

CANAAN FAIR TRADE IMPACT STUDY

2005-11



DECEMBER 2012

Photo: Canaan Fair Trade

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*Special thanks to the students of the Canaan Scholarship Program
for their support in data collection and analysis*

This report was generated in part with the support of
the Belgian Government Trade for Development Center, (BTC).



ACKNOWLEDGEMENTS

Canaan's accomplishments have been made possible through partnerships with the following buyers and distributors:

AlterEco, France
 BKI and Coop, Denmark
 Canaan – USA team and supporters
 Dina Khader, USA
 Do-It, The Netherlands
 Dr. Bronner's Magic Soaps, USA
 DWP, Germany
 Eine Welt, Austria
 Equal Exchange, UK
 Higher Grounds, USA
 iCoop, South Korea
 ISM, USA
 Oraibi, The Netherlands
 PAKKA, Switzerland
 Perfect Potion, Australia
 Sakeus, Sweden
 Segico, France
 Wakachi Project, Japan
 Zatoun, Canada
 Zaytoun CIC, UK

Canaan's accomplishments have also been made possible with the support of the following financial institutions:

Alterfin, Belgium
 Al Quds Bank, Palestine
 Bank of Palestine, Palestine
 Shared Interest Society, UK
 ResponsAbility, Switzerland
 Triodos Bank, The Netherlands

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EXECUTIVE SUMMARY

This report assesses the impact of Canaan Fair Trade (Canaan) in fulfilling its mission to empower small and marginalized Palestinian producer communities caught in the midst of conflict. Canaan's impact cuts across all facets of its work resulting in the following outcomes:

HYBRID MODEL & ORGANIZATIONAL STRUCTURE

- reduction in social, political, and economic isolation of Palestinian communities
- economic equity between various components of production and processing
- economic and environmental sustainability and hope for the future
- greater stability through increased social, political and economic empowerment

EDUCATION & TRAINING

- deeper understanding of fair trade and global markets, and effective work practices
- improved farming techniques for high-quality certified fair trade organic products
- dynamic leadership, commitment and voice in farming sector and community
- broadened role of women in family and community

PRICING & SOCIAL PREMIUM

- increased income of farmers and ability to focus on farming full-time
- greater food security through financial independence for farmers to diversify crops
- decision-making role for farmers in allocation of resources for local development

PRODUCT DEVELOPMENT, MARKETING & EXPORT

- producer pride in consumer demand for high-quality, authentic Palestinian products
- integration of stories of empowerment into products and company profiles
- effective leveraging of farming sector and recognition of Palestine as a viable market

COMMUNITY EMPOWERMENT

- expanded opportunities for farmers, women, students, Canaan and PFTA employees
- cross cultural exchange between farmers, women, distributors and solidarity groups
- new conceptions of Palestine and global commitment to Palestine from abroad

LOCAL & GLOBAL PARTNERS

- mutually beneficial long-term relationships from producer to consumer
- strengthened advocacy, expanded reach and increased revenue for solidarity groups
- enhanced company profile and reputation through stories of empowerment
- increased credibility and value of products through third-party accountability

CANAAN FAIR TRADE IMPACT STUDY: 2005-11

This report assesses the impact of Canaan Fair Trade (Canaan) in fulfilling its mission to empower small and marginalized Palestinian producer communities caught in the midst of conflict. Canaan sets out to fulfill its mission as a triple bottom line company that uses its profits to invest in people and the planet. In the Palestinian context, this commitment translates into programs, policies, and practices that sustain the livelihood of Palestinian farmers and protect the environment through the economic principle of fair trade and the practice of organic farming within a framework of social accountability and environmental sustainability.

The study follows the complete chain of Canaan's relationships and activities, including the organizational structure, education and training programs, production, pricing, marketing and sales, community empowerment projects, and relationships with local and global partners. Findings are based on data supplied by Canaan and the Palestine Fair Trade Association (PFTA), including testimony of founder and director, Nasser Abufarha, as well as feedback from semi-structured interviews with 45 farmers and women co-op members who are affiliated with Canaan from 10 village co-ops across Palestine collected during the summer of 2012.

In addition to the impact on the primary constituent group, namely the farmers, this report also considers Canaan's impact on women who are emerging as an active participant in Canaan's activities by way of the women co-ops and their leadership within PFTA, as well as other sectors in Palestine, including local and international

partners such as suppliers, distributors and solidarity groups, and the international community generally. Canaan will use this report to inform its current business practices and partnership with PFTA so that it can better serve Palestinian producer communities and continue to provide leadership within the global fair trade movement.

BACKGROUND

Nasser Abufarha, founder and director of Canaan Fair Trade and founder of the Palestine Fair Trade Association (PFTA), witnessed the increased economic marginalization and cultural isolation of Palestinian communities generally and farmers in particular under Israeli occupation while conducting his doctoral research in his native country of Palestine in 2003. With olive oil prices plummeting as low as NIS 8 (US\$2), farmers were abandoning farming and the olive harvest even though this sector has historically been a great source of pride and livelihood for Palestinian communities. Nasser applied his knowledge of fair trade from the coffee shops of Madison, Wisconsin during his doctoral studies at the University of Wisconsin – Madison to the increasingly desperate situation of Palestinian olive farmers back home.

This connection inspired Nasser to formally engage with Palestinian farmers to assess how fair trade could be applied to this sector in Palestine by hosting a series of workshops in 2004. Farmers who participated in these workshops immediately saw the merits of fair trade and a total of 1,700 farmers expressed an interest in developing the initiative under Nasser's leadership. Nasser also found

individuals in the fair trade movement and solidarity groups abroad both receptive and supportive to improve the livelihood of Palestinian communities through this framework as a more effective approach to positive change.

In 2005 Nasser set out to apply the idea of fair trade to the olive oil sector in Palestine at the organizational level. To that end he formed a hybrid partnership between a for-profit mission driven company, Canaan Fair Trade, and a non-profit organization, the Palestine Fair Trade Association (PFTA). Canaan provides product development, finishing, branding, and marketing of Palestine as a viable partner with socially responsible communities in Europe, North America, and Asia through Palestinian artisan products, whereby PFTA focuses on education and development on the ground, efforts to increase yield output and quality, as well as the organizational capacity at co-op, village and farmer level.

When Canaan entered the olive oil market no standards for fair trade olive oil existed, so Nasser drew from standards from Fairtrade Labelling Organization International (FLO), adopted their general standards, and drafted olive oil specific standards following FLO's model. As a result, Canaan became the first supplier of fair trade olive oil in the world and continues to be the leading supplier of fair trade olive oil globally. Similarly, Canaan sought formal recognition for traditional organic farming practices among Palestinian farmers already in place. This effort led to the organic

certification program with the generous financial support of Dr. Bronner's Magic Soaps.

The hybrid model of Canaan Fair Trade and PFTA acts as a platform for broader economic sustainability in the Palestinian context. It not only benefits companies who are buying the products, but also serves farming communities by accommodating numerous small-scale farmers as a source for large-scale production and trade. This model attracts long-term market opportunities for businesses that are invested in having an impact on small-scale farmers through sourcing of products and materials. Such businesses value the stories of sustainability of farmers' livelihood and integrate them into their company profile. Such partners include Dr. Bronner, Equal Exchange of the UK, DWP of Germany, and AlterEco of France.



Nasser Abufarha, founder, Palestine Fair Trade Association and director and founder, Canaan Fair Trade

Canaan is dedicated to the notion that what's good for life is good for business, hence its motto, "Insisting on life."

As Nasser notes in an interview with Higher Grounds Trading Company, "Being good should always be good for business."¹ Canaan has improved business practices and conditions for marginalized producer communities and has even broken some restrictions on Palestinian life by connecting them directly with international communities. These relationships have thus challenged the social, political and economic isolation of Palestinians from the rest of the world through restrictions on movement within Palestine as well as travel outside of Palestine.

For Palestinians these relationships provide hope and the promise of engaging with the global community on a more equitable basis. Through the framework of social accountability and environmental sustainability Canaan has raised consumer awareness of these conditions and challenges and brought Palestinian farmers together with ethical sourcing communities that have been comfortable extending substantial support to the initiative due to the hybrid structure of Canaan Fair Trade and PFTA.

This structure provides investors with a level of comfort (low-risk) and a medium to reach the target group (small farmers). In turn Canaan leverages these resources for the benefit of the producer communities. Moreover, Canaan enables farmers to have economic equity by bringing the exporter, the press owner, and larger, medium, and smaller farmers together on equal footing to discuss their agricultural endeavors. In this respect, market access and sustainable pricing ensure the participation of the small farmer who was formerly excluded or subject to exploitation and low prices for their harvest.



Bottling line at Canaan Fair Trade facility in Burqin.
Photo: Canaan Fair Trade

For example, Canaan has established sound equitable and sustainable economic practices that include gender rights, workers' rights, International Labour Organization (ILO) standards, organizational structure and skills, governance and collective bargaining, sustainable environmental farming practices, certification standards, reconciliation between traditional and modern organic practices and how they apply in the local ecosystem, research on these issues, best farming practices for quality and optimal utilization of on-farm resources for maximum yield, and leadership training (through PFTA, local committees, and at a national level with individuals).

As for Canaan's infrastructure, Canaan started with very little capital but was quickly able to qualify for loans to secure needed financial support to grow the infrastructure beginning with a loan from Shared Interest for US\$635k, which Canaan has fully paid off, then from Bank of Palestine for US\$720k with a remaining balance of US\$350k. The Dutch Government's PSI program provided support for ISO certification in collaboration with Dr. Bronner to support the bottling and jarring lines. In total, Canaan has invested US\$5 million in the business, facilities and equipment that include its state-of-the-art facility with the latest technology in olive presses, storage tanks, and bottling and jarring automation. Canaan also invested US\$50,000 in purchasing an old house in central Jenin, renovated it, and made it available to PFTA as its center of activities. The center now provides in-kind contributions to PFTA by making the building available to the association at no charge valued at NIS25,000 per year since 2008.

CANAAN NOW

Canaan is located near the city of Jenin in the village of Burqin, one of 43 participating villages in the initiative (see Figure 2). PFTA offices are located in Jenin. Canaan's primary local constituents are farmers and women's networks, and globally ethical consumers, supporters, sustainability movements, social accountability movements, the green movement and solidarity groups. Canaan's partnership with PFTA and its relationship to international partners and distributors enables it to serve these constituencies and thereby fulfill its mission. Canaan provides an infrastructure that allows for purchasing and processing of products from farmers and women cooperatives and makes those products available through global markets to target distributors and consumers.

Canaan's Director lies at the center of the organization rather than at the top and provides leadership to the operation through a Leadership Council that also includes the Sales Manager, Media Manager, Producer Relations, Administrative Manager, Financial Manager, and Purchasing Manager. This leadership team provides collective guidance

for business operations and links Canaan's vision and mission with all facets of Canaan's work (see Canaan's organizational chart below on page 7).

Canaan currently sources its products from a pool of over 2,000 farmers who are directly affiliated with PFTA. All farmers within this pool are registered with PFTA but only become formal members of the Association once a field history has been carried out to determine their potential for fair trade and/or organic certification. Most registered farmers qualify for membership in PFTA, though some are deemed ineligible if they are not committed to following through with program expectations. Member status is maintained as long as farmers produce and sell according to fair trade and/or organic guidelines.

