the fruit and reduce the quality of the oil, but awareness raising has meant that most farmers now hand pick their olives. It is essential that olives be

harvested at the correct time to ensure high quality olives and olive oil. Placing nets on the ground and storing olives in ventilated boxes or Hessian bags preserves the freshness of the olives before pressing.

Whilst a number of institutions and NGOs provide training in agricultural practices, the participation of women in such training sessions is often low. Organisations that provide training need to be more aware of the significant contribution women make to agriculture and adopt methods to ensure that women can fully benefit from the exchange of knowledge and capacity building. Holding women-only training sessions or ensuring that sessions are conducted at a time and place that is convenient for women to attend would help women access skills they need.

It is estimated that farmers can stabilise the phenomenon of alternate bearing from two years to four-five year cycles and decrease the gap in production between high and low yield years.¹⁷ This could result in a progressive increase in production each year from 20,000 tons to 35,000 tons over the next three to seven years, an additional increase of \$38-45 million for every 10,000 tons over the same period.¹⁸

Pressing Problems

The vast majority of olives harvested in the West Bank are used to produce olive oil. Palestinian olive oil can be of a very high quality if well produced, based on chemical analysis and organoleptic (sensory) assessment.

The overwhelming majority of Palestinian olive oil is virgin olive oil as this is what the local market has demanded. Yet, for the profitable export market Palestinian olive oil does not always meet the standards required or the preference of some markets for extra virgin olive oil, which has lower acidity and peroxide values.

Palestinian olive oil produced for export is sometimes of variable quality. For example in 2005, five containers of olive oil were rejected at EU borders in France, Italy, the UK and Belgium, because of the lack of conformity to EU standards.¹⁹ Such occurrences damage the reputation of Palestinian olive oil and consistent production of high quality olive oil is essential in order to secure and maintain access to international markets.

Simple changes in pressing and storing techniques would dramatically improve the quality of the pressed oil. A number of factors currently reduce the quality of Palestinian olive oil, in addition to incorrect harvesting methods mentioned above.²⁰



These include:

- delays in pressing the olives which cause increased acidity, especially in the first two days
- not pressing the olives according to the correct process, including at the correct temperature and correct humidity rate, infrequent changing of the water used to wash olives, or unsanitary conditions at the mill
- storing the pressed olive oil in incorrect conditions. Olive oil should be stored at a constant temperature in stainless steel tanks
- lengthy storage as olive oil quality is reduced with the age of the olive oil
- mixing the olive oil with other oils such as soy or corn. This practice, known as adulteration is unacceptable for the market
- the absence of strong internal quality control mechanisms.

In 2005, the Palestine Standards Institution developed a 'Quality Chart- For Olive Oil'. This chart sets out good practices at all stages of olive oil production from harvesting to labelling of products to ensure that good quality oil is consistently produced both for internal consumption and meeting the requirements of the international market. This chart has been officially approved and is supported by a broad consensus of stakeholders. However, the control and certification procedures that are managed by the Palestine Standards Institution, Ministry of Agriculture and Ministry of National Economy have not been fully implemented.

Currently, testing of Palestinian olive oil quality for local consumption is only done upon receiving a complaint from a consumer. Lack of labelling and certification means that the mixing of oils (either old and new, or olive oil with vegetable oils) is common.²¹



Bottling olive oil from stainless steel vats. Photo: Tineke D'haese Oxfam

Working together

When farmers work collectively to harvest and press their olives, and organise themselves within producer organisations, the quality of oil improves and they gain a better price for their product.

Organisation into producer groups enables farmers to pool resources to improve access to assets and equipment needed to maintain their orchards and optimise production. Most mills will not press less than 300kg of olives at any one time, an amount that a single farmer working alone will need several days to pick. However, through working together, farmers can take their olives to press daily, in bulk, which improves quality through reducing delays between harvesting and pressing. The quicker pressing often reduces the oils acidity enabling it to become extra virgin olive oil. This can be important since farmers can receive an increase of 2.5 ILS (\$0.65) per kilo for their extra virgin olive oil, as compared to virgin olive oil.

AFTER TRAINING WE ARE MUCH MORE AWARE OF HOW AND WHEN TO PRUNE OUR OLIVE TREES. WE USED PLASTIC BAGS TO COLLECT OLIVES IN, WHICH AFFECTED THE QUALITY OF THE OLIVES. NOW WE USE PLASTIC BOXES THAT IMPROVES THE QUALITY OF OUR OLIVE OIL. WE ARE MORE AWARE OF BEST PRACTICES OF HARVESTING, SAVING AND PRESSING OUR OLIVES. AN OLIVE FARMER FROM KUFUR ABOUSH COOPERATIVE, JUNE 2010

It is important that producer groups do not exclude individual or very small-scale olive farmers who may be more vulnerable and in need of support. Currently there are a limited number of organised producer groups in the West Bank, partly due to the fact that many olive farmers produce solely for personal consumption. A number of stakeholders also point to the need to review the current cooperative law which may currently constrain the benefits of farmers' organisation.²²



Empowering women through olive cooperatives

WE THOUGHT ABOUT THE IMPORTANCE OF WOMEN'S PARTICIPATION IN THE OLIVE OIL SECTOR AND DECIDED TO FORM A COOPERATIVE OF WOMEN FARMERS. WE ARE THE FIRST TO DO SO IN THIS VILLAGE AND ARE NOW CONSIDERED A LEADING WOMEN'S COOPERATIVE IN THE NEIGHBOURING VILLAGES. A WOMEN FROM SIR COOPERATIVE, 2009

While women make essential contributions to the olive harvest, they often lack an active role in olive oil cooperatives such as participation in decision-making, or ownership over the final product. Men overwhelmingly dominate producer organisations in the West Bank. Expanding women's membership in many cooperative societies can be challenging, as numerous women are not landowners (a pre-condition for membership in some cooperatives) or cannot afford the membership fees. Fees for cooperatives are high, which can be a challenge for small and middle-income farmers of both genders. The barriers to increased women's involvement also include the hesitation of men to involve women but also a reluctance of women to assume a more active role due to their other commitments such as domestic responsibilities or in some cases jobs. Yet, it is possible to increase women's involvement through encouraging women to support the administrative work of the cooperatives.

Um Eiyad is a female member of the Aboud cooperative, which has both male and female members. She is an active member who participates in all the cooperative activities and she is also very active within her community. Um Eiyad sees real benefits from women's increased involvement: *I am looking forward to being*

nominated for the executive board in the next elections. I want to represent women's interests in the cooperative and ensure their needs are more reflected in the cooperative's plans and decision making.

