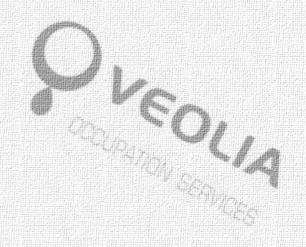




## PROFITING FROM OCCUPATION

# UK AND INTERNATIONAL COMPANIES COMPLICIT IN ISRAELI WAR CRIMES AGAINST PALESTINIANS





## Corporate Watch



2009





Corporate Watch www.corporatewatch.org news@corporatewatch.org

### contents

Arms Companies BAE Boeing EDO/ITT Raytheon Lockheed Martin UAV Engines Caterpillar	5
Illegal Produce Agrexco Ahava Eden Springs Veolia Leviev	10
Banks Lloyds TSB	13
Media BICOM BBC	14
Supermarkets Tesco Marks & Spencer Asda Co-op Waitrose Sainsbury's Somerfield	15
Coffee Shops Starbucks	23
Oil & Gas BG Group	24
Notes	26

On the second big Gaza solidarity march in London on 10th January, angry protesters smashed the front of a Starbucks store on Kensington High St, near the Israeli embassy, while other activists occupied the Ahava beauty shop in central London. Other actions in protest at the Israeli massacre in Gaza that month included occupying the offices of the British Israel Communications and Research Centre (BICOM) in central London, 'decommissioning' the ITT/EDO arms factory in Brighton and university occupations across the country calling for divestment. So, who are these companies and why are they being targeted by protesters and campaigners? Corporate Watch takes a detailed look.

#### 1. ARMS COMPANIES

Israel was the world's 6th largest arms importer between 2003 and 2007, accounting for 3.80% of world deliveries, according to the SIPRI Arms Transfers Database. During that period, the US accounted for 94% of the exports of arms to Israel. France, Germany and the UK accounted for a big proportion of the rest. In 2007 alone, EU member states authorised the export of €200m worth of items on the EU Military List to Israel.

In 2007, the UK government blocked almost one-third of British military exports to Israel, citing "possible threats to regional stability" and fears that "the equipment might facilitate human rights violations." Despite Israel's continuous war crimes against the Palestinian people, however, the UK has no arms embargo on Israel and licences for the export of military 'goods' continue to be granted in accordance with the criteria set down in the Consolidated EU and National Arms Export Licensing Criteria [1].

Details of the UK's military exports to Israel are outlined in the Strategic Export Controls Annual Reports, which are supposed to demonstrate, in the words of the Foreign and Commonwealth Office (FCO), "the Government's commitment to transparent and responsible controls on British arms exports." [2]

Between 1 January and 31 March 2008, 62 Standard Individual Export Licences (SIEL) were approved at a combined value of £20.3m, including 16 SIEL for incorporation into other weapons worth £455,000. Items included air guns, components for airborne electronic equipment, combat aircraft, military communications and electronic warfare and general military aircraft components. During that same period, only seven licence applications were refused. UK arm sales to Israel in 2008 were up by £14 million on the previous year.

Now these 'products' that are used to kill Palestinians are manufactured by companies that have names and addresses and, of course, managers whose sole interest is making money for their shareholders regardless of the goods they trade in. There are many websites that provide detailed information on these companies and their deals with the Israeli army, such as the Campaign Against Arms Trade. Below is some information on the biggest culprits.

#### **BAE**

BAE Systems is the UK's biggest arms company and the world's third-largest defence company, with annual sales exceeding £15.7 billion. The company made headlines last year after it was accused by the Serious Fraud Office of "concealing the truth" about its £43bn arms deals with Saudi Arabia [3].

BAE's products include assault rifles, artillery guns, missiles, torpedoes, tanks, armoured vehicles, unmanned combat aircraft, warships, nuclear submarines, nuclear weapons (via subsidiary MBDA), radar systems, and handcuffs and shackles used in Guantanamo Bay and Saudi Arabia.

BAE is known to have supplied Israel with 'Head-Up Displays' (HUD) for F16 fighter aircraft, which have been used by the Israeli army to turn Lebanese and Palestinian villages and towns into rubble. The first of Israel's new order arrived in 2005 and the first 25 F16s were fitted with BAE's HUDs. The remaining 77 were to be fitted with Elbit HUDs. BAE also supply Israel with part of the 'navigation suite' and elements of the 'self-protection suite' (including a BAE Systems/Rokar flare) for all Israel's F16 jets.

It has been reported that BAE's Suter airborne network attack system was used by Israel in its

bombing of Syria in 2007. Suter is developed by BAE Systems and integrated into US unmanned aircraft by L-3 Communications. The technology, which allows users to invade communications networks and even take over as systems administrator, has been used by the US army, or at least tested operationally, in Iraq and Afghanistan over the last year.

Recent protests against BAE in solidarity with Gaza have included a protest by a group of Warwick University students against a recruitment event run by BAE and Warwick Careers Service [4]. On 22nd January, a group of local activists blocked the entrance to BAE Systems in Newcastle in a 'die-in' protest [5]. The company's head office is located in central London (6 Carlton Gardens, SW1Y 5AD). For more information, see Corporate Watch's BAE Systems company profile [6]. A list of BAE Systems locations in the UK can be found on the company's website [7].

#### **Boeing**

Boeing is the world's largest aerospace and defence company, with annual sales of \$61.5 billion and 150,000 employees in 70 countries. Boeing Defence UK (BDUK) is a wholly owned subsidiary of the Boeing Company, with head offices recently moved from Heathrow airport (Cardinal Point, Newall Road) to Central London (16 St James's Street, London, SW1).

Boeing has had a long business history with the Israeli military. Its recently deliveries to Israel include: IAI-developed arrow missiles, Boeing AGM-114D Longbow Hellfire missiles, 18 AH-64D Apache Longbow fighter helicopters, 63 Boeing F15 Eagle fighter planes, 102 Boeing F16 Eagle fighter planes, 42 BOEING AH-64 Apache fighter helicopters, F-16 Peace Marble II & III Aircraft, 4 Boeing 777s, and Arrow II interceptors. In September last year, the US government approved the sale of 1,000 GBU-9 small diameter bombs made by Boeing to Israel, in a deal valued at up to \$77 million [8].

