



ZAYTOUN
FROM PALESTINE



ANNUAL REPORT 2022

Awad Melhim on his land. Photography by Alaa Badameh

FROM THE MANAGING DIRECTOR

2022 was a turbulent year globally, and at home. With war breaking out in Ukraine, and a subsequent cost-of-living crisis at home, our collective sense of security felt fragile. As a trading company, we needed to be both cautious and agile in our response to a rapidly changing domestic and international environment.

It was a year that also brought fresh reminders of the relevance of our mission as a company. After a two-year break due to the pandemic, the resumption of our visits and tours to Palestine provided a very welcome reconnection to the places and people we love. We introduced new products and made new connections to farmers and community organisers, enabling us to amplify our impact.

Set against this were reports of a rising tide of settler violence and military action that culminated in a tense harvest season in many areas. An attempt was made by Israel to restrict entry of foreign nationals and Palestinians holding foreign passports wanting to visit, work or live in the West Bank. The plans were withdrawn after widespread criticism but remain a reminder of the extent of the control exerted over both people and land by the Israeli government.

In terms of sales, 2022 marked a return to 'more normal' conditions after the two years affected by the restrictions on ordinary life brought about by COVID. Those two years saw a hike in our sales and profits that were in part due to a surge in interest in home cooking. As life began to return to workplaces, restaurants and social spheres outside the home, trading conditions more closely resembled those of the last pre-pandemic year, 2019. Consequently, although our sales showed a

10.31% drop against those of 2021, they were up by 9% versus the last comparable year, 2019.

2022 IN UK

The popularity of Palestinian cuisine continued to grow, and we were delighted with positive coverage in the media highlighting the quality of our oil as well as our new skincare range. Our status as a **Great Taste Producer** was consolidated by a sixth award, this one for our organic Fairtrade olive oil.



We gained a new key wholesale customer and, as ever, we were heartened by the continuing loyalty of longstanding customers, despite the cost-of-living crisis. Meanwhile, in the Zaytoun team we welcomed Donal Guerin as our new Finance Manager, bringing his experience of senior-level leadership roles and his passion for supporting Palestinian farmers to sustain and grow their livelihoods.



2022 IN PALESTINE

Amid escalating tensions, the situation remained fragile for many of the communities who supply our products. Israeli military action closed cities in the north of the West Bank and raids resulted in loss of Palestinian lives. Settlers descended en masse to many Palestinian villages and towns, seizing land and attacking inhabitants.

Meanwhile, 2022 marked 15 years of the blockade on Gaza, with dire consequences for its population in every area of life.

Despite this, the communities with whom we trade continued to visit their lands, harvest their crops and supply award-winning products.

AMPLIFYING PALESTINIAN VOICES

As we heard reports of the restriction and deletion of many social media accounts belonging to Palestinian journalists and media institutions, it felt more important than ever to share the stories of the farmers with whom we work. Through our own social media, newsletters and website content we featured the experiences of farming communities living and working under occupation. Every media article in which we feature, and every award brings a spotlight to the narratives we share from the villages and fields of the West Bank.

In a year when **Amnesty International** published a new report detailing how Israel enforces a system of oppression and domination against the Palestinian people, this narrative aspect of our work feels very relevant.

LIGHTING A CANDLE

When times get tough, community comes to the fore. Our customers sustain our mission through their continuing passion for what we do as well as through their purchases of our products.

Although the situation for Palestinians continues to worsen, farmers continue to tend and harvest their crops and send them to shop shelves and kitchens throughout the UK. Our relationship with farming communities offers not only an economic lifeline, but a channel through which their stories can be communicated to an audience in Britain.

As the saying goes “**Better to light a candle than to curse the darkness.**” We continue to light that candle, and supply Palestinian products to shops, homes and restaurants throughout the UK.