Where it was not possible for women to be included in mixed cooperatives, Oxfam and its partner the Palestinian Farmer's Union have been introducing olive and olive oil related work that can involve the women. An example is support to three Palestinian women's cooperatives to produce tapenade (olive paste). This is a specialty product to be marketed in high-end shops and delicatessens, for export markets. The product is being produced through a European Union funded project designed to improve market access for small and medium sized olive growers. *"When we looked at the gender distribution of the project, we saw that women were having a hard time increasing production because they own less land, and therefore own fewer trees, which means they produce fewer olives and less oil,"* said Haitham Hassassneh, an Oxfam coordinator on the project. *"It takes far less olives to make a ton of tapenade than it does to make the same quantity of oil so it's more cost efficient for them, and since it's a specialty product there is less competition. The women can control the market,"* he explained.

Above: Women making olive paste. Photo: Willow Heske/Oxfam

Structural Challenges

Inadequate budget for the olive oil sector

The Palestinian agricultural sector as a whole accounts for around ten per cent of GDP, 20 per cent of exports.²³ Yet, the sector suffers from a lack of investment. In 2009, the Ministry of Agriculture was allocated around 1.21 per cent of the total Palestinian Authority (PA) budget. Of this amount 58 per cent is spent on salaries for employees and operational costs leaving little to support farmers themselves and development of the sector.²⁴

The Ministry of Agriculture's involvement in the olive oil sector is primarily focused on agricultural extension services (providing knowledge about agricultural practices through education and technical training to farmers). However, its impact in this area has been weak due to the lack of resources available to the Ministry. Furthermore, the Ministry has not extended its services to other actors in the sector such as the nurseries that provide olive seedlings.²⁵ Ensuring adequate budgetary allocation for the agricultural sector is one aspect of ensuring the realisation of the rights to livelihood and food of the Palestinian population, particularly in ensuring that such funds are targeted to reach the poorest and most vulnerable sections of the population such as small scale and subsistence farmers.

Donor aid: the need for more targeted intervention

The oPt is one of the largest recipients of humanitarian assistance in the world.²⁶ While essential to mitigate the negative effects of conflict and occupation, it cannot be a sustainable solution for communities' long-term livelihoods unless it is connected to the longer term development of agriculture and employment that could help lift the population out of poverty.

Donors also provide bi-lateral assistance to the PA and support development objectives through funding of both international and local NGOs. In 2009, donor support for the development of the agricultural sector was limited to less than 1 per cent of total funds.²⁷ Yet, in the last five years there has been increased donor interest in the olive oil sector. Major donors in the sector include the European Union (5 million Euros for 2008-2010); the French Development Agency (1.25 million Euros 2008-2010); and the Swiss Agency for Development and Cooperation (\$1.1 million 2008-2010).

Programmes implemented through Palestinian and international NGOs have particularly focused on improving production of olives and quality of olive oil and improving marketing designed to increase global

competitiveness. These interventions need to be maintained and expanded. There has been limited focus on building the capacity of producer organisations or other actors within the value chain and limited investment in provision of financial services for farmers. Low access to credit and unrealistic and unaffordable payment schemes on loans prevent farmers from being able to expand their orchards and invest in necessary equipment to increase yield and productivity and reduce production costs.

On the other hand, heavy subsidisation of farmers' assets by some donors could create problems. Some olive oil producers can see the accumulation of assets as potential financial capital, and have not directed such resources towards increasing productivity of olive orchards and quality of olive oil.²⁸ There have been a few isolated cases of farmers blocking access to cooperatives for prospective members, who fulfil the membership criteria, in order to increase their own profits. As members are shareholders, farmers are concerned that increasing membership could potentially cause a lower percentage of profit per member if cooperatives sold the assets they hold.²⁹

A lack of effective coordination amongst donors and NGOs has in some cases led to an overlap in projects and duplication of interventions. Greater coordination would help ensure the optimal use of resources available to develop the sector. This problem has also been exacerbated due to the lack of a national strategy for the sector. The absence of a strategy has also been a deterrent to increasing donor investment. Recently European donors requested the Thematic Working Group for the Olive Oil Sector to develop a strategy paper for the sector, which is expected at the end of 2010. It is essential that all stakeholders have the opportunity to provide input to the development of this strategy in a participatory and inclusive manner. Mechanisms should be developed to ensure that the voices of the most marginalised sections of the olive community are heard, particularly women and individual (non-organised) farmers, so that the strategy adequately addresses their specific needs.

A weak institutional framework

The olive oil sector has suffered from the lack of an effective regulatory body. It was only in 2005 that the Palestinian Olive Oil Council (POOC) was established by the Ministry of Agriculture to coordinate between stakeholders, lead the development of the olive oil sector and raise its competitiveness in local, regional and international markets.³⁰ Yet, its effectiveness has been limited.

The POOC's added value should be to lead the coordination of the sector and act as the main regulatory body. According to the Memorandum of Understanding signed between the MoA and the POOC in October 2009, the MoA should transfer authority to the POOC to organize all projects related to the development of the olive oil sector and should allocate a special annual fund to the POOC to be included in its budget according to its needs and plans.³¹ Whilst the MoA has transferred many responsibilities to the POOC, it has not provided the financial and human resources necessary for the POOC to carry out its mandate. This has constrained its ability to effectively engage in the sector and so far activities have been limited to carrying out trainings and organising workshops for farmers. Further, there is a lack of clarity amongst stakeholders on the role of the POOC, and the POOC needs to proactively engage with all stakeholders to ensure they are aware of its mandate and terms of reference.³²

Whilst membership of the POOC is open to all stakeholders in the sector, it has been criticized for being dominated by a few major actors. The lack of presence on the ground has also meant that many stakeholders are

unaware that the POOC is their representative body and lack faith in it. The majority of the POOC's membership are farmers. However out of a potential 80,000 farmers who could qualify for membership (those who own or manage more than five dunums of land planted with olive trees) only 13,000 farmers have joined so far.³³

Lack of active participation from farmers reduces the legitimacy of the POOC to act on their behalf. An increased presence in the governorates could build people's faith in the POOC and ensure that farmers exercise their right to full and meaningful participation in the decision making process.

The POOC further lacks the support of the International Olive Council (IOC) the world's governing body for the olive oil sector. The oPt is not a full member of the IOC but is only granted observer status, on the basis that the oPt is not a state. The IOC has recently invited Palestinian olive oil tasters for training, but Palestinians have not benefited from the transfer of experience and institutional and technical cooperation that full membership could bring. The POOC needs to engage in more effective lobbying of the IOC for inclusion.



The fruits of labour. Photo: Tineke D'haese/Oxfam

Four

Farming under
occupation

Settler violence

Under international humanitarian law and international human rights law, Israel, as an occupying power, must ensure public order and safety and protect the civilian population in the territory under its control.³⁶ In reality, tens of thousands of olive trees have been uprooted or burnt by the Israeli government or Israeli settlers since the start of the occupation in 1967 representing a tragic loss of livelihood for Palestinian farmers.