Boeing subsidiaries with a presence in the UK include Alteon, Jeppesen, Continental Data Graphics (CDG), and Preston Aviation [9]. Boeing also works with three universities in the UK on collaborative research and technology: Cambridge, Cranfield and Sheffield [10].

Recent protests against Boeing in connection with the Israeli massacres in Gaza include an anonymous protester smashing some windows of the Boeing office in Bristol on new year's eve. The windows have been boarded up and the office has not apparently reopened since.

#### **EDO/ITT**

Brighton-based arms company EDO MBM/ITT (formerly EDO MBM), a wholly owned subsidiary of US arms multinational EDO Corp, has been the subject of a relentless direct action campaign due to the company's complicity in war crimes committed by the US, UK and Israeli armies in Iraq and Palestine.

ITT/EDO produces the ERU-151 (Ejector Release Unit) and ZRFAU (Zero Retention Force Arming Unit), both of which are incorporated in bomb racks used by the F16 war planes that have been used by the Israeli Air Force to commit war crimes in Gaza. These components have been advertised for several years on EDO websites as 'actively manufactured' in Brighton, and as 'used' and 'utilized' on the F16, within its main bombrack, the VER-2. EDO MBM/ITT also has contracts with the UK Ministry of Defence and US arms giant Raytheon to build release mechanisms for the Paveway bomb system [11].

On 20 January 2009, the United States Airforce awarded ITT a contract for the manufacture of flexible cable assemblies to connect weapons to the F-15E jet fighter bomber. The equipment is

to be manufactured in Brighton and may reach Israel through US exports [12].

The Smash EDO website (www.smashedo.org.uk) has comprehensive information on what and how ITT/EDO supplies the Israeli army as well as on companies doing 'business' with ITT/EDO. These include The London & Brighton Plating Company Ltd, Guardian Guards, DHL, TNT, Initial City Link and Challenge Packaging Ltd.

On 17 January 2009, anti-militarist activists forced entry into the EDO Brighton factory and destroyed equipment used to make weapons used in Israel's wholesale slaughter of civilians in Gaza. The company alleges that the 'decommissioning' action has cost £250,000 in lost business. Seven people now face 'burglary' and 'criminal damage' charges. Two of them also face 'breach of bail' charges [13]. Smash EDO demonstrate every Wednesday, 4-6pm, outside the EDO MBM/ITT factory on Home Farm Road, Brighton.

#### Raytheon

Raytheon is one of the largest US arms manufacturers and the fifth-largest military contractor in the world, with annual revenues of around \$20 billion. The company has big contracts in Afghanistan and Iraq, and has regularly been found guilty of illegal activity [14].

Among other things, Raytheon makes Bunker Buster bombs, Tomahawk and Patriot missiles. A number of their missiles can be loaded with cluster bombs, which are banned under international law but have, nonetheless, been used by the US and Israeli armies.

Raytheon is one of Israel's main suppliers of weapons used in the recent attacks on Gaza. Through its US and Israeli military relations, the company is said to advocate the expansionist notion of 'Greater Israel', which, of course, means more war business and more profits [15]. In September last year, the US Defense Security Cooperation Agency, which oversees major arms sales, approved the sale of three kits made by Raytheon to upgrade Israel's Patriot missile system in a deal valued at up to \$164 million [16].

Like EDO, Raytheon has been recently the subject of a relentless direct action campaign. In 2006, nine activists forced entry into the Raytheon office in Derry during the Israeli bombing of Lebanon, barricaded themselves inside the office and threw computer equipment out of the windows. In June 2008, a Jury in Belfast found the defendants not guilty of criminal damage on the basis that they acted with 'reasonable excuse' [17]. More recently, three protesters occupied the roof of the company offices in Bristol for over five weeks starting on 9 December 2008 [18]. The rooftop occupation was the third such protest to have targeted Raytheon in the last few months [19]. A list of Raytheon locations and contacts can be found on the company's website [20].

#### **Lockheed Martin**

Lockheed Martin is the world's largest defence contractor by revenue. Most of the company's revenues came from the United States Department of Defense, other US federal government agencies, and foreign military customers. Lockheed Martin's products include the F-22, F-16, F-117, C-5, C-27J, C-130, P-3 and U-2. It also produces the Hellfire precision-guided missile system, which has reportedly been used in the recent Gaza attacks. In 2008, it reported sales of \$42.7 billion.

On 4 September 2001, Israel signed a contract with Lockheed Martin for 52 more F-16l fighters. The total value of the purchase was approximately \$2bn, with \$1.3bn of that going to Lockheed Martin. The deal then increased the Lockheed Martin's F-16 backlog to 301, with production

provisionally extended to the end of 2008. This was Israel's 6th acquisition of F-16s, the world's 'most sought-after' fighter. Israel possesses the largest fleet of F-16s outside the United States, with more than 350 jets.

In October 2008, Sir David Manning, a former British Ambassador to Israel and the US, joined the board of Lockheed Martin UK Holdings Ltd. as a non-executive director. Manning's other past diplomatic positions include Deputy Under Secretary for State in the Foreign & Commonwealth Office for Defence and Intelligence and the UK Permanent Representative to NATO in Brussels. In 2001, he was also appointed as Foreign Policy Advisor to former Prime Minister Tony Blair.

Lockheed Martin's UK head office is located in central London (22 Carlisle Place, SW1P 1JA), with other locations throughout England [21].

#### **UAV Engines**

UAV Engines Ltd (UEL) is one of the world's leading manufacturers of engines for drones (small, unmanned aircraft) that are becoming critical frontline systems for military and civilian use around the world. The company, known as UEL, is owned by the Israel drone specialists Silver Arrow, a subsidiary of the Israeli defence contractor Elbit Systems.

Amnesty has recently uncovered evidence that the specially-designed engines for drones used by Israeli forces in targeted air strikes are made in the UK by UAV Engines, which is based in Lichfield, Staffordshire (Lynn Lane, Shenstone, WS14 0DT). One of its rotary Wankel engines is used in Elbit's Hermes 450 drone. A version of the 450 drone makes up a squadron of the Israeli air force and has been seen over Gaza in the recent attacks, being used for surveillance and targeting for Israel's F-16 strike fighters [22].