Manal Ramadan White

Managing Director

IMPACT REPORT

FAIRTRADE PREMIUMS

In 2022, the farmers in our Fairtrade supply chain (olive oil and almonds) received a total of £26,200 in Fairtrade premiums. These are sums of money paid in addition to the price of the products we buy. Premiums are paid to the co-operatives of each village producing Fairtrade products, and co-operative members decide collectively how that money is spent. Typically, investments are made in agricultural tools, as well as communal facilities for the whole village such as the local school or community hall.



£26,200
in Fairtrade Premiums

PURCHASES FROM PALESTINE

We prioritise support to Palestinian producers in terms of sustaining livelihoods. In 2022 we purchased over £830,000 worth of products from farmers and the people and companies who process, pack and export those products.

£830,292

**VALUE OF ZAYTOUN PURCHASES
TO PRODUCERS IN 2022**



TREES FOR LIFE

Each year our customers sponsor the planting of olive and almond trees in Palestine, through a programme run by the Palestine Fair Trade Association since 2006. In 2022, Zaytoun customers sponsored £142,453 in tree sponsorship, the largest single group of sponsors that year. 700 farmers planted these saplings in over 40 villages in the West Bank.

These saplings will grow to provide an income stream for the farmers. They also offer hope for growers whose crops have been demolished and whose land has been taken for Israeli settlements, roads, security zones and the Wall.



Trees for Life



45,354

Total trees planted
in the 2022 season

35,613

Trees sponsored by
Zaytoun customers



FARMING IN PALESTINE 2022

Palestinian farmers continue to live and work under the brutal restrictions of a prolonged military occupation and increasingly frequent attacks from settlers. In 2022, this ongoing situation was exacerbated by rising food and fuel prices because of the conflict in Ukraine, and the lingering effects of the COVID-19 pandemic¹. Like every other country, Palestine experiences shocks to its economy from global turbulence. Yet Palestinians' capacity to buffer these shocks is severely limited by Israeli control over natural resources and borders.

RISING SETTLER ATTACKS

2022 was marked by a further rise in attacks by settlers on Palestinians and their land, a tide of violence that took place amid the election of a far-right Israeli government that is supportive of the illegal settler movement². There was an average of 27 attacks a week between January and September 2022³, with a 170% increase in settler attacks since 2017. Israeli settlers committed at least 1,049 assaults against Palestinians in the occupied West Bank between January and September 2022⁴.

Israeli settlers invaded Palestinian land in areas around Nablus and Salfit, setting up outposts and burning land and crops belonging to Palestinian farmers⁵. In Burin village, with which we have a long-standing connection, there were disturbing reports that property and land had been set alight.

55 YEARS OF OCCUPATION

2022 was the 55th year of Israeli occupation of Palestine, and the 15th year of the blockade around Gaza. The economic and social toll of the stranglehold on the Palestinian people continues to weigh heavily.

In an intensification of military violence, the Israeli army conducted raids, and arrests in Nablus, Jenin and Jerusalem, which contributed to the highest death toll in the occupied West Bank since the second intifada. The West Bank raids were followed by a round of deadly airstrikes in Gaza.

In growing international recognition of the injustice and illegality of the situation in Palestine, both a UN report⁶ and an Amnesty report⁷ named it as apartheid, describing the discrimination and oppression routinely practised by the Israeli authorities against the Palestinian people.

¹<https://reliefweb.int/report/occupied-palestinian-territory/state-palestine-annual-country-report-2022-country-strategic-plan-2018-2023>

²<https://www.theguardian.com/world/2022/nov/04/israels-benjamin-netanyahu-comeback-brings-despair-for-left-wing-parties>

³https://www.premiere-urgence.org/wp-content/uploads/2022/11/Palestine_InfoENlight.pdf

⁴<https://www.premiere-urgence.org/en/in-west-bank-violence-by-israeli-settlers-against-palestinians-is-rising-at-a-straggering-rate/>

⁵<https://www.middleeastmonitor.com/20220721-the-far-right-group-behind-israeli-settler-plan/>

⁶<https://www.ohchr.org/en/press-releases/2022/03/israels-55-year-occupation-palestinian-territory-apartheid-un-human-rights>

⁷<https://www.amnesty.org/en/documents/mde15/5141/2022/en/>

FOOD SOVEREIGNTY IN PALESTINE

With the rise in food prices significantly reducing purchasing power, 1.8 million Palestinians are now food-insecure⁸. With a captive economy⁹, reliance on imported food means communities are vulnerable to price shocks as a result of global turbulence.