In the first six months of 2010 the United Nations reported that thousands of olive trees and other crops had been damaged in settler-related incidents.³⁷ The Israeli NGO Yesh Din in a recent study did not find a single case where the Israeli authorities took action to

bring those involved to court.³⁸

Physical attack or harassment against Palestinian olive farmers is also common and often increased during the time of the harvest. This has often contributed to the forced displacement of farmers.

Israeli and international solidarity activists that assist with the harvest and seek to protect farmers by their presence have also been victims of attack. Human rights NGOs have reported that in many cases Israeli army personnel present when the violence took place failed to act to prevent the harassment of or attack on Palestinian farmers or destruction of their property by Israeli settlers, and even report a few cases where soldiers themselves participated in the harassment of harvesters.³⁹



Olive tree destroyed by sewage near Immanuel settlement. Photo: Catherine Weibel/Oxfam



Israeli human rights group tries to prevent justice turning a blind eye to settler violence

IN THE PAST TWO YEARS I HAVE LOST TWO THIRDS OF MY OLIVETREES, I HAVE NEVER BEEN IN A BAD FINANCIAL SITUATION LIKE THIS BEFORE. MOHAMMED ABU NAJAR

At the entrance to the village of Burin, fire has turned an entire olive grove into a grey, charred landscape. It was ravaged on 26 July 2010, after settlers went on a day of rampage, setting ablaze several fields in this village near Nablus. According to Yesh Din-Volunteers for Human Rights, the settlers reacted to the demolition of a structure by the Israeli army in an illegal outpost earlier on that day. "The settlers implement a policy which they have termed the 'price tag'", says Firas Alami, field researcher for Yesh Din. "Their goal is to create a price for each demolition in an outpost, causing Israeli authorities to think twice before carrying them out." Outposts are illegal under both international and Israeli law, but Palestinian farmers are paying the price for any attempt to evacuate them. Even though the field is in full view of the Israeli soldiers manning the Hawara checkpoint, some 20 metres away, Yesh Din and the villagers say the army did nothing to stop the settlers.

Burin is located in Area C of the West Bank (under

full Israeli control) in a valley directly between two mountains, on top of which sit two Israeli settlements, Yizhar and Bracha. Ali 'Id, the head of the village council, says that settlers have caused the loss of 16,000 trees in Burin over the past years, and that violence flares each autumn during the olive harvest.

Mohammed Abu Najjar lives in Burin close to Bracha settlement. He is 50 years old and married with eight children. He lives solely from farming; mainly olives. In June 2009, settlers began attacking Mohammed's land, cutting down and setting fire to his olive trees as well as spraying chemicals on them. In a two week period around 400 of his trees were destroyed or severely damaged. Mohammed estimates that he used to produce on average around 100 containers (17 kg each) of olive oil from his trees and that each container could be sold for 400 ILS (\$105) in 2009. In July 2010, settlers once again attacked his livelihood and cut down another 75 olive trees.

Above: Burnt olive grove in Burin. Photo: Catherine Weibel/Oxfam

Access denied

Restricting access to land and olive trees

Around 40 per cent of the West Bank is effectively off-limits to Palestinians, or access is highly restricted, due to settlements, outposts, bypass roads, military bases, closed military areas and areas Israel has declared as being nature reserves.³⁸ The areas where movement and access is most severely curtailed include land classified as Area C following the Oslo Accords (some 60% of West Bank land under full Israeli control) and the Seam Zone (land trapped between the Wall being built by Israel and the Green Line/ 1967 Armistice Line). The construction of these 'closed zones' by the Israeli authorities has led to the expropriation of many tracts of agricultural land, harming both the agricultural economy and the welfare of farming families, specifically those dependent on agriculture for subsistence and food security.

I HAVE 18 DUNUM (1.8 HECTARES) OF OLIVE TREES ISOLATED BEHIND THE WALL. I HAVEN'T BEEN ABLE TO TEND TO THEM BECAUSE IT IS FORBIDDEN TO ENTER THIS ZONE. IN ANY CASE, THERE IS NO AGRICULTURAL GATE TO ALLOW US TO PASS THROUGH. IF WE HAVE THE MISFORTUNE TO GET TOO CLOSE, THE ARMY ARRIVES IMMEDIATELY TO CHASE US AWAY. THESE 18 DUNUM ALLOWED ME TO PRODUCE 1,350 LITRES OF OLIVE OIL PER YEAR. I ALSO RISK LOSING 23 ADDITIONAL DUNUM BECAUSE THE SETTLERS ARE TAKING VITAL WATER SOURCES FOR THE OLIVE TREES. YOUSSEF SALIM, OLIVE FARMER, BEIT JALA, 2009

The Wall being built by Israel is now around 60 per cent complete with 85 per cent of its route lying within the West Bank.³⁹ Tens of thousands of olive trees have been uprooted to make way for the Wall's construction. Whilst many of these uprooted trees were destroyed, there are reports that thousands of olive trees have been re-planted in Israel or Israeli settlements.⁴⁰ Israel's Wall has left over one tenth of fertile Palestinian farm land trapped in the 'Seam Zone', and separated many Palestinian farmers from their means of livelihood.⁴¹ It is estimated that once the construction of the Wall is completed some 1 million olive trees (amounting to 10% of total olive trees in the oPt) will be caught in the Seam Zone.⁴² The Wall has also cut many farmers off from water sources vital to irrigate their crops and ensure the optimal production of olive groves.

Palestinians are only allowed sporadic access to land trapped in the Seam Zone through gates located along the Wall and with the permit or 'prior coordination' required by the Israeli authorities. Permits are notoriously difficult to obtain as Palestinians are subject to strict security checks and must prove to the Israeli authorities that they have a 'connection to the land'. Many Palestinians cannot prove land ownership as customary traditions saw land being passed down from one generation to the next without the necessity for formal land registration. Further, permits are often only given to one family member, whilst olive farming is usually an activity that requires the participation of the extended family. Barrier gates are open infrequently and for limited time periods. Many of the gates are only opened during the olive harvest season which does not allow Palestinian farmers to access their land to carry out essential ploughing, pruning or fertilizing of their olive trees. Access to agricultural lands within the environs of settlements is also strictly curtailed for Palestinian farmers who must receive 'prior coordination' from the Israeli Civil Administration (a part of the military administration), which again is often only granted during the olive harvest season.