On 19 January, around 30 people gathered outside the UVA Litchfield factory to protest against the company's link with the massacre in Gaza. The protest was heavily policed, with one over-zealous arrest [23].

#### Caterpillar

Caterpillar Inc, commonly referred to as CAT, is the world's largest manufacturer of construction (and destruction) equipment, with more than \$30 billion in assets. Famous for their products featuring caterpillar tracks and a distinctive yellow paint scheme, Caterpillar produces a wide range of engineering vehicles, including the range of Caterpillar bulldozers.

The US government buys Caterpillar bulldozers and sends them to the Israel army as part of its annual foreign military assistance package. Such sales are governed by the US Arms Export Control Act, which limits the use of US military aid to "internal security" and "legitimate self-defense" and prohibits its use against civilians.

Caterpillar held the sole contract for the production of the D9 military bulldozer, specifically designed for use in invasions of built-up areas. Since 1967, Israel has used Caterpillar bulldozers to demolish tens of thousands of Palestinian homes and uproot hundreds of thousands of trees, in Israel's persistent efforts to ethnically cleanse Palestinians from their land and build illegal settlements. The D9 bulldozer was extensively used by Israel in Israel during 'Operation Defensive Shield' in 2001-2, particularly during invasion of Jenin, when countless homes were destroyed by bulldozers and a disabled man was crushed to death. Caterpillar has also profited from the construction of the apartheid separation wall, which has cut off many Palestinian villages from the rest of the West Bank. The wall was built after the destruction and

confiscation of large parts of Palestinian land. On 16 March 2003, American peace activist Rachel Corrie was murdered by an Israeli soldier driving a Caterpillar D9 bulldozer as she tried to stop it from destroying a Palestinian home in the Rafah refugee camp in Gaza. It is, therefore, difficult to contest that CAT bulldozers are not weapons of mass destruction. Caterpillar still supply spare parts for the maintenance of Israel's D9s. Caterpillar also produces tank engines at their Caterpillar/Perkins plant in Shrewsbury. Other CAT merchandise includes shoes, clothes and accessories.

A campaign against Caterpillar, known as Caterkiller, has repeatedly taken direct action against the company. A recent CAT sponsorship deal with Leicester Tigers Rugby club has met local opposition. For more details on Caterpillar and the campaign and actions against it, see the campaign's website (www.catdestroyshomes.org). See also War on Want's report Caterpillar, the alternative report [24], which includes a list of Caterpillar premises in the UK.

**Other arms companies** with links to Israel and its war crimes against the Palestinian people include **Rolls Royce** and **Thales**. A list of UK arms companies known to have supplied Israel can be found at www.stoparmingisrael.org/info/companies.php.

#### 2. ILLEGAL PRODUCE

Back in 2005, over 100 Palestinian organisations and unions called for a campaign of boycott, divestment and sanctions against Israel "until it complies with international law and universal principles of human rights" [25]. The boycott campaign had been gathering momentum all over the world, with dedicated campaigns and groups researching, lobbying their governments and the public, and taking direct action. Following the recent massacres in Gaza, the calls for boycotting Israeli goods have become even more powerful and mainstream, as people started to realise that Israeli and international companies investing in Israel not only contribute to an immoral and often illegal economy, but also help perpetuate a brutal and bloody occupation.

Since the 1967 military occupation of the West Bank, the Gaza Strip and the Golan Heights, Israel has built more than 135 settlements in these occupied territories and encouraged Israeli settlers and industries to move into them, often by confiscating Palestinian land and destroying the Palestinian residents' lives. The case against companies involved in constructing and/or sustaining these illegal settlements, profiting from the use of stolen Palestinian land and exploiting the captive labour force for their production, could not be stronger.

Raising questions about labelling and sourcing Israeli products at supermarkets has become a feature of boycott campaigns as there is strong evidence that goods produced on illegal settlements in the West Bank are being mislabelled to deceive concerned customers [26]. A barcode starting with the numbers 729 generally indicates that the product has been produced in Israel. However, products from illegal settlements may simply be labelled 'West Bank'. All major UK retailers sell Israeli goods and most of them sell Israeli produce from illegal settlements in the West Bank. Many of them in the last few weeks have been targeted with pickets and direct actions in solidarity with Gaza and protest at their complicity in the Israeli occupation and war crimes.

There are many websites that provide detailed information on Israeli products, companies and links, including Who Profits? (www.whoprofits.org), The Boycott Israeli Goods Campaign (www.bigcampaign.org), Stop the Wall (www.stopthewall.org) and the Scottish Palestine Solidarity Campaign (www.scottishpsc.org.uk). Below is some information on some of the most obvious targets.

#### **Agrexco**

Agrexco Agricultural Export Company Ltd. markets most of Israel's exports of fresh fruit, vegetables and flowers, some of which are grown in illegal Israeli settlements in the West Bank. In a court case in November of 2004, the General Manager of Agrexco UK at that time, Amos Orr, testified that Agrexco markets 60-70% of the agricultural produce grown in Israeli settlements in the occupied territories.

Agrexco is worth half a billion Shekels (nearly £78m) and employs about 500 people. 50% of the company's shares are owned by the Israeli government, although a ministerial committee last year decided to privatise it [27]. Agrexco's biggest fresh agricultural produce brand is Carmel. Other brand names include Jaffa and Jordan Plains. The company's subsidiaries include Agrexco (France), Agrexco (US), Carmexco (Italy), Eclectic, Carmel Cor, LACHS and Dalia (Germany). For more information on Agrexco, see www.bigcampaign.org/index.php?page=who\_exports\_israeli\_goods.

British supermarkets account for 60% of Carmel-Agrexco's total exports. The company supplies Tesco, Sainsbury's, Morrisons, Marks & Spencer, Waitrose as well as discounters Lidl and Aldi. Carmel-Agrexco has been the focus of anti-occupation protests and actions. The company's

depot Swallowfield Way in Hayes, Middlesex, has repeatedly been shut down by protesters [28].