Food sovereignty is defined as “the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems.”¹⁰ The restrictions imposed by the Israeli occupation represent a strong barrier to Palestinian food sovereignty. Although Palestinian farmers are heirs to ecological wisdom that is centuries old, their ability to put it into practice is severely constrained by limited access to land, resources and even permits to tend their lands.

Farmers are routinely denied control over the land they rely on for physical, ecological, and cultural survival. In the occupied West Bank, 63%¹¹ of agricultural land is under complete Israeli control in Area C, with Palestinian rural communities in Area C being some of the most vulnerable to Israeli policies of forced displacement. The wall cuts off 10%¹² of the West Bank, forcing thousands of Palestinian farmers to apply for permits from Israeli authorities to tend their own land beyond the wall.

We spoke with Awad Melhim, a farmer from Anin, during this year's Fairtrade Fortnight. Farmers like Awad have lost significant portions of their land to the Israeli Separation Wall. He told us that since 2008, he has been denied access to 20 dunums (2 hectares) of his land which now lie on the other side of the wall and is now grazed by sheep and cattle owned by Israeli settlers. The land he still farms is under threat from wild boar, which damage the crops and young trees he plants. Anin village has lost two thirds of its 24,000 dunums (2,400 hectares) to growing Israeli settlements, settler-only roads and the wall with its 200m buffer zone.



⁸<https://reliefweb.int/report/occupied-palestinian-territory/state-palestine-annual-country-report-2022-country-strategic-plan-2018-2023>

⁹<https://101.visualizingpalestine.org/visuals/israel-controls-land-air-and-sea>

¹⁰ [https://www.frontiersin.org/articles/10.3389/fpubh.2015.00263/full#:~:text=The%20concept%20of%20%20food%20sovereignty,agriculture%20systems"%20%281%29](https://www.frontiersin.org/articles/10.3389/fpubh.2015.00263/full#:~:text=The%20concept%20of%20%20food%20sovereignty,agriculture%20systems).

¹¹https://unctad.org/system/files/official-document/gdsapp2015d1_en.pdf

¹²https://unctad.org/system/files/official-document/gdsapp2015d1_en.pdf

TIMELESS WISDOM FOR CHALLENGING TIMES

Like other Palestinian farmers, in recent years Awad has noticed the impact of climate change on his harvest. The patterns of blossoming and ripening of fruit are no longer as predictable in timing and volume.

However, there is strength in community, and a wisdom passed down from past generations of farmers. Awad regularly joins training organised by the Palestine Fair Trade Association (PFTA), which supports farmers' capacity for climate resilience. Farmers share success stories as well as challenges, through the network of Fairtrade cooperatives in the PFTA.

To mitigate against the worst effects of climate change, Awad uses age-old regenerative farming techniques such as improving the soil with natural manure. This acts as a fertiliser to support the health and productivity of his trees – especially important when they are stressed by long periods of intense heat and dry weather.

“

“I used to see my father and grandfather delivering manure to the land using donkeys, and heaping it around the trees. So I do as they did, because I'm interested in how they looked after the trees.”

Awad Melhim

”

Traditional wisdom combines with entrepreneurial skills to support Awad Melhim's resilience. Despite loss of land to the occupation, and the growing impact of climate change, Awad's livelihood allows him a security and a sense of continuity as he farms his ancestors' land.



HIGHLIGHTS

OUR NEW SKINCARE RANGE

We have sold Nablus soap since our early days. Created by a family business in Nablus, it's rich in olive oil and is made according to traditional methods. This year we relaunched our soap range in Zaytoun branded boxes, including a set of 4 vegan soaps (pure, lemon, rose, sage), ideal for gifting.