In 2004, the International Court of Justice (ICJ), the primary judicial organ for the United Nations ruled that Israel's construction of the Wall in the occupied Palestinian territory, including in and around East Jerusalem, is contrary to international law and Israel is obliged to cease all construction, to dismantle the Wall and to make reparation for all damages caused by the construction of the Wall. The ICJ particularly noted the impact the Wall had had on the rights of Palestinian farmers and stated that Israel is under the obligation to "return the land, orchards, olive groves and other immovable property seized from any natural or legal person for the purposes of the construction of the wall."⁴³ The Israeli government has so far failed to comply with the ICJ's ruling. In a landmark decision on 9 September 2009, the Israeli High Court of Justice also found that the route of the Wall in parts of the West Bank, much of which confiscated prime tracts of agricultural land, was not related to security but in fact served to accommodate the expansion of settlements.⁴⁴

Restricting access to markets

Since the beginning of the second Intifada (the Palestinian uprising against the occupation in 2000), the Israeli authorities have implemented a policy of restricting Palestinian movement, which they justify on security grounds. These physical barriers such as checkpoints and road blocks have restricted the free movement of people and goods within the West Bank and obstructed access for Palestinian agricultural produce, including olives and olive oil, to internal, Israeli and international markets. Whilst Israel has both the right and duty to protect its citizens from attack, it must ensure that any measure it takes does not have a negative impact on the civil and political, economic and social rights of the Palestinian population.

1. Reduced access to the local market In May 2010, the Israeli government began removing some internal road blocks, easing movement between West Bank towns and cities and creating improved opportunities for Palestinian farmers to access local markets. Yet numerous barriers remain. As of June 2010, the United Nations documented 504 obstacles blocking internal Palestinian movement and access throughout the West Bank.⁴⁵ The Israeli military has also implemented a permit system necessary to move produce around the West Bank. Internal closures have made accessing local markets increasingly difficult and expensive, mainly due to increased delays and transportation and storage costs.

2. Reduced access to external markets Israel implements the 'back to back' system for all goods being transported into or out of the oPt. This requires Palestinian goods to pass through one of the five Israeli commercial crossings that are located in the path of the Wall. Palestinian vehicles, or holders of West Bank ID cards, cannot cross a commercial crossing and goods must be unloaded from the Palestinian vehicle, checked extensively and then re-loaded onto an Israeli vehicle on the other side (back to back). This system means that Palestinians have little control over their products once they leave the Palestinian truck and excessive time delays lead to increased costs. Palestinian traders often rely on using Israeli intermediaries to take their goods to external markets.

To pass a checkpoint olive oil must be stacked in pallets no higher than 1.6 metres and pallets must not be stacked directly on top of each other, leaving a space between them for security reasons. This significantly adds to costs as Palestinians lose a quarter of the capacity of the container but must still pay the same cost for shipping the container overseas.⁴⁶

The trucks must be open and oil is stored in bottles and cartons. Sometimes the trucks wait for 15-20 hours to cross a checkpoint, which can seriously affect the quality of the olive oil through deterioration in direct sunlight. Often the bottles are damaged and oil leaks.⁴⁷ Traders also have to pay increased costs to use forklift trucks to load and unload their goods. A lot of movement can also decrease the quality of the olive oil as shaking increases oxidation.

IN 2009 WE SENT A SHIPMENT OF OLIVE OIL TO SWITZERLAND. WHEN IT ARRIVED, THE CUSTOMER COMPLAINED THAT THE PALLETS WERE NOT PACKED IN THE CORRECT WAY. WE HAD TO PAY MORE THAN 600 EUROS TO RE-STACK THE PALLETS. WE KNOW THAT THE PALLETS WERE CORRECTLY PACKED AT OUR END, BUT HAVE NO CONTROL OVER WHAT HAPPENS ONCE THEY LEAVE OUR TRUCK. ALSO PALLETS HAVE BEEN OPENED OR FOUND MISSING WHEN THEY ARRIVE AT THEIR DESTINATION, BUT WE HAVE NO WAY OF KNOWING WHO IS RESPONSIBLE. SAID JANAN, MARKETING COORDINATOR, MOUNT OF GREEN OLIVES COMPANY, SEPTEMBER 2010

In order to access the world market, West Bank traders must either ship their products out of Israeli ports or airport (the preferable option for access to EU, North American and East Asian markets) or through Jordan (the preferable option for access to Arab Gulf markets).⁴⁸ Again, excessive time delays, increased transport, labour and equipment costs, security checks, lack of access to proper storage facilities and damage which occurs during handling and loading and unloading of produce, reduce the competitiveness of Palestinian agricultural produce and introduce high levels of unpredictability in terms of quality and delivery times. All this prevents Palestinian olive and olive oil traders from penetrating global markets.

3. Non-implementation of the Paris Protocol In 1994 Israel and the Palestinian Liberation Organisation (PLO) signed an agreement known as The Paris Protocol, where both sides undertook to co-operate on economic issues with 'a view to enhance their interest in the achievement of a just, lasting and comprehensive peace'. The Paris Protocol aimed to remove economic borders between the parties and ensure the free movement of people and labour as well as agricultural and industrial goods.

While the Protocol promised Palestinian farmers unrestricted access to the Israeli agricultural market and

facilitated access to international markets, closure and access restrictions have in fact prevented Palestinians from benefiting from this opportunity.⁴⁹

Reduced access to the Israeli market

Israel consumes around 6,000 tons more olive oil and 7,000 tons more table olives than it produces.⁵⁰ To meet the gap in supply and demand Israel imports olives and olive oil from Greece, Turkey, Italy and Spain. Prior to 2000, Israel was importing around 5-6,000 tons of olive oil per year from Palestinian producers.⁵¹ Since then some olive oil has continued to reach Israel unofficially, but the construction of the Wall beginning in 2002, further restricted access for Palestinian products in Israeli markets. In spite of this, Palestinian traders who are citizens of Israel buy olive oil in bulk directly from farmers and presses in the West Bank for sale on the Israeli market. Quantities are difficult to approximate due to the lack of receipts, invoices or statistics that accompany these transactions. The Palestinian Ministry of Agriculture estimates that around 20.74 tons of Palestinian olive oil reached the Israeli market in 2008

(one per cent of export).⁵² However, numerous experts believe that Israel is still a major market for Palestinian olive oil. Due to its proximity and close marketing ties the Israeli market still remains the most profitable external market for Palestinian producers.