#### **Ahava**

Ahava Dead Sea Laboratories is an Israeli cosmetic company that develops, produces and markets cosmetic products based on the Dead Sea mud and minerals and made in the illegal Israeli settlement of Mitzpe Shalem in the occupied West Bank. It is owned by Kibbutz Mitzpe Shalem (41%), Hamashbir Holdings (which is owned by Benny Gaon's Gaon Holdings and the Livnat family, 41%), and the Kibbutz Kalya and Kibbutz Ein Gedi (18%) [29].

On 10th January 2009, Ahava's newly opened store in Covent Garden, central London, was occupied by activists in protest at the Israeli massacre of Palestinian civilians in Gaza and to draw public attention to Ahava's involvement in the occupation and illegal settlement business [30].

#### **Eden Springs**

Eden Springs UK Ltd is entirely owned, managed and controlled by Eden Springs Ltd/Mayanot Eden, an Israeli company that uses water stolen from a spring in the occupied Syrian Golan Heights. Eden Springs extracts and distributes mineral water, markets coffee and espresso machines and home and office water devices. The company's main plant is located in Katzerin IZ, which is also in the Golan Heights.

Eden Springs has dozens of subsidiaries throughout Europe, most of which use the Eden and Chateaud'eau brand names. It also own Pauza Coffee Services, which provides coffee for businesses and represents Lavazza Coffee, DA Technologies and Cafe Espresso Italia in Israel. Eden Springs have several local government contracts to supply water coolers to local councils and health authorities. [31]

#### **Veolia**

Veolia Environnement is a French multinational that trades in water and waste management, energy and transport services. Veolia Transport, a subsidiary of Veolia Environnement, is a leading partner in the CityPass consortium, contracted to build a light rail tramway system linking west Jerusalem to illegal Jewish settlements such as Pisgat Ze'ev, French Hill, Neve Ya'akov and Gilo in occupied East Jerusalem. Once built (due to be completed in 2020), the rail system will help to cement Israel's hold on occupied East Jerusalem and tie the settlements even more firmly into the State of Israel.

Through its subsidiary Veolia Environmental Services Israel (which has bought TMM Integrated Recycling Services), Veolia also owns and operates the Tovlan Landfill in the occupied Jordan Valley, using captured Palestinian natural and land resources for the needs of Israeli settlements. Other subsidiaries include Connex Transportation Israel, Veolia Environmental Services Israel, TMM Integrated Recycling Industries, Veolia Transportation Israel, Connex Jerusalem, Veolia Water Services Israel. Veolia also holds a number of contracts for recycling and waste management across Europe. Veolia UK's head office is London (154 Pentonville Road, N1 9PE). [32]

Earlier this month, Veolia lost a €3.5m contract in Sweden over its involvement with the Jerusalem light rail project [33]. In 2006, Dutch bank ASN also broke off financial relations with Veolia for the same reason, as did the Irish tram drivers union broke. In November 2008, a group of Palestinian, Israeli and international activists demonstrated in front of Bilbao City Hall in protest against the council's plans to award Veolia a contract for the cities bus transportation.

#### Leviev

Lev Leviev is one of the world's leading diamond retailers. In 1996, Leviev bought the controlling share in the company Africa-Israel, whose subsidiary companies are involved in settlement construction in the occupied West Bank. Leviev's companies are involved in settlement construction in Mattityahu East and Modi'in Illit, close to the Palestinian village of Bil'in, as well as also Zufim, Maale Adumim and Har Homa.

New York-based Coalition for Justice in the Middle East, also known as Adalah-NY, has held several demonstrations at Leviev's Manhattan store, garnering international attention. Two demonstrations were held outside Leviev's diamonds store in bond street during 2008. [34]

#### 3. BANKS

#### Lloyds TSB

In early December last year, British charity Interpal, which is dedicated to alleviating the suffering of Palestinians in need, was notified by its bank, the Islamic Bank of Britain (IBB), that Lloyds TSB, which acts as its clearing bank, has given it instructions to cease all dealings with Interpal. The decision took effect on 8th December and all transactions into or out of Interpal accounts were blocked. IBB has offered Interpal verbal support but was apparently powerless in this situation. No reason was given by Lloyds for this punitive measure.

Back in 2004, the Board of Deputies of British Jews, staunch defenders of Israeli crimes, accused Interpal of involvement in 'terrorism', a smear for which they later had to pay damages. Allegations against Interpal of 'supporting terrorism' have been investigated by the UK Charity Commission, which found that the charity was a "well run and committed organisation which carries out important work in a part of the world where there is great hardship and suffering."

Lloyds TSB Chairman, Sir Victor Blank, is a governor of Tel Aviv University, Chair of Union of Jewish Students/Hillel, a member of the Advisory Board of the United Jewish Israel Appeal and is involved in Labour Friends of Israel. UJS/Hillel assists members of the pro-Israel Union of Jewish Students, a group that works to silence pro-Palestinian voices on British campuses. One Lloyds TSB director, Sir David Manning, is an ex-ambassador to both Israel and the USA and was Foreign Policy Adviser to Tony Blair during the planning for the invasion of Iraq. Both Blank and Manning are believed to have influenced the move against Interpal. Hitting charities that help Palestinians only serves to support Israel by shutting off the trickle of aid that organisations like Interpal manage to get into Gaza and the Occupied Territories over years of Israel's brutal siege.

Since then, Lloyds TSB has been the subject of protests and pickets around the England and Scotland [35]. For more information on Lloyds TSB and Interpal, see www.scottishpsc.org.uk/index.php?option=com\_content&view=article&id=2739&Itemid=200128.

#### 4. MEDIA

#### **BICOM**

The Britain Israel Communications and Research Centre (BICOM) describes itself as "an independent organisation devoted to creating a more supportive environment for Israel in the UK" through providing daily briefings and analysis for politicians, academics and journalists. In reality, however, it is a lobby group that played a key role in Israel's public relations operation during the assault on Gaza. BICOM arranged briefings, conference calls and interviews for months in preparation for the recent attack, laying the groundwork for Israel's public justifications for the onslaught [36].