PFTA member farmers are organized from 43 villages into 34 co-ops with a total land area of 51,310 dunams (5.1 hectares) (see Figure 1 & 2). Farmers elect one representative to the PFTA General Assembly for every 25 co-op members. The General Assembly provides administrative, financial, and programmatic oversight to PFTA. PFTA can vote one

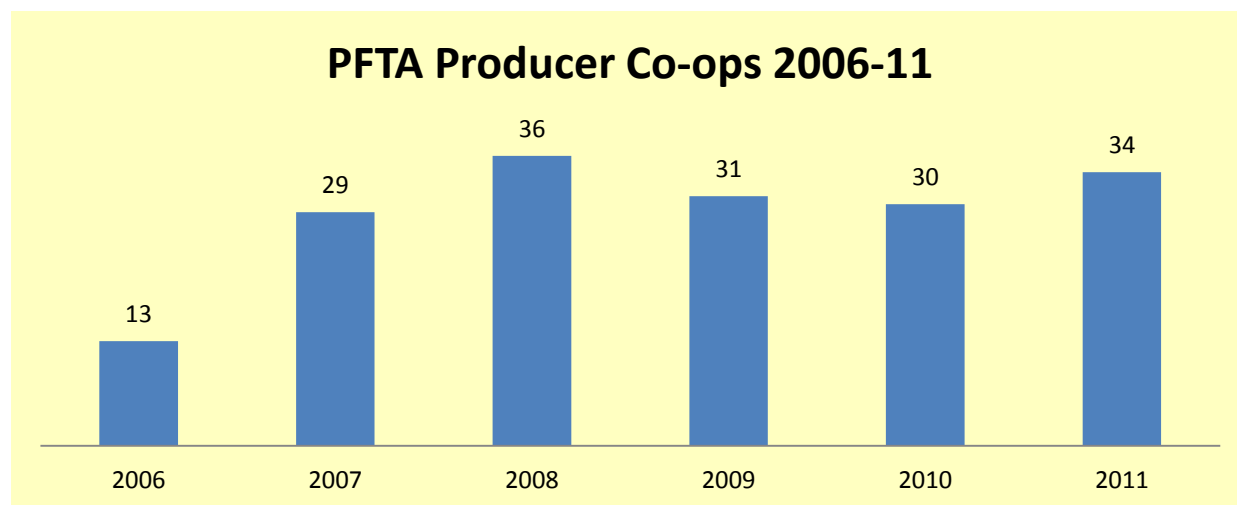


Figure 1: PFTA Producer Co-ops 2006-11

PFTA/CANAAN'S Farmers Cooperatives in the West Bank, Palestine

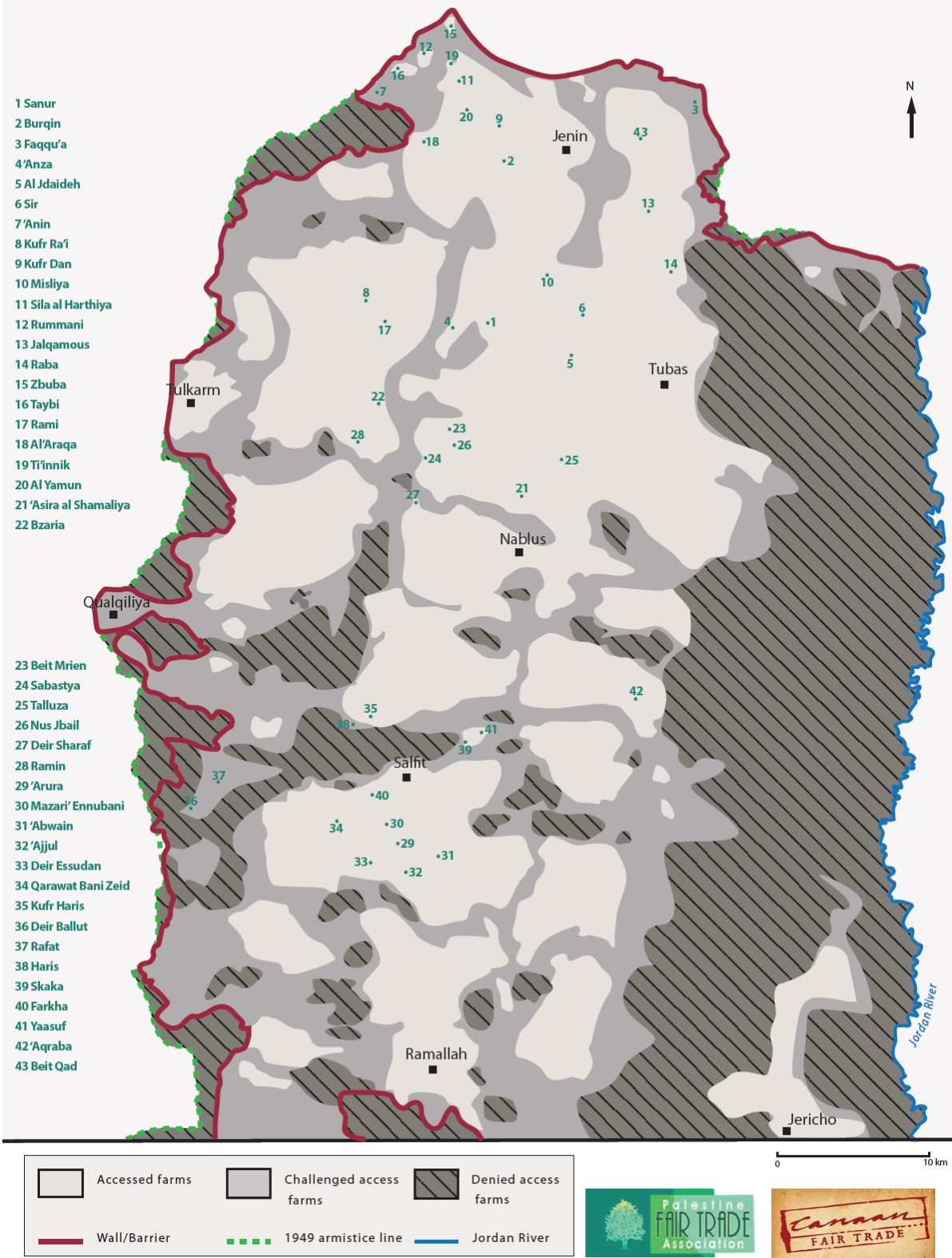


Figure 2: Canaan/PFTA Member Cooperatives

representative from Canaan to sit on the PFTA Board and so far has chosen to do so to facilitate communication and collaboration between the two bodies. In addition to farmers, other PFTA members include elected representatives from women's cooperatives, processors (olive mill owners), exporters and traders, and workers' unions (see PFTA Chart below on page 8).

Canaan and PFTA work collaboratively to develop new products and markets that will benefit the farmers. PFTA members have initiated the inclusion of other crops such as almonds, chick peas, fennel seeds, and sesame seeds, but only crops that have a market can actually be turned into products. Canaan is consistently working to develop products that include other crops or increase demand for existing crops and is currently exploring new markets for herbs and spices such as fennel seeds, anise seeds, thyme, oregano and other medicinal plants. Canaan's support for the formation of women co-ops to process *za'atar* (thyme spice mix) and *maftoul* (Palestinian couscous) resulted in the sourcing of sesame and wheat

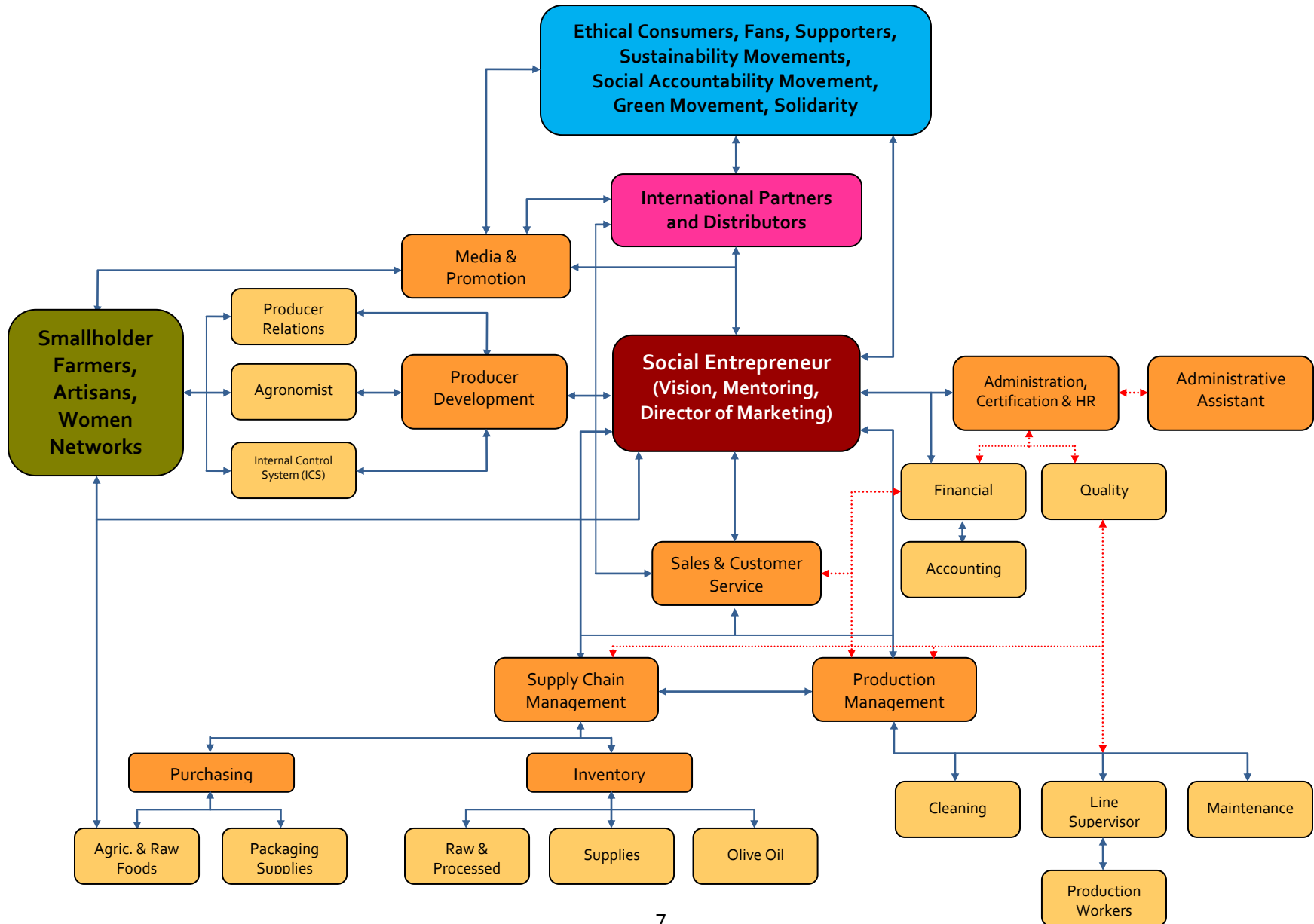
for these products from member farmers. However, olives and almonds remain the primary crops Canaan purchases.