The blockade on Gaza

Given the low extent of olive cultivation in the Gaza Strip, the Gazan market used to consume a great portion of West Bank olive oil. The Israeli imposed blockade on the Gaza Strip has affected the import of olives and olive oil from the West Bank considerably. It has been reported that there has been a decrease of olives and olive oil on the Gazan market; an increase of olive oil arriving from Spain, Syria and Egypt through the tunnels (including oil that was reduced in price because it had reached its expiry date); an increase in prices and a lack of ability for many Gazans to afford the cost of olive oil due to the depressed economic situation forcing them to change consumption patterns and buy other forms of cheaper oil. There were also reports that olive oil was often adulterated and mixed with corn oil to reduce the price.⁵³



Ameen Mahmoud Abdel Qader, describes the impact of the building of the wall: "My family have lived in E-Ras and farmed here for generations but with the building of the wall by the Israelis my family will lose 250 dunums (60 acres) of land which will be behind the wall. Our village altogether will lose 13,000 dunums including greenhouses where we grew tomatoes and olives". Photo: Oxfam





The impact of the Israeli imposed blockade on the availability of olives and olive oil in Gaza

EVERYTHING ARRIVES HERE PRE-PACKAGED, FOR RESALE. ISRAEL HAS STOPPED MATERIALS IN BULK FROM COMING IN, SO WE GET PACKAGED OLIVE OIL, BUT WE CAN'T BUY OLIVE OIL IN BULK. OLIVES ARE OUT OF THE QUESTION. **ANWAR ATALLAH**

Interview with Anwar Atallah, Unipal General Trading Company, 22 July 2010: We don't get West Bank olives since the blockade started, at all, so that line of our business has been destroyed. Olive oil arrives, but in much smaller quantities. Before 2006 we used to bring in 20 tons of containers every month, then we were allowed only 5 tons a month. We used to be the number one market for West Bank olives and olive oil, taking up 70 per cent of produce and exporting the rest to Saudi Arabia, Kuwait, and Qatar.

Our economic situation went downhill, very quickly. One litre of oil would cost \$2, now it is \$10. Settlers and the Israeli army are constantly destroying olive trees in the West Bank, and over here we have the siege that has brought all the official economic activity to a halt.

We started seeing cheap oil on the market coming from Syria and Spain through the tunnels. It is not good quality, but they provide some form of alternative for the impoverished Gazans. Olives and olive oil are part of every Palestinian home, like bread. It is impossible not to have olives and olive oil; it's our culture, our history.

So the situation has really hit every household. While for \$2.50 you would previously get 5 kg of olives, now for \$2 you get 330g.

Everything arrives here pre-packaged, for resale. Israel has stopped materials in bulk from coming in ... so we get packaged olive oil, but we can't buy olive oil in bulk. Olives are out of the question.

We know that some Palestinian farmers have gone to Al-Arish, Egypt, and started planting their olive trees, and then using the tunnels there, to smuggle the oil into Gaza.

Interview with Miryam Al-Harbawi, Refugee, Shati Camp, Gaza Strip, 25 July 2010: I haven't bought olive oil in the last three years. It's too expensive, how am I supposed to cope? I have no brothers, sisters or family to help me ... and I only cope with the help of neighbours who give me some food and clothes. We get around ILS 40 of food vouchers from UNRWA every three months, and they don't include olives and olive oil. It's been hard living without olive oil after all these years, but what can I do? I can only afford cooking oil.

Above: Talal Ashour is a 55-year-old farmer living in Gaza City. The Israeli blockade has made life more difficult for him and his family because it prevents him from buying pesticide and fertiliser, and stops him from exporting his produce. Photo: Mohammed Ali/Oxfam

Five

Unlocking the
local market

Ensuring a stable local market

The local market is the primary consumer of Palestinian olive oil, averaging 12,000 tons per year. A strong domestic market is essential for ensuring the stability of the agricultural sector and reducing dependence on unpredictable world food markets.

Olives and olive oil are a predominant part of the Palestinian culinary culture. However, the per capita consumption of olive oil has dropped in the past 25 years from an estimated 10 kg per year to 4 kg per year, although consumption is higher in oil producing regions.⁵⁴ This decline in consumption has been accompanied by an increase in the use of other imported vegetable oils such as corn and sunflower oil, partly due to price considerations. Some 80 per cent of households purchase olive oil, usually directly from presses, farmers and wholesalers, whereas 20 per cent are fully self-sufficient and gain their olive oil from their own orchards and extended family.⁵⁵

Those households that are not self-sufficient in oil production have traditionally purchased olive oil in bulk, once a year in 16kg tins or plastic containers.⁵⁶ Bulk purchase is increasingly unaffordable for many households, due to low purchasing power and increases in prices of olive oil due to poor harvests. A consumer survey carried out by Oxfam partner, the Palestinian Agricultural Relief Committee (PARC), found that 85 per cent of respondents would prefer to buy in small, one-litre bottles for 35 ILS/litre (\$9), throughout the year.

PARC subsequently began a strategy to increase production of small bottles of olive oil (250ml- 3 litres) to stock at retailers on the local market. In 2009, PARC witnessed an 800 per cent increase in sales of small bottles on the local market compared with 2008.⁵⁷ PARC accompanied its production of small bottles with a marketing drive where Palestinian olive oil was promoted through local TV, papers and radio, raising local awareness of how olive oil is produced in Palestine and the health benefits of consuming olive oil.

The extremely poor harvest in 2009 saw the import of olive oil into the West Bank from Turkey, Syria and Jordan. However, a number of experts have raised concerns over foreign oil reaching the market illegally at cheaper prices causing unfair competition for local producers. Whilst the PA has a good tracking system for imports coming officially from abroad, they have little control over what is smuggled into the local market via Israel. In 2009, the Ministry of Agriculture and Palestinian customs officials destroyed around 1,000 tons of foreign olive oil that entered the local market illegally through Israel.⁵⁸ Some of this oil was further found to be of very poor quality

and unfit for human consumption. In order to protect local producers, it is essential that the PA improves control and regulation over products entering the oPt, while imposing stringent labelling regulations for locally produced olive oil.

Meeting the requirements of the export market

Despite the bad season last year, there is usually a surplus of olive oil over and above domestic consumption. In 2006, 21,000 tons of olive oil remained once the needs of the domestic market had been met. Improvements in production, storage and marketing could unlock the potential of the global market for Palestinian olive farmers and generate foreign currency for the Palestinian economy.

There is a limited number of bottling plants in the oPt, with most filling usually occurring directly at the press into metal drums which suits the demands of the local market and traditional export markets (Israel and Arab countries) but does not suit the requirements of European or North American markets. There are nine companies that export olive oil, four of which specialise in Fair Trade (Canaan Fair Trade Company, Taybeh, Al-Reef Real Estate Company and Mount of Green Olives). Only three of the nine companies have very advanced bottling equipment: Anabtawi a private sector company, Al-Reef, the commercial arm of PARC and Canaan.

Most olive oil traders are traditional merchants or wholesalers who focus on the local market and have



limited experience in developing the sophisticated packaging or distribution methods necessary to access external markets.⁵⁹ The high end export markets require adequate labelling of the product, such as date and place of production, and consumers place faith in brand names they trust for quality, as well as certifications they are familiar with (Fair Trade, Organic).