On 14th January, BICOM's office on Great Portland Street in central London was occupied for a few hours to highlight the organisation's role in the Gaza massacres [37].

A similar lobby group in the US is the Israel Project, which describes itself as "an international non-profit organization devoted to educating the press and the public about Israel while promoting security, freedom and peace."

#### **BBC**

The British Broadcasting Corporation has become a target for Gaza solidarity protests following its refusal to broadcast a humanitarian appeal [38] for Gaza by the Disasters Emergency Committee (DEC), an umbrella organisation for 13 aid charities, "leaving aid agencies with a potential shortfall of millions of pounds in donations," as a Guardian article put it [39]. By refusing to give free airtime to the appeal, the BBC made a unique decision to breach an agreement dating back to 1963, flimsily arguing that this "may compromise public confidence in the BBC's impartiality in the context of an ongoing news story" [40]. Sky TV has also refused to broadcast the appeal, while ITV, Channel 4 and Channel 5 have all broadcast it.

On 24th January, the 4th Gaza march in London started at the BBC Broadcasting House in Portland Place, with angry speeches calling for the BBC Director-General Mark Thompson to resign and the public to burn their TV licences in protest [41]. Two days later, a few protesters entered the building and briefly occupied the lobby [42]. Similarly, over 100 people occupied BBC Scotland's headquarters in Glasgow on 25th January, and the same happened in Manchester two days later [43]. Even some of BBC's own staff have expressed their "disgust" at the decision, but have reportedly been threatened with sacking if they speak out on the issue [44].

BBC offices throughout the country had already been sites of protest as a result of the BBC's largely one-sided coverage of the Gaza massacre, allowing Israeli spokespeople endless opportunities to propagate lies and deception without challenge [45].

#### 5. SUPERMARKETS

All major UK retailers sell Israeli goods, and most of them sell produce from illegal Israeli settlements in the West Bank. Some have made statements in support of Zionism and some have contracts with Israeli companies.

There is a growing movement to boycott Israeli goods in solidarity with the people of Palestine and in line with an international call for boycott, divestment and sanctions. There have been reports in the press that Israeli producers are experiencing a decline in demand for Israeli produce since the bombardment of Gaza in January 2009. This could be the beginning of a snowball effect for the global boycott movement.

#### Tesco

Tesco stores stock a large amount of produce grown in the Occupied Territories and purchased from the Israeli state, including fruit and vegetables from producer Carmel-Agrexco [46]. Israeli products stocked by Tesco include fruit juice, mangoes, avocados, grapes, stonefruit, dates, herbs, pickled cucumbers, Exquisa potatoes, mixed peppers (from Israel and a second country of origin), Barkan wine, Yarden wine, biscuits, cold meat, dips, Osem soups and cakes, snacks by Beigel & Beigel, Telma (soup mixes and cubes, noodles etc) and socks (Tesco's own brand). Tesco sells products from illegal Israeli settlements in the West Bank, many of which are exported by Carmel Agrexco. The company admitted sourcing 'a number of products' from illegal settlements, including avocados, herbs, grapes and stonefruit, such as peaches, from farms in the West Bank and Golan Heights. In 2006 *War on Want* reported that Tesco sells Beigel and Beigel products sourced from the settlements. Tesco also sells gas cylinders for products made by settlement company Soda Club, and repackages settlement dates from Hadiklaim as Tesco own brand dates. Mehadrin-Tnuport Export Company (MTex) supplies Tesco with settlement citrus fruit and there are links between Tesco and the Arava settlement company.

In October 2007, a group of campaigners from the Brighton Tubas Friendship and Solidarity Group entered Tomer settlement in the occupied Jordan Valley and photographed medjoul dates, packaged by Carmel Agrexco, labelled 'Made in Israel' and marked as bound for Tesco stores.

Products exported as 'Made in Israel' benefit from the preferential trade terms of the EU-Israel Association Agreement, which came into effect in 2000. Settlement products, however, are excluded from the beneficial terms of the EU-IAA.

When ITN screened an expose in 2007 accusing supermarkets of misleading British consumers, Tesco admitted it had acted "in error" and stated that Israeli dates "originating solely in the West Bank will [in the future] be labelled as such."

Boycott Israeli Goods and others groups have been campaigning against the 'West Bank' label as it misleads consumers into believing produce from illegal settlements is actually Palestinian. The Palestinian General Delegation to the UK has written a letter of protest to Tesco, and other retailers, for persisting in the use of this misleading label.

Tesco says that 'freedom of choice' is one of the company's priorities and consumers can choose not to buy Israeli products. However, in correspondence with campaigners in 2006, Tesco representatives said they were phasing out Tesco's line of Israeli peppers due to consumer pressure. Boycott Israeli Goods campaigners have also consistently attended the Tesco AGM to raise the issue of settlement produce and propose a boycott of Israeli goods.

John Porter, one of the principal shareholders in Tesco, also has substantial investments in Israeli companies. In 2000, Tesco awarded a \$1 million IT contract to the Israeli firm Tescom to provide a solution for Tesco's Year 2000 conversion requirements.

During the bombing of Gaza, Tesco was targeted across the country by campaigners calling for a boycott of Israeli goods. In Swansea, activists stole Israeli settlement produce from Tesco and sprayed it with red dye to highlight Tesco's complicity in Israel's war crimes by profiting from settlement produce and enabling the settlements to trade and profit from their illegal occupation of Palestinian land.

Address:

Email: customer.service@tesco.co.uk
Tesco PLC
New Tesco House
Delamare Road
Cheshunt
Hertfordshire
England
EN8 9SL

#### Marks & Spencer

Historically, Marks & Spencer has made statements in support of Zionism. Lord Sieff, chairman and founder of M&S who died in 2001, made several statements in support of Israel's military policies. In 1941, Sieff said that "large sections of the Arab population of Palestine should be transplanted to Iraq and other Middle-Eastern Arab States" (Jewish Chronicle, 21/09/1941). In 1990, Sieff, in a book entitled *On Management: The Marks and Spencer Way*, wrote that one of the fundamental objectives of M&S was to "aid the economic development of Israel."