It is this unique relationship between Canaan and PFTA that sets Canaan's impact apart from development projects in the region. Not only does Canaan honor the tenets of fair trade by embracing a fair wage, healthy and safe work conditions, sound environmental practices, and a premium for social development, but encompasses a broad social program that impacts the discourse on development itself through its rigorous social, cultural, and educational programs, its capacity building in the field, and its support of national identity, political expression, farmers' rights, and community empowerment programs. Moreover, the fact that Canaan was established in the Global South but has its market share in the West – albeit with major backing from socially responsible businesses and ethical investment firms – further distinguishes this initiative from development efforts initiated and implemented by Western governments or other industrialized nations such as Japan.

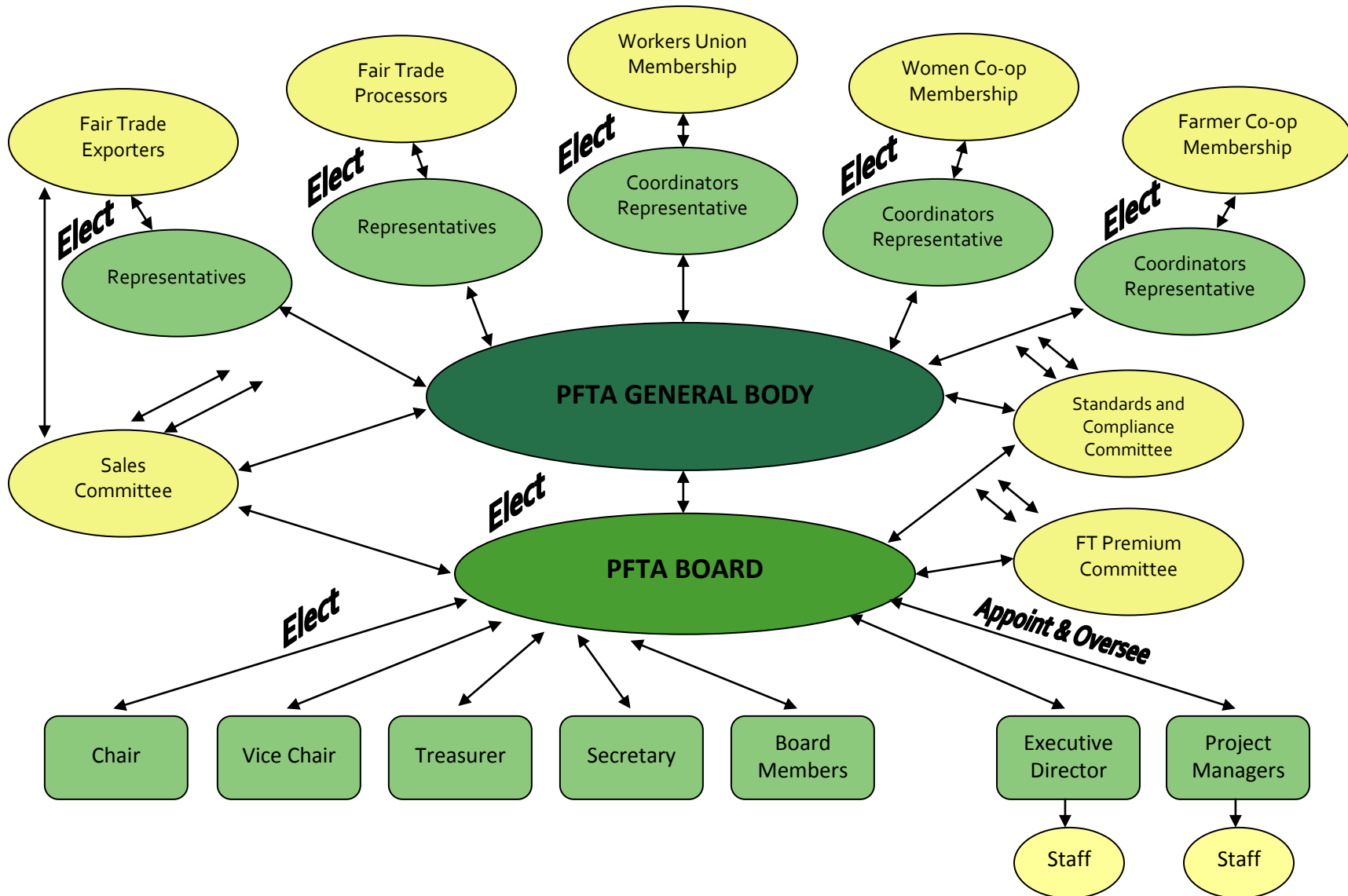


Women co-op members meet at Canaan Fair Trade. Photo: Canaan Fair Trade

CANAAN FAIR TRADE ORGANIZATIONAL FLOWCHART



PALESTINE FAIR TRADE ASSOCIATION ORGANIZATIONAL STRUCTURE



EDUCATION & TRAINING

Canaan works in collaboration with PFTA to help farmers achieve organic and fair trade certification for their farms and crops through a rigorous education and training program. This program is multifaceted in that it provides farmers with the conceptual, organizational, and technical training to not only achieve certification but become their own advocates for the farming sector. The broad scope of the program is what transforms knowledge into empowerment for Palestinian farmers by strengthening their economic presence and voice both locally and globally.

Training begins with an overview of the concept of fair trade and how the program is grounded in social accountability and environmental sustainability. This connection not only joins farmers with the global fair trade movement, but at the same time demonstrates how the program adds value to their products through fair trade and organic certification by enabling them to receive a premium for certified products. At the organizational level farmers learn about the organizational benefits of PFTA and its partnership with Canaan, and how they can provide leadership to their own sector and communities.

The program also includes education and training of improved farming techniques and quality standards by merging the proven agricultural techniques of traditional farming with the latest knowledge and research on organic farming and sustainable agriculture.

"No one can argue the fact that farmers love their land. Palestinian farmers are born with a love for their land. But Canaan has motivated us to take better care of our land. With increased production, we see the fruit of our care."

– Farmer Abed Ibrahim

Specifically the program addresses soil quality and increasing yield and product quality through intercropping, pruning, plowing, harvesting, and storing techniques. And finally the program reviews fair labor practices and standards associated with fair trade, as well as safety standards and risk management guidelines.

Committed to Canaan's mission and vision to empower marginalized farming communities in Palestine, partner Dr. Bronner paid for the first three years of the cost of certification at EUR12,000 per year as well as the cost of training Canaan staff the first year in 2006 at a cost of EUR10,000. Canaan has since assumed this annual cost to maintain the

certification program and also pays NIS130,000 annually for field inspections to maintain farmers' certification status. Moreover, PFTA covers the annual cost of field inspections for the Fair Trade Education & Training Program at NIS50,400 as well as the annual cost of program's employees and fieldwork at NIS100,000 – all of

which generated income to the association through partnership with Canaan.

The structure of the initiative is grounded in social accountability and environmental sustainability, which places dual pressure on Canaan from farmers on the one hand to remain committed to their developmental goals and protect their interests, and on the other hand from consumers and distributors to bring high quality products to market while delivering and validating the developmental mission and social impact for

long-term sustainability. Both farmers as producers and Canaan as the exporter depend on the stability of the markets and long-term relationships to empower farming communities. Both receive returns and can invest in the sector by expanding the scope and impact of their reach. In fact, Canaan caters to and cultivates market forces that are interested in social impact and at the same time delivers this social impact to producer communities by sourcing high quality products from small scale producers. Canaan is also under pressure from farmers and their organization – PFTA – to deliver premium pricing and preferential trading terms to their members as well as technical assistance in development projects in the field.

Traditional farmers that have a field history of no chemical input into their farms are eligible for organic conversion over a two-year period since their processes are largely consistent with organic standards, whereas other farmers undergo a three-year process of conversion for organic certification. In

contrast, fair trade certification takes one year to implement. Since the fair trade certification process takes one year and the organic certification process takes two to three years, not all farmers who are certified fair trade are certified organic. Consequently, farmers are at different stages in the process depending on how far they are in the education and training process for certification, so the pool consists of farmers who have been certified fair trade, certified fair trade organic, and those who are working toward certification or conversion (see Figure 3).

Certified farmers and their co-ops are subject to annual inspections at the farm level and the organizational level. In addition to annual inspections, farmers are subject to monitoring during the processing and sale of their products to ensure that their practices comply with certification standards and guidelines. Failure to comply with certification standards may temporarily disqualify them from fair trade and/or organic status.

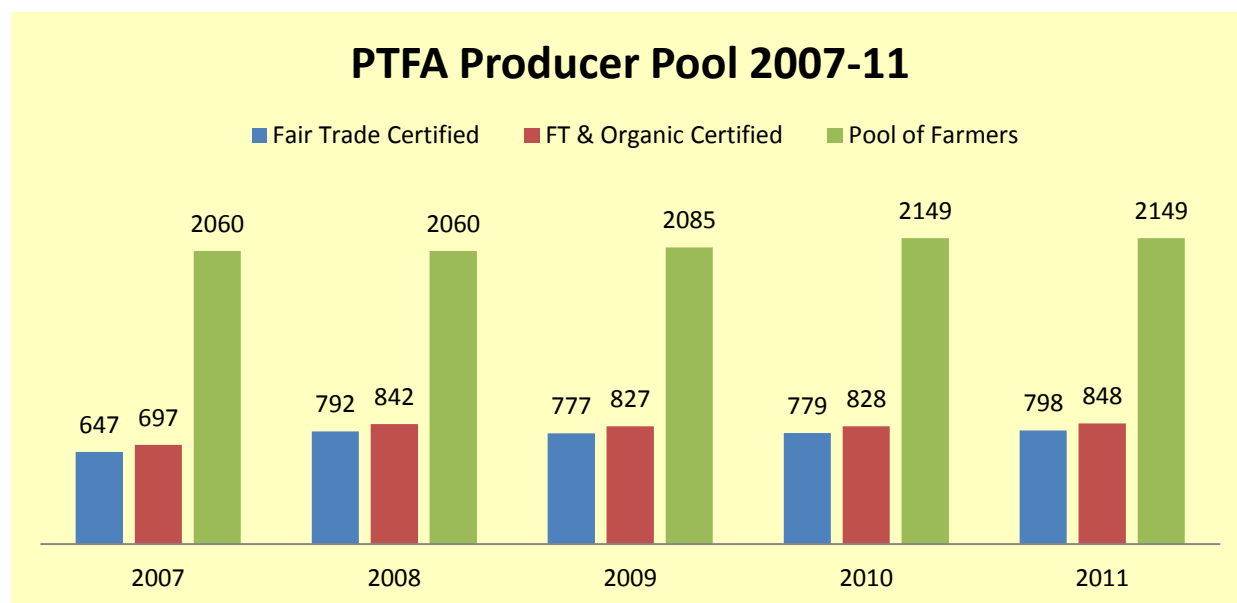


Figure 3: PFTA Producer Pool

These programs have essentially created a pool of small farmers with superior quality products and an increased yield. For example, olive farmers note that they previously collected olives in plastic bags during the harvest, but now they use boxes to prevent moisture and heat buildup, thereby protecting the quality of the product. Farmers have also reported that they limit their exposure to heat and ensure that olives are stored for no more than three days so they are pressed fresh. Farmers indicate that they now have a better understanding of which branches to prune at what angle and what time of year, as well as when and how to plow around the olive trees to promote healthy tree growth, which has impacted the yield of their crops.