We also introduced Palestinian Dead Sea Bath Salt to our skincare range. Produced by the Hallak family since 1960, this salt is sourced from the only Palestinian producer on the shores of the Dead Sea.

AWARDS

We were delighted when our organic, Fairtrade olive oil won a **Great Taste Award in 2022.**

The Judges had this to say about the oil:

“

*“Gentle pepperiness, green flavours and a great mouthfeel.
We feel this is very much worthy of a star.”*

”



This prestigious award bears testament to the skills of olive growers in Palestine and the expertise of our friends and partners at Canaan Palestine. We are thankful for their dedication and knowledge.

FAIRTRADE FORTNIGHT

We went live on Zoom to the olive groves of Anin village to talk to Awad Melhim, a producer of Fairtrade olive oil, offering an online audience an opportunity to hear directly from a producer in Palestine. Awad told us how he mitigates against the worst effects of climate change, using age-old regenerative farming techniques to support the health and productivity of his trees

BROADENING OUR REACH

Our work received welcome attention this year, helping us to reach new audiences.

Our products were spotlighted in a number of national newspaper and magazine publications in 2022. The Times named our olive oil as one of the best oils in a comparative feature, and our oil was also feted in Delicious and Olive magazines. BBC Good Food listed our Zaytoun products collection paired with the Falastin cookbook as one of the best hampers to choose for a Mother's Day gift.

Elsewhere, our story and mission featured in Riverford's Wicked Leeks and the Sustainable Food Trust, and we took part in an episode of the Re-envision Business podcast. Our Managing Director, Manal Ramadan White, spoke to BBC's Business Daily programme about how trade can support the regrowth of the economy in Gaza. Until 2007, we imported maftoul created by women's cooperatives in Gaza. Since that time, the Israeli blockade has made that impossible.

We collaborated in a number of online cook-alongs which used our ingredients, and in events both online and in person with organisations including Amos Trust, the Emerald Network, the Fairtrade Foundation and the Balfour Project.

SUMMARY FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDING 31ST DECEMBER 2022

PROFIT AND LOSS ACCOUNT

	2022	2021
Turnover	1,819,577	2,028,720
Cost of Sales	(1,335,098)	(1,481,706)
Gross Profit	484,479	547,014
Other Income	3,806	12,451
Administrative Expenses	(394,347)	(359,315)
Operating Profit	93,938	200,150
Interest Received and Paid	(6,325)	(35)
Profit Before Tax	87,613	200,115
Tax Paid	(17,717)	(39,093)
Profit for the Year	69,896	161,022

BALANCE SHEET

	2022	2021
Fixed Assets		
Tangible Assets	5,339	10,972
Investments		
Total Fixed Assets	5,339	10,972
Current Assets		
Stock	337,101	547,132
Debtors	407,752	247,649
Cash Bank and in Hand	346,631	243,154
Total Current Assets	1,091,484	1,037,935
Creditors Falling Due Within One Year	(361,427)	(363,826)
Net Current Assets	730,057	674,109
Total Assets Less Current Liabilities	735,396	685,081
Creditors Falling After More than One Year	(156,890)	(176,471)
NET ASSETS	578,506	508,610
CAPITAL AND RESERVES		
Called up Share Capital	9	9
Profit and Loss Account	578,497	508,601
Shareholders' Funds	578,506	508,610

Zaytoun is a Community Interest Company, a social enterprise founded to support Palestinian farmers through fair trade. 100% of our profits are reinvested into furthering this mission.

BOARD OF DIRECTORS

Atif Choudhury
Cathi Pawson
Heather Masoud
Manal Ramadan White
Peter Jones
Rebecca Rowland
Susan Ralphs
Taysir Arbasi

ZAYTOUN TEAM MEMBERS

Bridget Cowan
Communications Manager

Heather Masoud
Co-founder and Operations Director

Mahsheed Langeroodi
Finance Manager

Manal Ramadan White
Managing Director

Omar Qasim
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ZAYTOUN
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Rooted in Time
& Tradition



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