In a survey of 22 producer groups, respondents identified a lack of adequate marketing skills as being the single biggest obstacle facing the olive oil industry.⁶⁰ Women in particular lack marketing skills such as knowledge about market research, price setting mechanisms or the ability to negotiate with traders. They further lack relations with marketing agents and an understanding of economic players. However, there are markets that women can control, such as the production of tapenade. Development of women's capacities in areas such as promotional and marketing skills could also facilitate their more active involvement in mixed cooperatives, especially as the level of education amongst rural women in the oPt is high.

Expanding access to international markets

Israel and Gaza remain West Bank olive farmers' biggest markets, although the exact quantity of oil reaching these markets is not known. Palestinian olive oil is currently exported to the Gulf countries, Europe, North America and East Asia. In 2008, 2,352 tons of olive oil (around 13 per cent of production) and 787 tons of pickled olives was exported from the oPt.⁶¹

The PLO has signed a number of trade agreements with partners including the European Union, USA, Canada, Turkey and Arab states, which give preferential access to certain Palestinian products. The most important of these for the olive sector is the Association Agreement between the European Community and the Palestinian Liberation Organisation on behalf of the PA, which entered into force in 1997. This agreement allowed the Palestinians to export 3,000 tons of olive oil, tariff free into the EU (although Palestinians never reached this quantity). As of 2011, this quota will be dropped and all Palestinian agricultural products will be able to access the EU market without paying customs duties.



Quantity of olive oil exported from the oPt in 2008, by country.⁶²
Source: Palestinian Ministry of Agriculture

The cost of Palestinian olive oil production is relatively high compared with other olive oil producing countries of the Mediterranean region such as Syria (10-15 per cent higher) and Turkey (35-40 per cent higher),⁶³ due to higher labour and transaction costs and obstacles to trade placing the Palestinian farmer at a competitive disadvantage. The cost for the farmer to produce 1kg of olive oil is around 15 ILS (\$4).⁶⁴ In 2010, 1kg of olive oil sold for 32-35 ILS (\$8-9.50).

However, Palestinian olive oil does have strong export potential. Its natural characteristics make it perfect for the gourmet market. The low use of pesticides makes it easier for Palestinians to make the transition to organic farming, and a growing Fair Trade market has led Palestinian olive oil to find its way on to the shelves of major supermarkets. Most of all the increased prices available make it attractive for farmers to export their oil.

The Gulf Countries, which do not themselves produce olive oil, are major importers in the region. Most Palestinian exports to these countries are in the form of gifts to friends and relatives for personal consumption and commercial sale of what remains. In 2008 the oPt exported some 692 tons of olive oil to Saudi Arabia and 900 tons to the United Arab Emirates (UAE).⁶⁵ Exports to the UAE accounted for 39 per cent of all Palestinian olive oil exports. Kuwait, Qatar and Yemen also imported Palestinian olives and olive oil.

Whilst Fair Trade is a relatively unknown concept in the Gulf region, there are possibilities to expand the sale of Palestinian olive oil primarily through formalising trade with the region. Palestinians can also take advantage of trade deals that allow the import of Palestinian products to Arab countries tariff free. PalTrade however notes that without improvement of quality and bottling, Palestinian olive oil will struggle to compete with that of other countries in export to the Gulf region.⁶⁶

For the European market, gaining Fair Trade certification has a number of advantages. Many consumers in Europe are increasingly supporting products that have the Fair Trade and Organic certification due to ethical considerations and trust in the high quality of the product. Oxfam in Belgium annually sells around 30,000-40,000 litres of Fair Trade Palestinian olive oil sourced from cooperatives under the umbrella of the Palestinian Agricultural Relief Committees and Union of Agricultural Work Committees in its World Shops in Belgium. In 2009, despite the low production, around 150 tons of Palestinian olive oil was exported for the Fair Trade market.⁶⁷ Thereby, whilst it is difficult for Palestinian farmers to provide great quantities of low cost products

in comparison with other oil producing countries, they can develop high quality, specialised products, which are attractive on the European market.

Other markets that are increasingly sourcing Palestinian olive oil include North America and the Far East, as these have little or no local production of olive oil but their markets are rapidly expanding due to increased living standards, and consumer perceptions as to the health benefits of olive oil. The USA has the largest annual growth in olive oil consumption globally, around 6 percent and is the second biggest importer of olive oil in the world.⁶⁸ Further, the USA does not demand the same high quality standards as Europe and it pays a higher price, around three times more per bottle.⁶⁹

PREVIOUSLY THE ISRAELI OCCUPATION MADE IT IMPOSSIBLE FOR US TO SELL OLIVE OIL ABROAD. WE STILL HAVE WORRIES FROM THE OCCUPATION, BUT FAIR TRADE HAS IMPROVED OUR LIVES AND DECREASED OUR ECONOMIC WORRIES. TAEI MISEF, OLIVE FARMER, BANI ZEID COOPERATIVE FOR ORGANIC PRODUCTION, 2009

Palestinian private sector companies can play a key role in facilitating access to external markets, strengthening marketing capacity and also maintaining a large steady supply of oil for the buyer, which farmers or cooperatives are often unable to do. A strong private sector, investing in improving the capacity of producer organisations, may also reduce current dependency on external donors. However, the private sector is constrained by local pricing mechanisms and often struggles to procure olive oil from the oPt. This creates disincentives for the private sector to invest in the olive oil supply chain. Further, in the oPt there is often an overlap between individuals who are the chair of an exporting company and also sit on the board of an NGO affiliated to producers' cooperatives which could cause a conflict of interest in price negotiations. In order for small-scale farmers to avoid exploitation by the private sector it is essential that they be organised within strong producer organisations that are able to defend their rights and interests.

Making trade fair

Fair Trade brings real and tangible benefits to olive oil producers. It guarantees that farmers get a fair price for their products and ensures the rights of marginalized producers and workers are protected. At a workshop organised by the Fair Trade Foundation and the Fairtrade Labelling Organisation (FLO), which took place in

Ramallah in May 2008, a discussion and initial agreement was carried out on the fair-trade minimum price to be paid to cooperatives. The Fair Trade minimum price considers all costs involved in the production process (i.e. labour costs, inputs, certification and business margin) and it is calculated up to the producer's level of responsibility within the market supply chain, which in this case is the cooperative.