"Fair trade for me is pride. I am prouder, I have more dignity and a better life. Instead of selling the land to make money, I am buying land to make money. I invest in my land and I make money."

– Farmer Odeh Abed
Al Aziz Ali

Overall farmers believe they are more committed to their land and farming, and take better care of their land since working with Canaan and PFTA. As farmer Abed Ibrahim explains, "No one can argue the fact that farmers love their land. Palestinian farmers are born with a love for their land. But Canaan has motivated us to take better care of our land. With increased production, we see the fruit of our care."ⁱⁱ

The impact of the education and training program goes beyond farming techniques and yield. The organizational structure itself helps farmers have a better understanding of fair trade and the global sustainability movement and value the consumer's commitment to support marginalized producer communities by buying their high quality products at a premium. Abed Ibrahim

continues, "Fair trade shows the human side in business. It's not all about profit. But it's about supporting small farmers, supporting just wages and fairness."ⁱⁱⁱ Farmers' understanding of the global market for olive oil, Canaan's strategy and decision-making processes, and the quality and marketability of their products are even greater for those farmers who are engaged with Canaan's outreach activities such as the annual Olive Harvest Festival where Canaan's overall impact is clearly visible in the relationships, products, and celebration of its efforts (see full discussion of Olive Harvest Festival on page 20).

This understanding and appreciation for global markets and the marketability of their products is a great source

of pride for farmers and they credit Canaan for supporting farmers individually and collectively, but also for representing them globally through their products. For farmers their involvement with Canaan has transformed how they feel about their land and their livelihood. As farmer Odeh Abed Al Aziz Ali from Mazari' Al Nubani exclaims, "Fair trade for me is pride. I am prouder, I have more dignity and a better life. Instead of selling the land to make money, I am buying land to make money. I invest in my land and I make money."^{iv}

At the organizational level farmers find they are able to work more effectively with different personalities and working styles, manage conflict, and speak on behalf of their fellow farmers. Their organizational efficacy has translated into them having greater voice

in their communities. However, how that voice plays out locally depends on the socio-political dynamics of each community and what ideas and practices a given leader promotes. Canaan recognizes in a pluralistic society that a wide range of ideas flow within and across communities and believes in supporting the exchange of ideas and letting the framework of social accountability and environmental sustainability speak for itself over time.

Ultimately this framework is only as effective as the community is willing to embrace it and that will depend in part on the local leadership's capacity to understand and rally local farmers around effective ideas and practices, and in part on the farmers themselves to recognize the benefits and engage their leaders to move their communities toward greater social accountability. In this regard Canaan welcomes the wide range of sentiments among farmers and will continue to provide

opportunities for empowerment and self-expression. What is evident is that the more engaged farmers are with Canaan, the deeper their understanding of these concepts, the value of certification, and the power of their voices to have an impact in their communities.

Education and training coupled with the organizational structure of PTFA has resulted in capacity building and increased engagement of farmers. Improved knowledge and skills has increased the productivity of small farmers and created greater food security for Palestinian communities by increasing the yield of crops and the value of output through higher quality crops. The fact that nearly two thirds of farmers currently active with PTFA have been with the association for more than five years and new members are on a significant rise further supports that commitment and recognition of the value farmers place on the initiative (see Figure 4).

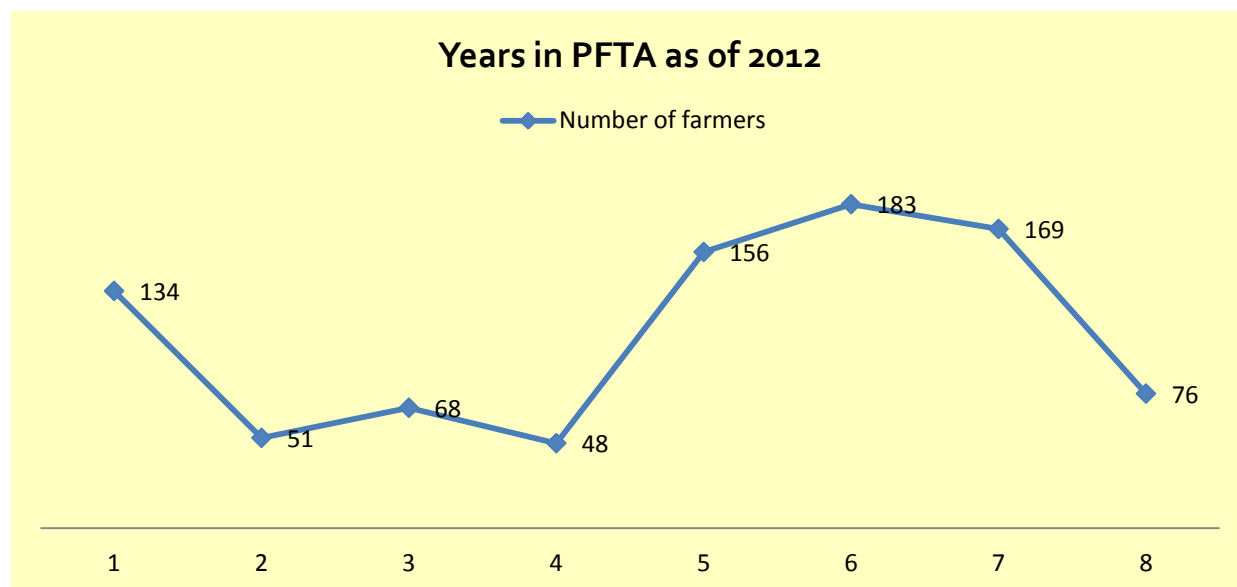


Figure 2: Number of years farmers have been members of PFTA

PRODUCT DEVELOPMENT

Canaan's primary product is olives for olive oil. However, Canaan also sources almonds, wheat, sesame, tomatoes, za'atar and honey from a select number of farmers who have diversified their crops to meet market demand. Some of these products are used in additional products processed at the Canaan facility. These products include pickled olives, and various tapenades and spreads. Canaan purchases these products directly from participating farmers and processes and finishes them in house, which has provided the local community with employment and seasonal work opportunities. These products serve as a great source of pride for Canaan employees and PFTA farmers alike. As farmer Abed Al Qader Sadeeq Al Qarem notes, "Canaan's products express who I am as a Palestinian farmer. I produce high quality

products and Canaan reflects my hard work in the field. My Palestinian heritage is expressed when Canaan's products travel the world."^v

WOMEN CO-OPS

Canaan in cooperation with PFTA has established self-managed informal women's co-ops for the collection and processing of products traditionally processed by women. These products include sun dried tomatoes, za'atar, couscous, capers, and soap. The participation of women in such co-ops has increased from 15 to 200 since 2007 (see Figure 5). Total income for women co-ops for 2011 is US\$16,480 where 79 women actually participated in processing.

Women undergo the same education and training program as farmers, but also cover



Women processing tomatoes for sun-dried tomatoes at Canaan facility. Photo: Canaan Fair Trade

topics specific to their products, including processing techniques, quality systems, critical points in processing, the transfer of traditional foods to industrial processing, food hazard prevention, and safety. These co-ops have given women the opportunity to participate in and organize agricultural pursuits that are in alignment with local cultural values. Based on interviews interest among women to participate in food processing co-ops is high and women who already participate in these co-ops are well respected for bringing an income to their families. As co-op member Um Shehadeh from Burqin notes, "Canaan has provided women with the opportunity to work. They have helped us find jobs and bring income to our families. The women are happier because they bring

value to their homes."^{vi}

In this regard, Canaan has broadened the roles of women in traditional farming communities to engage in economic activities without compromising the respectability of their actions. Moreover, these opportunities elevate the cultivation of artisan foods traditionally prepared by women by offering them for sale on global markets which instills both pride and efficacy in women for being recognized in their communities and abroad for what they have done for centuries for their families. When one co-op member reflected back on the opportunity to travel abroad and see her products on the shelf, she noted, "I saw we had come so far. We have the ability to create high quality products."^{vii}

"Canaan has provided women with the opportunity to work. They have helped us find jobs and bring income to our families. The women are happier because they bring value to their homes."

*– Co-op member
Um Shehadeh*

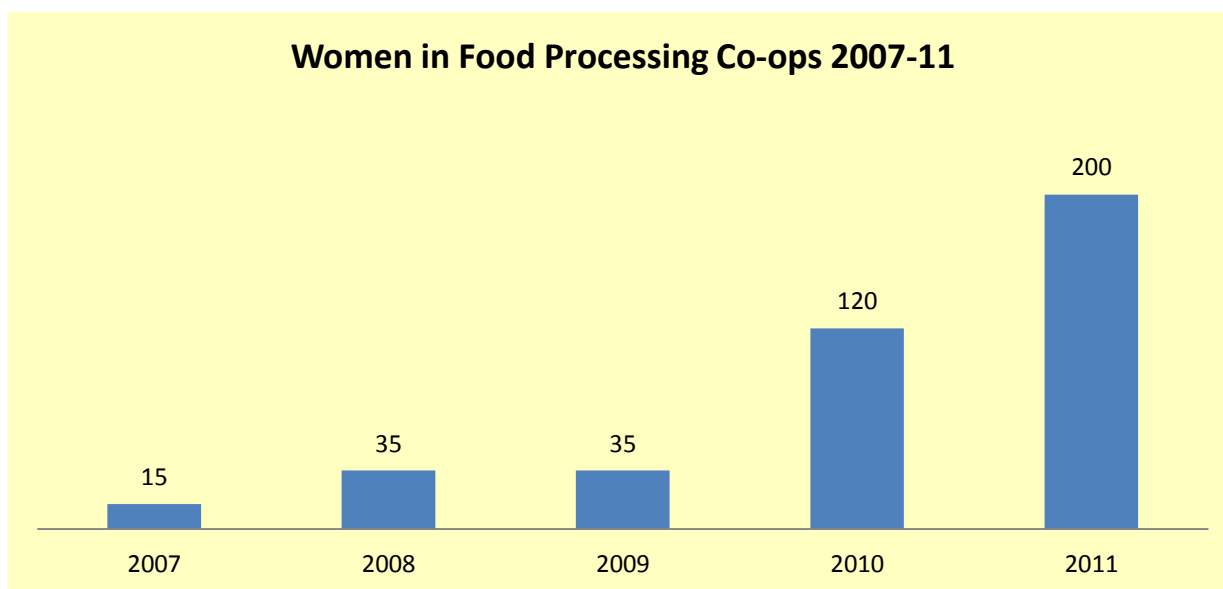


Figure 3: Women membership in Food Processing Co-ops

PRODUCT PRICING & SALES

Once farmers are certified fair trade their products are eligible for purchase and export through Canaan (see figure 6). Certified fair trade and certified organic farmers receive the largest return on investment because the value of their products on the global market increases with these certifications. Canaan only buys non fair trade or non organic certified oil from a limited number of farmers for a couple of customers in the UK who cater to ethnic markets and want to save on the social premium. However, Canaan never buys olive oil below NIS15 per liter (US\$4), which it has established as a sustainable minimum price, even if the market falls below that price.

