

Activity Report (2006)

In 2006, export level witnessed an increase of 44% in comparison with 2005 where the exports comprised 957,433 US\$ in 2005 and 1,379,384.90 in 2006. Around 260 tons of processed agricultural products such as; extra virgin and organic olive oil, dates, couscous, almonds, soap, dried tomatoes, thyme and others were exported.

Fair Trade Department (FTD) provided marketing services for more than 28 agricultural associations and women cooperatives where more than 800 farmers, producers and workers benefited from the services of the (FTD) which provided them with fair prices; 25-35% above the average price in the local market. Additionally, the number of shipments increased by 25% compared with the 2005 and it should be taken into consideration that this remarkable progress of the department's work took place in the shadow of the strike carried out by the governmental sector which largely affected the department's ability to obtain legal documents and licenses required for the exportation process.

The year 2005 was a bad season for olive oil production where an amount of 6 thousand tons of olive oil was produced in comparison to 35 thousand tons in 2006. It has to be noted that there was no increase in the working capital nor in the human resources in the department; leading to a conclusion that there has been an improvement in the performance and efficiency of the department. Also, there was a significant advancement in the subject of capital investment in the infrastructure throughout the rehabilitation of the olive oil filling station in Al-Ram which was provided with state-of-the-art packaging and filling line. Now it is considered one of the most modern stations in the West Bank. Moreover, the dates filling station in Jericho was also rehabilitated. The outcome of these efforts resulted in obtaining the Palestinian quality certificate for olive oil issued by the Palestinian Standards Institution, obtaining FDA certificate which allows the department to market its products in the USA and eventually the department was accepted as a member in IFAT (the International Federation for Fair Trade). In addition, the department obtained a certificate from the Egyptian Center for Organic Production to market organic olive oil.

For the new investments which will be carried out in the upcoming years, they were financed by the Kuwaiti Fund for Economical and Social Development, R.C project and the contribution of (FTD).

In cooperation with Pal Trade- the Palestinian Trade Center- and the Palestinian Food Industries Union, (FTD) started the procedures to obtain the quality certificate (Isso 22000) in the project of developing the Palestinian olive oil exports which is financed by the World Bank. (FTD) is one of the beneficiaries from this project which contains promotion activities for the Palestinian olive oil and which will be executed in 2007 in cooperation with Pal Trade. The project will entail numerous visits to some countries for the purpose of carrying out marketing studies and other related activities.

The department contributed to carrying out many projects financed by UNDP and related to improving olive oil quality in Aseera Al Shamaleyeh area, projects in the villages around Qalqilya financed by Olive Oil Campaign in Switzerland in addition to 10 local and international exhibitions. It has also developed a website for fair trade and organized a conference (Fair Trade Conference for Peace and Sustainable Development) in cooperation with Lobbying and Advocacy department.

According to the subject of human resources development, one of the department's staff has obtained his Bachelor's degree in accounting and is now employed as an accountant for (FTD). Another colleague has also finished his Master degree in food manufacturing; specialized in olive oil quality improvement and he is now responsible for quality control and improvement. The department also employed an engineer specialized in electro-mechanics to supervise on the automatic line for filling olive oil. Another engineer specialized in chemistry supervises olive oil test labs and he was hired throughout (Sharek) project which aims at hiring the new graduates. In addition, one of the staff is studying for a Master degree in capacity building and rural development.

In regard to work sustainability, (FTD) was successful for the ninth year in a row to adapt with the internal and external changes which affected the Palestinian situation in general and PARC's in particular. (FTD) has been able to be self-financed in order to keep the department working and cover the developmental, working capital and administrative costs. Also, (FTD) has been successful to keep sustainable relationships with its partners of fair trade organizations, agricultural cooperatives, associations, governmental and nongovernmental organizations. Holding the "Fair Trade Conference for Peace and Sustainable Development" in the last quarter of 2006 was an additional step to further participation, transparency and dialogue among all parties and a step ahead to build a confident relationship among all parties in future.

Note: the general budget for Al Reef Company will be issued in January 2007 and it will highlight the financial aspects of the company's work in details.

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