It was agreed that the minimum Fair Trade price is 2.9 Euros (\$4.50 in 2008 when price was set) per kg of virgin oil and 3.3 Euros (\$5.12 in 2008) per kg of extra-virgin olive oil. If the olive oil is certified as organic then there will be an increase of 10 per cent in the Fair Trade minimum price to cover the decrease in production with organic techniques and the cost of certification (which is expensive and also a lengthy and complex process). The Fair Trade premium will be a 15 per cent increase in the minimum price and this money will be used for the benefit of the community in which the cooperative is based, such as construction of roads or schools. Under Fair Trade some farmers have increased their profits to approximately 40-50 percent of the retail price, in comparison to 10-20

per cent previously.⁷⁰ Also, a number of Palestinian private sector companies are interested in working with Fair Trade cooperatives. For example, Anabtawi offers cooperatives additional incentives to provide them with good quality olive oil, such as scholarships for community members.⁷¹

Going down the Fair Trade route is not without problems. Olive oil bottles cannot use the Fair Trade logo unless every participant in the market supply chain is Fair Trade certified (i.e. producer organisations, mills, bottling company and exporter) and this may be difficult to achieve. Commentators have also noted that as Fair Trade producers benefit from higher prices and contacts with the global market, this may cause a drop in production for the domestic market (where there is unlikely to be demand for Fair Trade olive oil) causing shortages for the domestic market and increase in local prices.⁷² Whilst the Fair Trade market is limited, it provides a useful diversification for the Palestinian olive oil sector. Fair Trade can contribute as a tool for community empowerment and social development, although it must be recognised that economic incentives are the primary reason for farmers to adopt Fair Trade practices.



Fairtrade olives in a depot in Gaza waiting to be loaded for export. Photo: Oxfam



Oxfam supports West Bank farmers to improve the quantity and quality of their olive oil and reach external markets

BECAUSE THE COOPERATIVE IS FAIRTRADE I EARN HIGHER PRICES. WITH THE MONEY I MADE, I MADE IMPROVEMENTS TO MY LAND AND I PLANTED NEW TREES. I'M GOING TO BUILD A CISTERN FOR IRRIGATION SO I CAN DOUBLE MY PRODUCTION AND MAKE MORE IMPROVEMENTS. BASSEM SAFER, BANI ZEID COOPERATIVE FOR ORGANIC PRODUCTION, 2009

Oxfam GB, with funding from the European Union and in partnership with the Palestinian Farmers Union and Bethlehem University's Fair Trade Development Centre, provides technical support and guidance to thirty cooperatives (a total of 2,500 farmers) so that their product can gain Fair Trade and organic certification. Since 2008, eleven cooperatives supported by the project, including one women's cooperative, have gained certification from the Fairtrade Labelling Organisation (FLO). Ten cooperatives are in the process of gaining organic certification and expect to achieve it by the end of 2010.

The project also gives farmers new skills that can lead to financial independence such as training in marketing, good governance, pricing and reporting. The cooperatives not only contribute to improving individual incomes, but also contribute to building the communities

through investing profits back into infrastructure, health and education services.

Once the product has been certified as Fair Trade, Oxfam partner Zaytoun, an ethical trading company, is helping these products reach the UK market including specialised shops and supermarket shelves. In 2009, Zaytoun imported and sold 70 tons of Palestinian olive oil in the UK. Any profit that Zaytoun makes from the sales is then reinvested into developing the skills of olive producers to raise the quality of their produce. Since Zaytoun's involvement farmers' income from their olives has at least doubled. Zaytoun and Oxfam hope that in the future they will transfer the marketing, management and production skills to the farmers, so they can reach out on their own to cultivate new relationships for their Fair Trade olive oil in markets across Europe, the US, and the Arab region.

Above: Children holding olives. Oxfam provides technical support and guidance to 30 cooperatives, so that their product can gain Fairtrade and organic certification. Photo: Oxfam

Six

Recommendations

Following extensive consultation with partner organisations, government officials, donors and farmers, Oxfam makes the following recommendations:

To the Palestinian Authority

- The Ministry of Finance should increase budgetary allocation for the agricultural sector, including the olive and olive oil industry, which is currently very low.
- The Ministry of Agriculture should prioritise resources to provision of agricultural extension services. This would ensure that farmers have the knowledge to improve agricultural practices and techniques, thereby enhancing the productivity of olive orchards.
- The Ministry of Agriculture should broaden the scope of its interventions to include all actors within the value chain, which would improve the quality of olive oil and increase market opportunities.
- The Ministry of Agriculture should ensure that the Palestinian Olive Oil Council is given more resources to represent the olive oil sector in an inclusive and participatory manner and to ensure the implementation of the sector strategy currently being developed.
- The Palestinian Olive Oil Council needs resources to increase its presence within the governorates so that olive farmers, and other actors, have access to and a voice within, decision-making processes which impact their lives.
- The Palestinian Olive Oil Council should proactively engage with all stakeholders to ensure they are aware of its mandate and terms of reference.
- The Palestinian Standards Institution, Ministry of Agriculture and Ministry of National Economy should enforce the Quality Chart for Olive Oil to ensure a consistent quality of olive oil for both local and export markets.
- The Ministry of Agriculture should promote and support organic and fair-trade certification, whilst ensuring that conventional olive oil remains affordable for domestic consumption.
- The Palestinian Authority should continue to develop greater regulation over and control of agricultural imports, particularly olive oil, coming into the West Bank, and impose stringent labelling regulations for locally produced olive oil, in order to protect Palestinian olive farmers from the import of foreign oils which compete on the domestic market.



Photo: Mohammed Ali/Oxfam



- The Palestinian Authority and relevant Palestinian institutions should support increased research on improving olive orchard productivity and on the effects of climate change on agriculture in the oPt as well as invest in adaptive practices.
- The Palestinian Authority should support the development of a comprehensive policy and national plan of action to address climate change.

To the Government of Israel

- The Government of Israel, as the occupying power in the oPt, should take actions to protect the Palestinian population, including olive farmers, against settler violence, in line with its international legal obligations.
- The Government of Israel should ensure the application of the rule of law in relation to violence by Israeli settlers against Palestinians and their property and livelihoods without discrimination or exception.
- The Government of Israel should end the confiscation of Palestinian natural resources, particularly land, agricultural assets and water, which are essential to ensure sustainable livelihoods for farmers as well as greater economic and social stability.
- The Government of Israel should ensure that all security measures are in line with international law particularly with respect to internal movement and access restrictions such as roadblocks, checkpoints and the Wall within the oPt, which restrict Palestinian farmers' access to their means of livelihood and local and national markets thereby violating the right to freedom of movement. The Government of Israel should ensure Palestinians are able to exercise their right to restitution for all losses and damages caused by the construction of the Wall, including of olive trees.
- The Government of Israel should ensure farmers (and their workers and families) have access to land inside the Seam Zone, and other 'closed zones' for agriculture.
- The Government of Israel should remove obstacles which prevent the movement of goods between the West Bank and the Gaza Strip, including the ongoing blockade of the latter, as Gaza is an important market for West Bank olive farmers and the economy of the oPt as a whole.
- The Government of Israel should honour past agreements with the PA such as the Paris Protocols and should stop excessive delays for transport of produce relating to the back-to-back system, thereby improving access to external markets for olives, olive oil and other agricultural produce.