Thus, Canaan pays farmers a sustainable price that includes a social premium, which is always above the market price. The social premium for farmers is intended to support the health, education, and overall well being of farmers' families. The social premium is part of the value chain of a product and

represents a percentage of the price. As Canaan director Nasser Abufarha explains, if a bottle of olive oil sells for US\$15.00, US\$3.35 goes to the farmer (22.4%). The rest of the price is allocated for other pieces of the value chain such as the processor or exporter, inputs such as bottling and packaging, importing costs, warehousing costs, distribution mark up and cost, broker commissions where applicable, and retailer margins.

Under PFTA the social premium is divided up between the individual farmer (50%), the producer co-op (25%), and PFTA (25%). Producer co-ops reinvest their social premium in their own communities. Such projects have included supplying farmers with ladders, tools, computers for schools, and public bathrooms for the village. PFTA uses its share of the premium toward the organic and fair trade certification programs and the education and training of farmers, which are co-managed and supported by Canaan and PFTA. For example, Canaan allocates a car and two field inspectors for

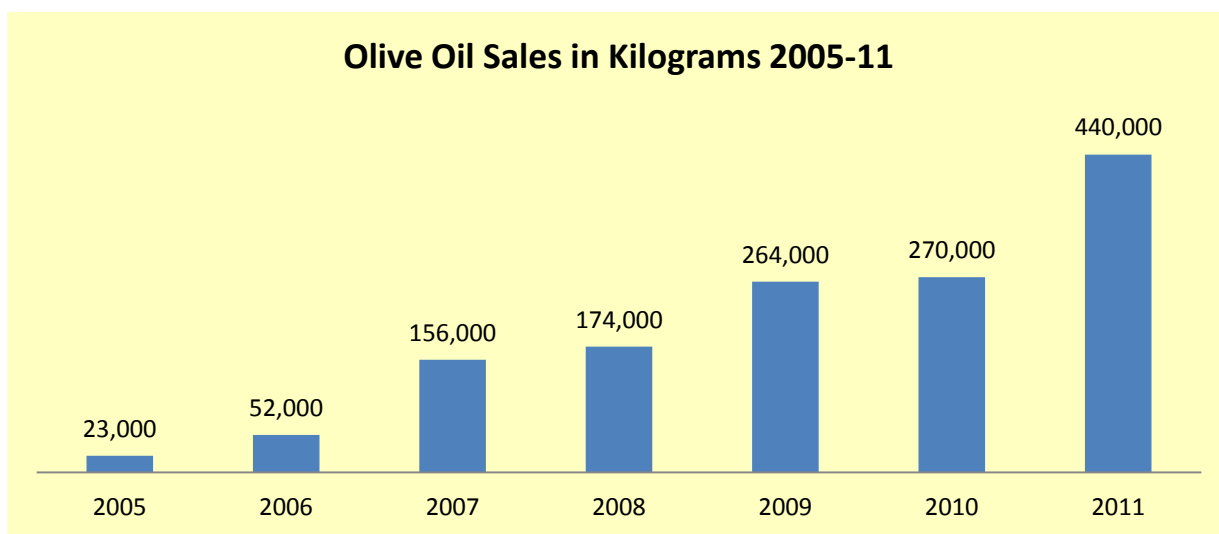


Figure 4: Olive oil sales in kilograms 2005-11

the program, and PFTA allocates a car and two field inspectors. Then during harvest Canaan and PFTA each provide six additional monitors to oversee harvesting at the fields and the processing points.

For the farmer, this premium has resulted in an increase in farmers' income, though some farmers feel the difference should be more substantial. Nevertheless, since working with Canaan farmers are able to focus on farming full-time instead of relying on other jobs for income. As farmer Abed Al Qader Sadeeq Al Qarem notes, "I never solely depended on agriculture before Canaan. I would take my truck to Israel for work before the wall. Canaan started just as the wall was being built. It was great timing."^{viii}

"I never solely depended on agriculture before Canaan. I would take my truck to Israel for work before the wall. Canaan started just as the wall was being built. It was great timing."

– Farmer Abed Al Qader Sadeeq Al Qarem

Nasser explains that previously farmers were subject to larger companies and middlemen traders coordinating purchases to drive prices down after farmers need for the money became so dire they were forced to sell below sustainable prices. Most farming in Palestine is dependent on rainfall and due to the political situation, water resources are subject to tight control and Palestinians are denied access to underground water for irrigation. In this context, the olive harvest still holds a primary value in the farming cycle to the local farming community as it has held for millennia. Since the olive harvest takes place in November, other crops require a great investment beginning in December. All other crops are planted in December or March following the rainfall (*shatawi* or 'winter' and *seifi* or 'summer'). If farmers

don't sell their products right after the harvest, they are in debt to all suppliers in order to be able to plant their crops. If traders coordinate to hold off buying until January when farmers are already in debt, they drive the prices down.

Because Canaan negotiates prices at the beginning of the harvest at sustainable above-market prices and pays during the harvest when the oil is pressed, farmers have greater independence from conventional traders. As farmer Abed Ibrahim from Jalqamous notes, "It is a relief to work with Canaan. I'm not worried about finding consumers to buy my products anymore. It's much easier to sell to one vendor with a very high price."^{ix} Moreover, farmers'

olives and oil are collected and they receive payment in full instead of having to store their oil to sell over time. Such immediate compensation for their harvest enables farmers to freely pursue other crops and thereby live as a farmer beyond the olive harvest. Thus, the timing of the olive harvest is critical to enable farmers to support themselves and serve the local community by providing affordable local food instead of higher priced imported food.

Canaan also supports the interests of families who collect olives from co-op farmers at harvest time, whereby they typically receive one third of the harvest. Canaan guarantees such families it will buy their olives at a higher price since they are harvesting from co-op farms. This security provides an incentive for such families to harvest more olives, which in

turn provides them with a greater income and a stable supply of olive oil for their family for the year.

Although some farmers question the impact of social premiums in their communities, in part because they confuse the purpose and scope of these social premiums with NGO and other donor development projects in their communities. Such projects carry their own agendas that are not in alignment with the needs of target groups, are generally not sustainable, and consequently, have little impact on empowering communities long term. Particularly those farmers who are either new to fair trade and do not fully understand or appreciate its long-term capacity building function to empower marginalized communities to engage more directly with the market, the social premium seems minimal in comparison.

Nevertheless, those farmers who are engaged in the empowerment process by taking a leadership role in their communities through the co-op are more likely to feel the impact of the social premium made possible by fair trade. Such engagement provides opportunities for decision making in their communities, including regarding the allocation of funds toward local development projects that directly benefit the community. It also connects local activities to the global fair trade movement and the consumers who are willing to pay a premium for products that empower marginalized communities.

MARKETING & EXPORTS

Canaan currently exports its products to 15 countries across five continents with more than half of sales in the US alone (see figure 7). Canaan also exports to Austria, Denmark, Sweden, Switzerland, and now Japan, Australia, and South Africa. Canaan's total exports in 2011 were US\$4.8 million with olive oil as the primary product at US\$4.3 million.

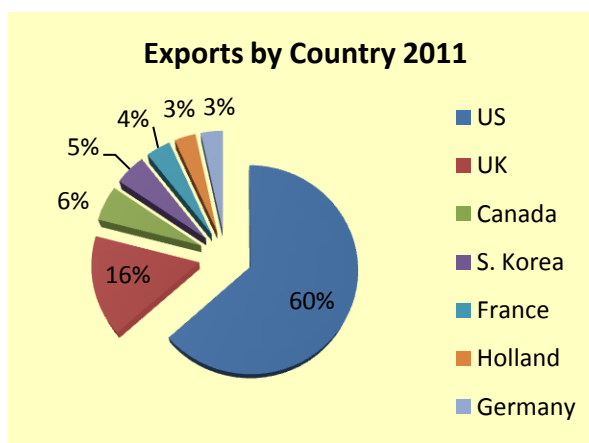


Figure 5: Canaan's exports by country

Canaan has taken on the task and the risk of marketing and exporting Canaan products and the Canaan story of empowerment through its extensive local and global outreach. Canaan's solid understanding of the global market has created a global network of support for the initiative. Canaan's communication through media outlets and its distinctive website and marketing materials has also expanded the reach of its activities.



Canaan develops new packaging for infused olive oil sampler. Photo: Christa Bruhn

Moreover, its capacity to put artisan products made in Palestine on the shelf around the world has sent a strong message that Palestine is open for business and open for life. Thus, Canaan proves to be a dynamic company in its capacity to accurately assess the market, bring new innovations, and attract businesses that are as invested in its developmental goals in Palestine.

The relationships Canaan has established with ethical investors, distributors, and international solidarity groups coupled with a strong web presence and participation at international trade shows abroad has given participating farmers a stable buyer and market for their products (see figure 8). In

fact, the majority of farmers report they had a hard time selling or marketing their olive oil before Canaan. This security coupled with extensive education and training and a deeper understanding of the value of sustainable products worldwide has boosted confidence among farmers to invest in their own sector in the form of adding compost to increase yield, improved service to land and trees (pruning, weeding, plowing), expanding crops, and becoming more involved at the organizational level by looking out for the interests of farmers generally.

As the market demand for Canaan products other than olive oil increases, Canaan's farmers respond by diversifying their crops to meet market demand. One area of great potential for Canaan is in the export of organic honey to Europe. Canaan currently exports honey to the United States and Japan. However, Europe is experiencing a shortage of honey, but Canaan can only export honey to Europe once the European Union has accredited the Palestinian Ministry of Agriculture to export this product. Canaan farmers are aware of this hold up and are positioning themselves to meet market demand once the EU grants Palestine certification to export honey.

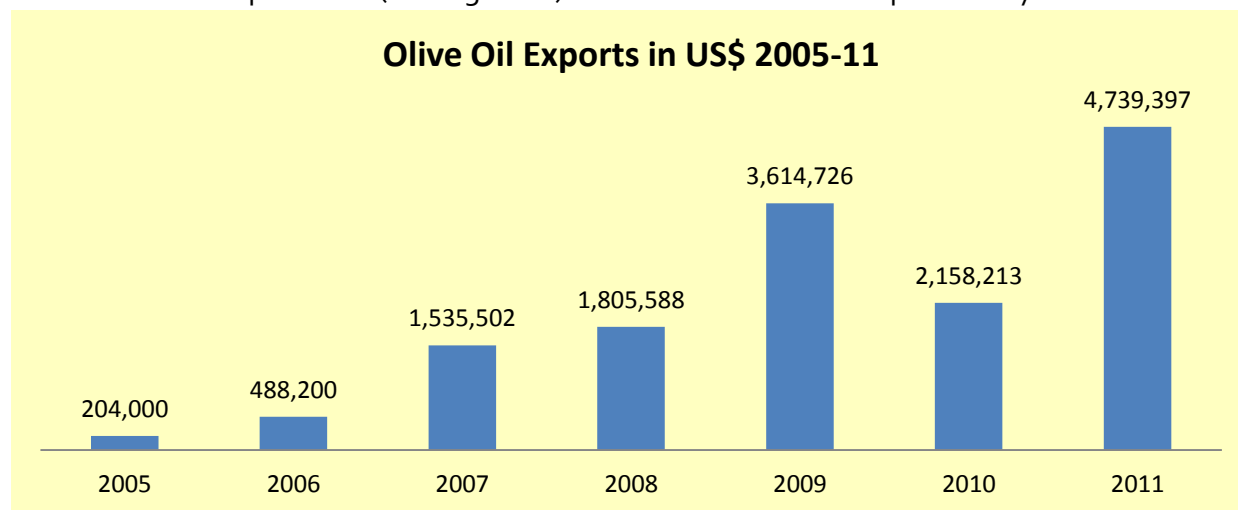


Figure 6: Canaan's olive oil exports 2005-11

Market demand also impacts the quality of olive oil Canaan purchases for export. Currently the market demand for extra virgin olive oil (food grade) and virgin olive oil (cosmetic grade) is roughly equal at 53% and 47%, respectively. However, Canaan's practices have increased the quality of olive oil available in the marketplace from 15% extra-virgin olive oil at the start of the initiative to 80% today. Overall the international price for olive oil has been low for the last five years. Olive oil prices have begun to recover in the second half of 2012 with anticipation of a low yield in Spain for the 2012 harvest. Additionally, new market demand for olive oil in China and Russia are likely to drive prices up.