There have been no reports of M&S openly showing ideological support for Israel since 2004. The retail company has repeatedly asserted that "[it has] no 'special' relationship with any government, political party or religious group" but accepts that M&S does "make representations to governments in support of [its] commercial aims." M&S management has not, to our knowledge, commented on Lord Sieff's remarks in support of Zionism and has not made a statement as to whether the current management stands by them.

In 1998, Sir Richard Greenbury, then CEO of Marks & Spencer, received the Jubilee Award from Israeli Prime Minister Binyamin Netanyahu. In 2000, the Jerusalem Report stated that "M&S supports Israel with \$233 million in trade each year."

In October 2000, the Jewish Chronicle reported that the British-Israel Chamber of Commerce (B-ICC) had held meetings at Marks & Spencer's offices in Baker Street. However, in 2008 the store claimed that M&S "do not host meetings on our premises for the B-ICC." Nevertheless, in December 2004, Stuart Rose, CEO of Marks and Spencer at the time, was a listed speaker at the annual dinner of the B-ICC.

When questioned in correspondence about the sale of Israeli goods in M&S stores in 2008, an M&S spokesperson said that the company buys "from Israel as... from 70 other countries..." and went on to state that the company would continue to do so. The letter continued to say that, "[w]e always put the country of origin on the products we sell. Where we buy Israeli products we label them as products of Israel."

M&S stocks Israeli grapes, lychees, figs, plums, dates, fresh herbs, sweet potatoes, potatoes (Maris Piper, Desiree, Jacket, Marfona, and King Edward). Many of these products are imported through Carmel-Agrexco, a company part-owned by the Israeli state.

M&S also stocks large quantities of Delta Galil clothing, largely underwear. Delta Galil is Israel's largest manufacturer and marketer of textiles. It is also a major beneficiary of the establishment of 'Qualifying Industrial Zones' (QIZ) in Egypt and Jordan which promote an unequal normalisation of trade arrangements between Israel, the Palestinian Authority and Egypt and Jordan. Marks and Spencer also sells textiles produced by Israeli firms, Solog and Polgat.

Until very recently, M&S openly sold products from illegal Israeli settlements. The Guardian reported in 2004 that the company stocked an extensive range of settlement products. Since 2007, however, M&S has made repeated statements to the press claiming that they do not stock goods from the Occupied Territories [47]. In 2008, the store wrote: "We do not buy products from the West Bank, Golan Heights or Gaza as we cannot safely visit the suppliers in these areas because of the current security situation." It seems probable that the move to cease selling settlement products was, in fact, due to effective campaigning, protests and fear of adverse press coverage.

But despite the above assurance, there is evidence that M&S continues to stock Hadiklaim dates packaged as an M&S own brand product. According to a recent report by School of Oriental and African Studies (SOAS), Hadiklaim, the Israel Date Growers' Cooperative Ltd, "exports dates from Israel and from the occupied territories, especially Israeli settlements in the Jordan Valley."

In correspondence with SOAS in 2008, David Gregory, Technical Food Director for M&S, stated the following:

"In the past, we have sold dates from this region. However, we made a policy decision sometime ago to cease all purchases from this area. However, our UK suppliers do buy raw material (dates) from the organisation Hadiklaim on our behalf. The contract explicitly prohibits purchase from Palestinian Territories and Hadiklaim source the dates from elsewhere within Israel to satisfy our requirements. Traceability systems are in place to confirm the source of the dates."

M&S has faced sustained protests due to their historic ideological support for the Israeli state and because of their policy of stocking Israeli goods. Pickets have been held and store signs and billboards subvertised. In Manchester, three pickets were held in January 2009 in response to the bombing of Gaza. Weekly demonstrations have been held in Newcastle and in London. M&S has repeatedly ignored campaigners' representations against the continued sale of Israeli goods.

Address:

Marks and Spencer plc Waterside House 35 North Wharf Road London W2 1NW

Email: customer.services@marks-and-spencer.com

#### **ASDA**

ASDA sells Israeli basil, tarragon, rosemary, sage, chives, dill, mint, thyme, passion fruit,

mangoes, Blackfine plums, autumn red plums, medjoul dates, dragon fruit, pomegranates, avocados, organic sweet potatoes, sweet pointed peppers (red), sweet potatoes ("Georgia Jet"), frozen meat, biscuits, table wine (red, white, rose & sparkling), garden storage units and tinned grapefruit. ASDA also sells Carmel-Agrexco products (see above).

Since ITN's 2007 report, ASDA has made several statements denying that it stocks goods in its stores from the 'West Bank' (i.e. settlement goods). However, ASDA has recently made several ambiguous statements contradicting its earlier stance. A spokesperson from the company recently wrote, in correspondence with campaigners:

"I am sure you can imagine it is very difficult for ASDA to take a position on behalf of all our customers over politically controversial issues such as the current conflict you refer to (the occupation of Palestine). On the sourcing of products from overseas we are always guided by the position of the UK Government and by the European Union on trade policy."

There is evidence that ASDA does stock goods from illegal Israeli settlements in its UK stores. ASDA stocks potatoes from Mehadrin-Tnuport Export Company (MTex). MTex is now the second-largest Israeli exporter of fresh produce to the UK after Agrexco. In 2005, the company exported 1,500 tonnes to the UK, with a value of £25 million. MTex exports fruit and vegetables from the region, stretching from Lake Tiberias to the Dead Sea; this includes territory both inside and outside the green line.

Campaigners have recently reported seeing herbs labelled 'West Bank Israeli Settlements' in ASDA stores. At least that's accurate labelling but it does contradict ASDA's previous statements to the press.

Campaigners have held many pickets of ASDA stores in Brighton and London in 2009 protesting against their sale of Israeli goods.

#### Address:

Paul Mason, Chief Executive Officer Great Wilson Street, Leeds LS11 5AD Telephone: 0113 243 5435

Fax: 0113 241 8666

#### Co-op

Despite the Co-operative family of businesses' ethical image, the shelves of its supermarkets and high street stores have been found to carry Israeli products, including Carmel mangoes, sweet potatoes, peppers, sweet peppers (grown by Sulat), cherry tomatoes, herbs, passion fruit, Jaffa oranges and own brand tinned grapefruit.