To the international community

- The European Union should insist on the full implementation of the EU-PLO Association Agreement, which provides real opportunities for Palestinian produce to access European markets and, as of 2011, will allow Palestinians to export unlimited quantities of olive oil to the EU tariff free. The Agreement can only be fully implemented if the EU calls for a lifting of restrictions that prevent the free movement of Palestinian goods out of the oPt and into the EU.
- The international community should help ensure Palestinian farmers have access to their lands by abiding by its responsibility under international law.
- The international community should effectively challenge illegal obstacles and restrictions to access and movement within the oPt. These include construction of settlements and the Wall within occupied territory and their associated infrastructure as well as the confiscation and control of natural resources (land and water) in occupied territory. These mechanisms are in violation of international humanitarian law and contribute to serious violations of international human rights law, preventing Palestinian farmers from accessing their lands and means of livelihoods.
- The international community should adhere to its international legal obligations to secure an end to the ongoing blockade on Gaza. The European Union's public commitment to ensuring the blockade is lifted is likewise essential in order to fulfil its Member States' obligations under Common Article 1 of the Geneva Conventions, to ensure respect for International Humanitarian Law.



Photos, left and above: Mohammed Ali/Oxfam

To donors and Palestinian and international NGOs

- Donors should increase funding to the Palestinian agricultural sector to ensure the development of sustainable livelihoods that would, in the long run, reduce dependency on humanitarian aid.
- Investments in the olive oil sector should prioritise agricultural extension services and increasing productivity and quality of oil, whilst applying environmentally sustainable practices.
- Donors should support the provision of financial schemes that are accessible to small-scale farmers, such as credits or loans.
- Donors should also support initiatives to organise olive producers into formal organisations, without overlooking the social and economic rights of farmers operating individually.
- Donors and NGOs need to improve coordination with and provide support to existing Palestinian structures (Ministry of Agriculture and the Palestinian Olive Oil Council) to ensure that these actors have the institutional capacity to implement the strategy and ensure effective regulation of the sector.
- Donors should promote inclusive and participatory strategies and programmes.
- Donors and NGOs should support the strategy currently being developed through the Thematic Working Group for the Olive Oil Sector which should improve coordination amongst stakeholders and ensure prioritisation of sector needs and ensure that mechanisms are developed to secure the participation of all members of the olive community, particularly women and individual (non-organised) farmers.
- Donors and NGOs should support interventions that increase women's participation in the olive oil sector. This could include the introduction of new participatory rules which promote women holding key positions in mixed cooperatives where it is feasible to do so, support women in organising their own producer associations, and train women to acquire technical knowledge that could bring added value to the olive oil sector.
- Donors and NGOs should support measures which facilitate women's access to productive assets and capital.
- Donors and NGOs should support interventions that focus on production of small bottles of olive oil, making oil available throughout the year, at affordable prices for the domestic market. National campaigns should also prioritise increasing the domestic consumption of Palestinian olive oil.
- Donors should invest in the improvement of marketing capacity for Palestinian olive oil to be more attractive to the export market.



Harvesting olives. Photo: Tineke D'haese/Oxfam

Endnotes

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6. A dunum is a Middle Eastern measurement of land from the Ottoman period. In Israel, Palestine and Jordan it is equivalent to a tenth of a hectare
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22. Based on discussions at a Consultation Workshop 'Promoting Olive Oil Production and Market Access for Small Scale Olive Farmers', held by Oxfam GB, Palestinian Farmers Union and Fair Trade Development Centre, 6 September 2010.
23. Palestinian National Authority, Palestinian Reform and Development Plan (2008-2010).
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28. Based on discussions at a Consultation Workshop 'Promoting Olive Oil Production and Market Access for Small Scale Olive Farmers', held by Oxfam GB, Palestinian Farmers Union and Fair Trade Development Centre, 6 September 2010.
29. Based on discussions at a Consultation Workshop 'Promoting Olive Oil Production and Market Access for Small Scale Olive Farmers', held by Oxfam GB, Palestinian Farmers Union and Fair Trade Development Centre, 6 September 2010.
30. The objectives of the POOC are: to work with the MoA and other concerned actors in the development of laws, strategies, policies, programmes and action plans for the development of the olive and olive oil sector and trade; contribute to the development, promotion and building of the olive oil sector and increase profitability from it, and develop ways of farming, pruning, control and packaging, manufacturing, marketing and export; maintain and provide a balanced price in the interest of the producer and consumer and market locally through the activation of market mechanisms; encourage scientific research in the sector of olive oil and its products, including the development of production and marketing.
31. Memorandum of Understanding between the Ministry of Agriculture and the POOC, Unofficial translation, 20 October 2009.
32. Based on discussions at a Consultation Workshop 'Promoting Olive Oil Production and Market Access for Small Scale Olive Farmers', held by Oxfam GB, Palestinian Farmers Union and Fair Trade Development Centre, 6 September 2010.
33. Oxfam interview with Nabeeh Aldeeb, Chairman of the POOC, 8 August 2010.
34. In the first seven months of 2010 alone, the United Nations recorded 161 incidents of Israeli settler violence against Palestinians in the West Bank, one of which resulted in the death of a Palestinian child and 60 incidents where Palestinians were injured. (OCHA, Protection of Civilians, 21-27 July 2010). Around half of those injured in attacks by settlers are women, children and the elderly (OCHA, Unprotected: Israeli settler violence against Palestinian civilians and their property, December 2008).
35. OCHA, Protection of Civilians, (6-22 June 2010)
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47. Oxfam interview with Saleem Abu Ghazaleh, Director of Fair Trade Department, PARC, 11 July 2011
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57. Oxfam interview with Saleem Abu Ghazaleh, Director of Fair Trade Department, PARC, 11 July 2011
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This paper was written by Lara El-Jazairi. Oxfam acknowledges the assistance of its partners in its production. It is part of a series of papers written to inform public debate on development and humanitarian policy issues.

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The EU has funded Oxfam to implement a programme helping Palestinian olive farmers improve their livelihoods. The contents of this publication is the sole responsibility of Oxfam and can in no way be taken to reflect the views of the European Union.

Published by Oxfam GB for Oxfam International under ISBN 978-1-84814-757-7 in October 2010.

Oxfam GB, Oxfam House, John Smith Drive, Cowley, Oxford, OX4 2JY, UK.

Reg charity England and Wales No 202918 and Scotland SC039042.
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