This increase in demand and subsequently prices will help narrow the gap between the sustainable price paid by Canaan and the market price, affording new market opportunities for extra virgin olive oil. If market demand for extra virgin olive oil indeed increases, the ratio of Canaan's exports of extra virgin to virgin olive oil will change in favor of extra virgin, a demand Canaan farmers are fully capable of meeting. Canaan is proud of its high quality extra virgin olive oils, some of which exhibit consistent characteristics such as the fruity and pungent Rumi variety or the fruity Nabali variety, both of which stand out as premium extra virgin olive oils.

The marketing and distribution of these products is a great source of pride for farmers and sends the message worldwide that Palestine exists and is growing economically. As farmer Saleh Ayasi from Sanour shares, "For me, I have great pride that my Palestinian product is reaching all over the world. Some people may not know about Palestine, but my product raises the spirit of

Palestine. Canaan's products make a name for Palestine."^x Similarly, farmer Basheer Habaybi from Sanour explains, "When I hold a bottle that says 'Made in Palestine', I know that internationals know that Palestine exists. This motivates me."^{xi} In this regard, these products serve as vehicles of identity, and national expression, and hope for the future.

Canaan products are processed, packaged, labeled, finished, and boxed in Palestine, using local suppliers wherever possible. For example, the local packaging company Al-Wihda is the exclusive supplier of all packaging materials for Canaan's exports at a cost of US\$41,000 in 2011, which represents a significant amount of the packaging company's total sales. As owner Abu Hasan explains, "Canaan is not only one of my main customers, but the impact of their trade on the Palestinian society and the growth of their work encouraged me to invest more in the carton industry in order to produce high quality products that can be effectively used and promoted by the well-known products of Canaan."^{xii}

"For me, I have great pride that my Palestinian product is reaching all over the world. Some people may not know about Palestine, but my product raises the spirit of Palestine. Canaan's products make a name for Palestine."

– Farmer Saleh Ayasi

COMMUNITY EMPOWERMENT

Canaan has developed a number of programs that demonstrates its deep commitment to empowering the communities it serves. Community empowerment programs are administered in collaboration by Canaan and PFTA, which significantly affects their reach and effectiveness. These programs and their impact are described below.

The **Microloan Program** provides start-up funds for women-led agricultural pursuits such as the purchase of processing equipment to make traditional food products for export. Funds for this program are generated through grassroots donations. Unfortunately once women repay their loans the money is often blended into PFTA's general budget rather than reallocated to the program to make the funds available for other women participants. This lack of accountability is actually undermining the program since it directly impacts the total amount of funds available to women participants. In fact, PFTA is missing out on empowering more women and growing the program. Thus, PFTA needs to do a better job of tracking the funds and channeling them back into the program so they are used for their intended purpose rather than generally for PFTA programming.

Canaan's empowerment push exists even within the company itself with the **Canaan Incubator Program** which motivates and inspires investment and community development by offering Canaan employees who have given 10 years of service or more an interest free loan of up to US\$100,000 for their own social entrepreneurship projects. The first employees will be eligible for this program beginning in 2014, but already the

program has boosted morale and demonstrates Canaan's commitment to empowering the community however and wherever it can be done, even from within its own ranks. Eligibility for this program also applies to PFTA personnel.



Canaan Scholarship Program recipients in training at Canaan facility. Photo: Canaan Fair Trade

Canaan also invests in the families of farming communities through the **Canaan Scholarship Program**, which offers up to 10 full-paid university scholarships annually to the children of farmers to become leaders in their communities. Consequently the program focuses on students in the humanities or business rather than the sciences. Scholarship recipients are announced in local papers and presented to the community at the annual Olive Harvest Festival. Canaan looks for strong leadership potential in its applicants as well as a commitment to community service, while giving priority to students from marginalized rural and refugee communities whose parents did not attend college.

Although Canaan does not discriminate on the basis of gender, scholarship recipients have been disproportionately awarded to women by a ratio of 3:1 with women applicants performing noticeably better on the required essay portion of the application process. This ratio not only speaks to the

academic and social readiness of farmers' children in general and daughters in particular, but also to the deep trust farmers have in Canaan and PFTA for encouraging their children to apply for and accept the award. Many farmers live in remote areas and their children are traveling great distances to attend university and participate in the Summer Internship Program.

Thus, farmers are shifting their comfort level by letting their children engage so far from home. This shift essentially represents an extension of their home turf to include the Canaan facility, the span of villages affiliated with Canaan as well as the universities and highlights the extent to which social accountability has become internalized for farmers through the initiative. Respect and honor run deep in Palestinian culture and the activities of farmers and their children not only maintains the respect of their communities, but actually generates a heightened level of respect for their dedication and commitment to something larger than themselves.

Since the inception of the program in 2007 Canaan has invested over NIS400,000 (US\$110,000) in the Canaan Scholarship Program. This program is currently serving 40 students and has already seen its first six graduates. This investment in the children of farmers is consistent with the long-term empowerment strategy of Canaan's mission of empowering of marginalized communities by providing educational opportunities for future leaders from these communities. Scholarship recipients are required to

maintain a B-average and participate in the Canaan Summer Internship Program as part of their training in order to develop their leadership skills and provide them with an opportunity to give back to their communities.

Although four students so far have fallen short of meeting these criteria, thereby forfeiting their scholarship, the overwhelming enthusiasm and success of its students speaks to the great potential of this investment in the future. The students' sense of gratitude for these opportunities runs deep. As student Mahdi Mukahal notes, "I give thanks to Canaan, for the scholarship and for making it easier on me. Thank you for helping me and my family."^{xiii} Based on interviews with students in the program, all students report that they would

"I give thanks to Canaan, for the scholarship and for making it easier on me. Thank you for helping me and my family."

– Canaan Scholarship Program recipient Mahdi Mukahal

either not have been able to attend university or only have been able to attend at great financial sacrifice to their families. Moreover, they feel they have gained self-confidence, become more organized and focused on their studies, and feel a sense of leadership among their peers and in their communities.

The **Canaan Summer Internship Program** provides students with the opportunity to learn about the value of fair trade and organic certification for farmers, the global fair trade movement, and also conduct research in their own communities and other farming communities in Palestine. Through this program students have come to appreciate Canaan's mission and reach globally, as well as Canaan's impact on their own communities. Moreover, they have a

heightened awareness of farmers' passion for their land, and have also gotten to know their neighbors and communities in a whole new light by better understanding the challenges they face under occupation.

The **Trees for Life Program** distributes olive tree saplings to new farmers, small scale farmers, women farmers, or farmers whose trees have been destroyed or uprooted by the Israeli military. Since the inception of this program in 2006, Canaan in collaboration with PFTA has distributed 59,204 olive tree saplings to 1,862 farmers from 2006 to 2012 (see figure 9). This program is funded by the sales of olive oil in tins as well as international solidarity groups through their own tree sponsorship programs dedicated to supporting farmers in Palestine.

An Arabic proverb states *Zara'u fa akalna wa nazra'u fa ya'kuloun* – They planted so we ate, and we plant so they eat. This proverb touches on the long-term investment of olive trees in community since olive trees take 15 years to reach maturity before they can be harvested. Thus, a tree planted now will be harvested by the next generation and the loss



Farmer plants tree provided by Trees for Life Program with his son. Photo: Stone Hut Studios

of a tree is a loss for a generation. Besides investing in the future supply of olives, the Trees for Life program restores hope among farmers by asserting farmers will continue to farm their land in spite of challenges or obstacles they face.

The **Green Track Palestine Campaign** represents Canaan's newest development program. The purpose of this program is to convert tractors (diesel run engines) to run on used vegetable oil. Canaan will cover the cost of the engine conversion kits at US\$2,500 per kit to be distributed by PFTA. Farmers are responsible for identifying a source of used

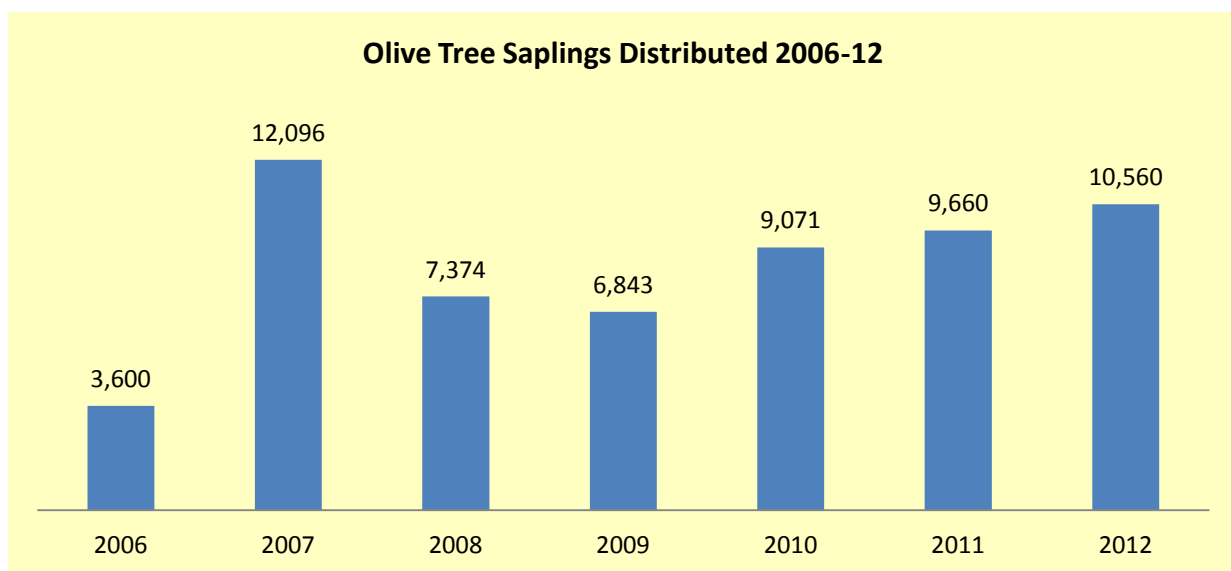


Figure 7: Olive trees distributed to farmers through the Trees for Life Program

vegetable oil. Then Canaan will cover the cost of filtering the oil, the barrels for transport, and waive all transportation costs. This program will not only dramatically decrease farmers' dependency on fuel, but recycle an otherwise wasted product of vegetable oil used for frying at restaurants and food carts.