The Co-op has faced pickets and repeated representations from consumers and campaigners over its sale of produce from illegal settlements and Israeli produce. In the last year, criticism has centred around the sale of settlement produce. For example, campaigners attended the Co-operative Group South East Region General Meeting in January 2008 and raised concerns about the ethics of selling settlement produce. The Co-op board undertook to look into conditions on settlement farms. Throughout the year, the issue was raised with Co-op management by members of the Co-op and its customers.

On the 5th January 2009 Len Wardle, Co-operative Group chair, wrote:

"The Co-operative Group board has decided to suspend sourcing products from illegal West Bank settlements. However, we will continue to trade with Israel and will seek to develop trading links with Palestinian farmers. The Co-operative Group only rarely curtails trade with particular countries or regions. However, in the case of the illegal settlement in the Israeli controlled occupied territories, it has proven to be all but impossible to ensure that supplies derived from the region are not perpetuating injustice and unfair terms of trade. We will no longer source dates, grapes and a number of herbs from the illegal West Bank settlements and will be phasing out the use of similar items from our own brand products."

In making this statement, the Co-op is the first store to base its reasons for ceasing the sale of settlement goods on ethical concerns. The statement is weaker in some ways than that of M&S, but only in that it precludes the sale of West Bank goods and not produce from the Golan Heights. It is also unclear whether the Co-op's definition of the West Bank includes East Jerusalem. Moreover, the Co-operative Group does not make any assurance that it will not sell products in its stores supplied by companies which source products from both the settlements and 1948 Israel, such as Hadiklaim, M-Tex and Carmel Agrexco.

In November 2008, YNet claimed that the Co-op had met with the Co-op Israel (a separate organisation) and agreed to open a chain of kosher supermarkets which will be equally owned by Co-op Israel and the UK Co-op. The UK Co-op has refuted this claim but admitted that a meeting took place with Co-op Israel.

On 16th February, 2009, students at the University of Aberdeen protested at the university's Elphinstone Hall, where Co-op members were meeting, to pressure the food retailer to ban all Israeli products from its stores. A Co-op representative at the meeting said a motion on the subject of Israeli goods was due to be discussed by the organisation's executive.

#### Address:

The Co-operative Group Customer Relations Freepost MR9473 Manchester

Email: customer.relations@co-op.co.uk

#### **Waitrose**

Waitrose stocks Israeli basil, tarragon, thyme, lemon thyme, rosemary, chives, sage, oregano, mint, curly leaf parsley, 'Red Rosa' pears, sharon fruit, passion fruit, figs, lychees, oranges, lemons, grapefruit, grapes, strawberries, pomelos, pomegranates, galia melons, dragonfruit, organic medjoul dates, hadrawi dates, "Deglet Nour" dates, Cherry tomatoes, sweet potatoes, 'Pamino' peppers, 'Red Romano' peppers, mixed peppers, goods from the Tivall vegetarian food range, 'Food for Thought' snacks by Beigel & Beigel, cold meat, biscuits, dips and Dead Sea Magik cosmetics (found in John Lewis stores).

Waitrose has refused to enter into any debate about the sale of Israeli goods and its management has repeatedly refused to meet with campaigners. In February 2009, a spokesperson for the store reiterated that Waitrose was "unable to arrange a meeting". In a letter to one customer, Waitrose said:

"Whatever our own views may be about Israeli products, we do not think it is right to ask our buyers to base their choice of products on any other criteria than the commercial ones of quality and value for money."

Waitrose stocks goods from illegal Israeli settlements and has been unresponsive to the ITN and More 4 reports which have led other stores to label their goods more clearly. The supermarket chain stocks a large range of products sourced from Carmel Agrexco, including a wide variety of organic herbs and vegetables grown on Israeli settlements, mainly in the Jordan Valley, and certified as organic by the Soil Association. Although Waitrose has not made statements to the press about labelling, a store spokesperson said "we clearly label our food to enable our customers to make informed choices." It appears unclear, however, whether Waitrose still labels some goods from illegal settlements as 'Made in Israel'.

According to War on Want's *Profiting from the Occupation* report, Waitrose sells Beigel and Beigel products. Beigel and Beigel Ltd. is located in the Barkan industrial zone in the occupied West Bank and produces pretzels, savoury biscuits and crackers.

The John Lewis Partnership is one of the only large retailers to sell Ahava beauty products. Ahava is a settlement company based on the illegal settlement of Mitzpe Shalem. Waitrose also sells dates from settler company Hadiklaim (see above).

Waitrose claims that, if it ceased to deal with Israeli settlements, it would impact on Palestinian farmers. In correspondence with consumers, the retailer has described the settlement farms it works with as "joint Israeli and Palestinian" enterprises. In February 2009, a spokesperson wrote: "We currently take organic cut herbs from two farms in the West Bank on which a mixed Palestinian-Israeli workforce have worked side by side for many years."

Waitrose has responded to some concerns about the conditions of labourers on settlement farms. However, the response has been to assure customers that each 'supplier' audits the relevant settlement farms using a "tight criteria" that relates to "worker hours, salaries and employment contracts." This effectively means that Waitrose entrusts the auditing of settlement farms to the settlement company supplying the produce, presumably Carmel Agrexco. Waitrose claims that its technical directors have inspected its supplier farms in the West Bank.

Overall, Waitrose has been one of the most intransigent British supermarkets when faced with concern over sale of Israeli produce and Israeli settler produce. The chain has been the subject of protests and pickets across the UK, including in Brighton and London where protesters dressed as burglars and displayed banners claiming "Waitrose sells stolen goods".

#### Address:

Waitrose Customer Service Department Waitrose Limited Doncastle Road Bracknell Berkshire RG12 8YA

Email: customer\_service@waitrose.co.uk

#### Sainsbury's

Sainsbury's sells Israeli oranges, grapefruit, avocados, strawberries, thyme, tarragon, parsley, coriander, rosemary, passion fruit, sharon fruit, 'Shelly' mangoes, mejdoul dates, lychees, fresh figs, plums, fruit juice, minneola (tangerines), potatoes ('Desiree', 'Vivaldi', 'Rooster', white, baking, baby, salad), sweet potatoes, peppers ('Ramiro'), pickled cucumbers, pickled olives, radishes, 'Splendid' flowers, 'Basics' flowers, 'Saveur Mediterranean' hummous, turkey, smoked

chicken breast, Rumples party pretzels, Osem croutons, Telma chicken soup mix and soups, feta cheese, Tivall vegetarian food range, 'Food for Thought' dips, table wine (red, white, rose & sparkling), Kiddush wine and Yarden wine and Osem foods.