The **Olive Harvest Festival** has grown into one of the most important facets of the initiative. The olive harvest is traditionally a time of celebration as families harvest their olives not only to secure their annual olive oil supply for the year, but to sell on the open market so others can purchase their olive oil supply. Olive farmers and their families set aside their other responsibilities to work together across generations to bring this labor intensive period to fruition.

The Olive Harvest Festival, which is co-hosted by Canaan and PFTA, draws on this traditional celebration but adds another dimension by bringing together all participating farmers from their respective communities with international partners such as buyers, distributors, and international



International guests tour Canaan's olive press.
Photo: Canaan Fair Trade



The American Consul General Michael Ratney picks olives at the 2012 Olive Harvest Festival. Photo: Canaan Fair Trade

solidarity groups to join in on the festivities. In the context of this initiative, the olive harvest has a renewed sense of purpose as co-op members take pride in the marketability of their products and international guests come face to face with the very people whom they support through the distribution of their products and the telling of their stories. The stories literally come to life and the abstract concepts of building a community through the production and supply chain become meaningful for the farmers as they experience the passion and commitment of these groups whether they are consumers, retailers, or distributors. The result is a dynamic cross cultural exchange that breaks down barriers of 'us' and 'them'.



International guests sample Canaan products during the 2012 Olive Harvest Festival. Photo: Canaan Fair Trade

International guests get to know the farmers and their challenges first hand by visiting their farms and witnessing the struggles they face as farmers and the added struggles of farming under occupation. Farmers get to witness the appreciation and support of the global sustainability movement and how that energy translates into consumer commitment to pay a premium for their high quality products in support of their struggle and their livelihood. This human exchange on the grounds of Canaan's facilities and across the farms of Palestine reconfigures everyone's sense of local and global, uniting strangers in a dance of common purpose, thereby creating both new conceptions of Palestinian culture and community in the West as well as greater appreciation of these



International guests enjoy the festivities at the 2012 Olive Harvest Festival. Photo: Canaan Fair Trade

individuals' and groups' commitment to Palestine from the West. As farmer Abed Ibrahim's son reflects on the participation of 'foreigners' in the Olive Harvest Festival, he notes, "The festivals remind us that we are people with value. People are interested in our products and we aren't working for nothing. We produce a quality product which is appreciated by others."^{xiv}



Palestinian folklore at the 2012 Olive Harvest Festival. Photo: Canaan Fair Trade

Canaan lent logistical support in collaboration with PFTA to the **Run Across Palestine**, a five-day ultra marathon organized by On the Ground, a grassroots organization based in Traverse City, Michigan that sets out to "support sustainable community development in farming regions across the world."^{xv} Filmmaker Aaron Dennis and journalist Jacob Wheeler followed the Run and have captured the voices of the runners and local supporters in a documentary entitled *The People & the Olive: The Story of the Run Across Palestine*.^{xvi} With the Run Across Palestine, organizers specifically set out to raise awareness about the difficult conditions Palestinian farmers face in the West Bank and raise money to plant olive trees along the route of the run.

The Run began in the village of Tunwani south of Hebron in the southern most region of the West Bank and headed due north

through Beit Ummar, East Jerusalem, Arura, Salfit, Nablus, to Nusf Jbail north of Nablus, through Jenin and to the finish line at Canaan in the village of Burqin with culminating festivities at the Canaan facility there. Along the way runners planted olive trees, engaged with farmers and their families, and enjoyed a heartfelt welcome each evening as locals fed them and entertained them with traditional folklore.

As ultra marathon runner Meryl Marsh recalls, "It wasn't just an ultra marathon, it was a cultural marathon as well. We'd get into these villages, we'd have these receptions. The day when we were covering the miles was important, but it was just as important as what we were doing at night with these communities."^{xvii} Musician Joshua Davis hopes to share the experience of Palestinian communities through music he plans to produce as a result of following the runners along the route: "I'm just hoping to soak up



Run Across Palestine in full swing. Photo: Stone Hut Studios

everything and take it back home and make a record that translates to the folks in America and hopefully folks around the world, to give them a slice of what's happening right here."^{xviii}

The impact of this event is two-fold. On the one hand Palestinian farmers experience yet another example of the tremendous level of support and commitment of people abroad to their struggle to make a living on their land, and on the other hand the event brings the stories of farmers into the lives of the runners from abroad. This engagement has



Ultra marathon runner Claire Everhart plants a tree along the route during the Run Across Palestine.

Photo: Stone Hut Studios

"You gave us so much hope, the energy, the determination, the perseverance that you exhibited and watching you, you gave us so much hope and so much power to carry on. Thank you for being here, thank you for coming to Palestine. Thank you. You've been the best ambassador and we love working with you, we love connecting with you. We have a true friend in America. Thank you for being that friend."

– Canaan Director Nasser Abufarha welcoming the runners to the Canaan Fair Trade facility

transformed the runners into ambassadors of these communities.

This cultural exchange mirrors the impact of the Olive Harvest Festival where Palestinian communities have the opportunity to engage with supporters from outside. Whereas the Olive Harvest Festival is hosted by Palestinians, the Run Across Palestine was organized abroad, but both events transform Palestinians and their international supporters through cultural exchange.

The transformation is also two-fold: these relationships provide meaning to Palestinians by breaking their isolation under occupation, and at the same time strengthen the advocacy for marginalized Palestinian communities abroad. Event Coordinator Vivian Sansour adds, "This Run is just the start of a long relationship. I feel that the runners' lives have forever changed, so have the lives of the communities that we have visited."^{xix}

Both Palestinians and their guests recognize in what ways they are personally affected and also have a direct impact on the other. In the process, the divide between 'self' and 'other' narrows as mutually beneficial relationships develop that energize both parties for even greater commitment and involvement in making a difference locally and globally. As Canaan director Nasser Abufarha notes, "Part of this project has been all along to break down the assumptions of 'us' and 'them' and connect people at the human level."^{xx}

"This Run is just the start of a long relationship. I feel that the runners' lives have forever changed, so have the lives of the communities that we have visited."

– Event Coordinator
Vivian Sansour

As with the Olive Harvest Festival, the impact of the Run extends beyond the face-to-face interactions in Palestine through the film *The People & the Olive* now showing in theaters and as organized screenings by fair trade and solidarity groups. Just as the Olive Harvest Festival continues to further carry the message of the event to the outside world through participants' engagement abroad, the impact of the Run will carry over into film festivals and other public showings enabling people everywhere to get a glimpse into the lives of the farmers and the international support for their cause.

LOCAL & GLOBAL PARTNERS

Canaan deliberately connects with multiple partners locally and globally to magnify the scope and impact of its work. Globally Canaan facilitates a long-term investment of multiple companies and economic institutions in the livelihood of producer communities. Here partners include financial institutions, including ethical investors, to support the business and facilities development. With their support Canaan has been able to build a state-of-the-art facility, develop education and training programs, and connect globally with distributors worldwide to expand the reach of its activities. Canaan's business-to-business partners are invested in a social mission of rebranding Palestine and empowering farmers through the purchase and distribution of products where the story becomes an integral component of the company profile in the marketplace. As a representative of distributor DWP points out,

"The story of the individual farmers is very powerful. The photos, the stories, and everyone has a different story...Canaan has the possibility to tell these stories."^{xxi}

The integration of the stories of farmers into their own products creates mutually beneficial long-term relationships between farmers and companies by providing farmers with a reliable market for their crops and an outlet for sharing their stories of empowerment with the sale of each product abroad. These sentiments are echoed by farmer Sameer Mahmoud Ali Khabbas from Jalqamous: "Canaan gives us a chance to share the stories about our life, the conflict and the challenges we face."^{xxii} In turn, companies secure a reliable source for their products and enhance their company profiles, merging local with global.

Canaan's global partners and distributors are already avid supporters of sustainability, but report that Canaan's story is the most valuable aspect of the initiative in that it is both compelling and unique. One representative of distributor Pakka notes: "For us, a story like Canaan is very important. When we sell our products and look for financial support from investors, the story is very important. [Canaan has] a clear impact and the Palestinian story is behind it."^{xxiii} They also point out that Canaan's high quality products are consistent with other high quality product lines they carry. Moreover, Canaan's products increase the variety of products its distributors carry, thereby enriching their commitment to fair

trade. Similarly, Canaan has had a positive impact on the reputation of its distributors. Canaan's story is not only good for the fair trade movement, but rather the broader sustainability movement. It's simply good for business, and as one distributor observes, even promotes peace and stability by creating jobs and opportunities for marginalized populations in Palestine.

"For us, a story like Canaan is very important. When we sell our products and look for financial support from investors, the story is very important. [Canaan has] a clear impact and the Palestinian story is behind it."

– Distributor Pakka

Another key global link is Canaan's partnership with certifying agencies like the Fairtrade Labeling Organization (FLO) and the Institute for Marketecology (IMO) who provide third-party accountability that maintains the credibility of the initiative and adds value to the farmers' products through fair trade and organic certification. These

partnerships are also long term because farmers undergo inspections to retain certification status. These agencies provide testimony locally and globally which producers are qualified to sell their products as certified fair trade and/or organic on the global market. Moreover, they have grown and adapted their own standards and procedures to meet the demands of a growing market.

Canaan also partners with a number of solidarity groups abroad who have made the initiative an integral part of their own advocacy work. Such groups include Interfaith Peace-Builders, tours such as Global Exchange and Fair World Project, and activists such as the US Campaign to End Israeli Occupation, On the Ground, and Santa

Cruz Center for Non-Violence. These groups create opportunities for cultural exchange and knowledge transfer by connecting people at the human level and transcending lines of division locally and abroad such as gender, culture, and religion.

These groups report that their affiliation with Canaan has enhanced their own advocacy work through the compelling farmers' stories and their high-quality locally produced products by providing a concrete example of empowerment with tangible products as evidence of change. These organizations also benefit financially by making Canaan's products available through their organizations and are able to use the revenue to support their own advocacy work. The fact that these organizations all find overlap in their diverse missions to Canaan's story speaks to the scope of the initiative in connecting at myriad levels of the human experience.

Canaan's most important local partner is PFTA in that it connects all the farmers in one organization to leverage the sector for local development and global trade. However, the initiative also includes other local partners to broaden the community base such as the Ministry and Department of Agriculture in Palestine, the Chamber of Commerce in Jenin, Jenin Cinema, World Vision (develops women producers), local traditional dance and music groups, Al-Kamanjati (music instruction for youth), and the local village councils.

Engaging Canaan's partners and distributors through visits to Palestine, particularly during the Olive Harvest Festival, has had the greatest impact on their understanding and commitment to supporting sustainability in Palestine. In fact, some have even made a

point of bringing their top customers with them to visit the villages, meet the farmers and experience their life realities first hand. These rich experiences enhance their overall commitment to supporting Canaan's efforts to give farmers voice locally and globally, and overcome their challenges by bringing their products to market. It also provides them with the opportunity to witness farmers' appreciation for their involvement and support.

WHY CANAAN WORKS

In considering Canaan's impact, first and foremost the initiative meets both the needs of farmers and the demands of an increasingly socially conscious global market of consumers and businesses willing to align their products and business practices with core values of social accountability and environmental sustainability. The interrelationship between producer, supplier, and consumer is central to Canaan's work and is what makes this remarkable initiative both locally and globally relevant. The fact that it is both locally and globally relevant is what also makes it sustainable and also a viable model for other sectors and contexts.

At the local level, Canaan is fulfilling its mission to empower marginalized Palestinian producer communities caught in the midst of conflict. Here empowerment begins with the farmers themselves who through Canaan's work can be farmers, that is, cultivate their land and thereby support their livelihood in the process and be integral members of their communities. The farmer thrives, the community thrives.

A thriving farming community depends on a number of factors, but certainly a core attribute of farming in the first place is the

production of food. As Canaan director Nasser points out, the initiative has created greater food security for Palestinian communities, which translates into greater independence. And food security depends on myriad factors from crop yield to value and quality of crops and enabling farmers to fare better in other crops than the ones being traded. It also depends on adequate financial support and infrastructure for the agricultural sector. And in the case of products targeting international markets, establishing direct markets with international suppliers is also key. Particularly in an otherwise unstable political environment, the relationships between producers and suppliers must be long term in order to build confidence and willingness to invest on both ends.

Canaan's work encompasses all of these critical factors and speaks to Canaan's leadership and deep understanding of every facet of the initiative. But it also sets in motion a range of activities that are authentic to the context and at the same time consistent with global social, political and economic trends that actually channel some of the international grassroots support towards empowerment projects. Canaan's work has generated a new branding of Palestine through creativity and productivity that touches the heart of the farmers because it is consistent with their cultural identity. It extends beyond economic empowerment in that Canaan's work becomes a culturally meaningful vehicle for self expression and engagement. In this regard, the initiative represents an integrated approach to change that encompasses social, political, and economic transformation through education, organization, farming and production practices, and cultural exchange. Canaan engages communities at every level leading to personal buy-in and

ownership in the project. Not only does the initiative foster sustainability, it is sustainable itself because it is driven by local needs, and informed and supported by local and international experience.

This approach represents a shift from NGO-focused development that is driven by donor agendas resulting in "the fragmentation and pacification of the Palestinian people."^{xxiv} Moreover, such efforts have largely focused on civil society, thereby ignoring the agricultural sector or issues of access to land and natural resources, and food security. These funds from the World Bank, the European Union, USAid, and other foreign governments have often created a culture of dependency where, intended or not, Palestinians remain largely subject to the demands of foreign governments rather than have the autonomy and independence to determine their own affairs. Canaan's approach sets itself apart in its extensive level of organization and integrated vision to set a process of change in motion from the grassroots up.

In this respect, Canaan is responsible for building bridges between international communities and local farming communities which has led to a new atmosphere of cultural exchange and hope. Moreover, the willingness of consumers to buy Palestinian products at sustainable prices on par with premium product pricing has a positive impact on Palestinian livelihood. Palestinian farmers are quite appreciative of these socially conscious consumer choices and are able to develop direct relationships with them through festivals such as the Olive Harvest Festival, as well as through exchange programs and the marketing of Palestinian products abroad, which has literally put Palestine on the shelf.

FUTURE PLANS

Farming is the core economic activity in Palestine and culturally also represents Palestinians' connection to the land. It is therefore already culturally appropriate to empower Palestinian farming communities in this context since other sectors feel connected to it as a symbol of what Palestine is as land, as home, as a central place of activity in people's lives and a core component of their political and socio-economic identity. Consequently, it is not surprising that Canaan plans to expand this model within the farming sector in Palestine by adding farmers to the co-ops in Tulkarem southwest of Jenin, and in the villages east and southeast of Nablus through its education programs and PFTA. Canaan also plans to incorporate the benefits of trade and production to new crops with increased productivity. Other local efforts to expand Canaan's reach include integrating student bodies of Palestinian universities into the initiative by creating satellite events or activities with national impact and global exchange, and also broadening the leadership program to formalize programs offered to students during their summer internship at Canaan.

Globally Canaan plans to expand the market for Palestinian products in Europe and North America by participating in product exhibits as well as extend participation through consumer and sustainability communities in Europe and North America by sending ambassadors of farmers and producer communities and officers from Canaan to engage in media outreach and events to get the story out about the farmers' lives and challenges. Such activities would deepen relationships with socially and environmentally concerned communities

interested in the sustainability of Palestinian communities and increase participation of the global community beyond traditional political activism through business and production as a new model of cultural expression.

Canaan is also open to sharing this model with other sectors to generate new ways of thinking and acting that have already been demonstrated as viable in the farming sector. A cornerstone of Canaan's work beyond its structure and activities that should be at the forefront of any future application lies in its integrity. Canaan's work represents a delicate balance between local and global that neither privileges nor marginalizes one over the other. The roots of the initiative run deep given Nasser's close ties to the context, but at the same time harbor new growth because of the timely and unique merging of local cultural traditions with modern best practices in agriculture and trade. The result is a highly creative solution that is both authentic and innovative in its approach and sustainable in its structure.

In this regard, Canaan's work connects local with global from within the local cultural context while establishing new networks of knowledge transfer and cultural exchange from outside that context. Instead of imposing or replacing ways of doing or ways of being, Canaan's work opens a space for the intersection of tradition with new ideas. It is within this space that both the local and global shift to meet each other in mutually beneficial ways as partners on equal footing. As a result, Canaan's work is groundbreaking in that it empowers marginalized communities by opening the space for them to lead their own development in partnership with rather than at the mercy of global resources.

RECOMMENDATIONS FOR THE FUTURE

DATA COLLECTION

Improve data collection to more accurately assess impact of fair trade and organic programs on farming sector production in areas such as land acquisition and land use, expansion and diversification of crops, improvements in soil quality, increase in yield, use and impact of composting, intercropping, and service techniques; also establish feedback loop with farmers and other constituent groups for ongoing improvements in programs and processes.

EDUCATION AND TRAINING

Improve consistency in education and training for more uniform results in impact on farmers in terms of overall understanding of Canaan's mission of empowerment and sustainability, farming techniques, local and global relationships, product marketing and distribution, and the value of consumer commitment to fair trade organic products that empower marginalized Palestinian communities.

LEADERSHIP DEVELOPMENT

Initiate more frequent interaction with farmers, including mentoring new farmers to the initiative, to foster broader leadership development and engagement within farming communities and deepen local understanding of Canaan's impact locally and globally so that local communities become engaged in Canaan's work as vehicle for empowerment and national expression.

PARTICIPATION OF WOMEN

Improve tracking and allocation of targeted resources for women so as to provide more opportunities for women through co-ops in response to heightened interest among women to participate in the processing of traditional artisan products for export.

MARKET SHARE

Expand Canaan's market share for extra virgin olive oil and other Palestinian artisan products and obtain required certifications to open up new markets in order to utilize local supply of high quality Palestinian products for export and further strengthen farming sector in Palestine.

OTHER SECTORS

Establish partnerships with other sectors in Palestine to expand the reach of the empowerment of Palestinian communities.

GLOBAL REACH

Strengthen existing global relationships and pursue new relationships to increase visibility of stories of empowerment and demand for high quality artisan products from Palestine.

MODEL FOR RURAL DEVELOPMENT

Explore opportunities to share Canaan's work as a model for rural development in other contexts since the hybrid organizational structure provides both the leadership and on-the-ground programming to effectively empower rural communities.

AFTERWORD



Photo: Christa Bruhn

Empowerment is no small task. In the case of Canaan's story of empowerment, the initiative set out to empower the very backbone of Palestinian society, namely the small, marginalized farming communities caught in the midst of a conflict that has led to their isolation and threatened their livelihood, identity, and way of life for decades. What is noteworthy from this study is that farmers working in partnership with Canaan Fair Trade feel the difference in their lives and the lives of their families and communities.

Beyond the grassroots participation and engagement Canaan's partnership with the Palestine Fair Trade Association has inspired; the extensive education, training, and

certification programs; the improvements in product quality, yield, and production techniques; and the achievement of high quality fair trade organic products welcomed by global distributors and consumers alike, nothing speaks louder than the voices and actions of the farmers who are empowered to live their lives on their land while working hand in hand with a segment of the global economic system on their terms.

Canaan has established a culture of partnerships that has cultivated not only the soil of Palestine but the hearts and minds of global partners and consumers who are personally invested in the livelihood of Palestinian farmers. The principles of social accountability and environmental sustainability on which these partnerships are based are fully aligned with Canaan's motto, "Insisting on Life." In fact, Canaan's work is all about life – the lives of the farmers are its core. It is their lives that inspire the very partnerships that have emerged and provide the world with attractive, life sustaining alternatives to conflict and exploitation.

Canaan is living proof that sustainable business and farming practices can serve the producer all the way to the consumer. In its first seven years Canaan has laid the foundation for promising years to come with bold ideas that command both local and global attention as an effective model of empowerment. Canaan challenges us all to draw our best inspiration from a past and present for a better future through partnerships that truly insist on life.

– Christa Bruhn, PhD

ENDNOTES

- ⁱ "Small Attitudes, Big Impact," Higher Grounds Trading Company Blog, September 18, 2012, <http://www.javaforjustice.com/2012/09/small-attitudes-big-impact.html>
- ⁱⁱ Interview with Abed Ibrahim, Sanour, August 2012.
- ⁱⁱⁱ Interview with Abed Ibrahim, Sanour, August 2012.
- ^{iv} Interview with Odeh Abed Al Aziz Ali, Sanour, August 2012.
- ^v Interview with Abed Al Qader Sadeeq Al Qarem, Jalqamous, August 2012.
- ^{vi} Interview with Um Shehadeh, Burqin, August 2012.
- ^{vii} Interview with Um Shehadeh, Burqin, August 2012.
- ^{viii} Interview with Abed Al Qader Sadeeq Al Qarem, Jalqamous, August 2012.
- ^{ix} Interview with Abed Ibrahim, Jalqamous, August 2012.
- ^x Interview with Saleh Ayasi, Sanour, August 2012.
- ^{xi} Interview with Basheer Habaybi, Sanour, August 2012.
- ^{xii} Interview with Abu Hasan, Jenin, November 7, 2012.
- ^{xiii} Interview with Mahdi Mukahal, Burqin, August 2012.
- ^{xiv} Interview with Abed Ibrahim, Jalqamous, August 2012.
- ^{xv} Run Across Palestine, February 2012, <http://onthe-ground-global.org/projects/run-across-palestine/>
- ^{xvi} *The People & The Olive*, <http://thepeopleandtheolive.com/>
- ^{xvii} Meryl Marsh in *The People & the Olive*.
- ^{xviii} Joshua Davis in *The People & the Olive*.
- ^{xix} Vivian Sansour in *The People & the Olive*.
- ^{xx} Nasser Abufarha in *The People & the Olive*.
- ^{xxi} Interview with DWP, September 2012.
- ^{xxii} Interview with Sameer Mahmoud Ali Khabbas, Jalqamous, August 2012.
- ^{xxiii} Interview with Pakka, September 2012.
- ^{xxiv} *Donor Opium, The Impact of International Aid to Palestine*, Rosa Luxembourg Foundation, December 5, 2011.