This extensive list includes many products from illegal Israeli settlements, including fresh lemon grass from the West Bank and Sainsbury's 'Taste the Difference' Pomodorino tomatoes. Sainsbury's stocks Hadiklaim dates labelled 'Made in West Bank' and products from Soda Club, which has an office based in the settlement of Ma'leh Adumin.

Sainsbury's has said, in correspondence with Boycott Israeli Goods Campaign supporters, that the store is not a political organisation and it does not boycott products from any country. Sainsbury's does acknowledge, however, that "ethical trading is a growing area of concern for our company and consumers" and that it has an "ethical trading policy." Whether ethical trading concerns would extend to the sale of goods from an apartheid regime on occupied land, that's not something the retailer seems interested in answering.

Palestine solidarity campaigners have attended Sainsbury's PLC shareholders meeting several years running, in an attempt to persuade the company to stop selling Israeli goods and to label its produce more accurately.

Sainsbury's says it is committed to 'informative labelling', despite describing one piece of produce as being from 'Gaza Strip, Israel'. After the 2007 ITN report about mislabelling of settlement Medjoul dates as 'Produce of Israel', Sainsbury's admitted that it had mislabelled produce and stated that "as from today, all dates from the West Bank will be labelled as coming from the West Bank. We are investigating how this error occurred."

Meetings have been held between Sainsbury's management and campaigners and NGOs about the labelling of settlement goods. At a meeting in 2009, James Clark, a 'public affairs and stakeholder relations spokesperson', told campaigners that Justin King, CEO of J Sainsbury plc, had written to Hilary Benn, Secretary of State at the Department for Environment, Food and Rural Affairs (DEFRA), asking him to clarify how retailers should label goods from Israeli settlements. Mr Clark said Sainsbury's would be revising its labelling policy in the next six months and might consider labelling settlement produce 'Produce of Israeli Settlement'. Mr Clark was not prepared to listen to arguments that settlements were illegal and argued that the store did not have instructions to this effect from the Foreign and Commonwealth Office, despite the fact that this is clearly set out on the FCO website.

Sainsburys have been picketed across the UK by campaigners calling for a boycott of Israeli goods.

Address: J Sainsbury plc 33 Holborn London

EC1N 2HT

#### Somerfield

Somerfield sells both Israeli goods and settlement goods in its 880 stores. Apax Partners, an investment company with subsidiaries in Israel and which advises funds holding shares in Israeli settlement companies Tnuva, Agrexco Agricultural Export Company and Field Produce Ltd, has a majority of shares in Somerfield.

It seems that because of the takeover by the consortium dominated by Apax Partners in December 2005, Somerfield rescinded its commitment to the Ethical Trading Initiative. However, as of December 2008, Somerfield is in the process of being taken over by the Cooperative Group. It remains to be seen whether Somerfield, under new ownership, will take a similar stance to the Co-op against the sale of Israeli settlement produce.

Address:

Somerfield Group Somerfield House Whitchurch Lane Bristol, BS14 0TJ Tel: 0117 935 9359

fax: 0117 935 9359

#### 6. COFFEE SHOPS

#### **Starbucks**

Howard Shultz, the chairman of Starbucks, is claimed to be an active Zionist. This is based on the fact that he was given the 'Israel 50th Anniversary Friend of Zion Tribute Award" by the Jerusalem Fund of Aish HaTorah for his services to the Zionist state in "playing a key role in promoting close alliance between the United States and Israel." The Fund gives money to Israeli arms fairs, which have been chaired by General Shaul Mofaz (responsible for the assault on Jenin in 2002) and to the Zionist propaganda website honestreporting.com (which describes itself as "an organization dedicated to defending Israel against prejudice in the Media"). The Fund of Aish HaTorah is a staunchly pro-Israel organisation promoting religious and racial cohesion and pride.

Shultz received this award in 1998 and, by 2001, Starbucks made attempts to aid Israel's failing economy by opening coffee shops in Israel through a joint venture company, Shalom Coffee Co, which was owned by publicly traded Israeli conglomerate Delek Group and Starbucks Coffee International, Starbucks' internationally focused wholly-owned subsidiary. The Delek Group is one of the largest investment groups based in Israel. The plan was to open 15 coffee shops by the end of 2002, but Starbucks only opened 6 shops, which had to be closed down in April 2003, due to financial losses caused by the severe recession and 'security problems'. Interestingly, after the shops closed, Zionists, and ultra-Zionists, such as the Anti-Defamation League (ADL) criticised Starbucks for pulling out of Israel. Others, such as the Jewish Council for Public Affairs, defended Starbucks, reassuring us that Shultz was indeed an 'avid Zionist' and 'doing his best'.

According to isrelate.com, a website organised by people who believe "God has a special place for Israel", Starbucks plans to continue its support for Israel. Starbucks sponsored a 'Bowl 4 Israel' fundraiser for a paratrooper unit in the Israel Defense Forces in 2003. Even though Starbucks has recently made a statement saying it is a non-political organisation, suggesting that it should not be the target of pro-Palestinian protests (such as the recent destruction of its shops in London and Beirut at Gaza demonstrations), there are references to its Zionist connections on a number of pro-Israel websites as well as calls to boycott the company coming from a wide variety of groups. Even if the readily available evidence regarding Starbucks is simply that the company has entered into joint business ventures with Israel and Israeli companies in the past and that the company is held in high esteem by Zionist groups, that, together with the company's record on other issues such as union-busting, is enough to consider buying your coffee somewhere else.

#### 7. OIL & GAS

#### **BG Group**

The BG Group plc, the former owner of the British Gas brand in the UK, which is now owned by Centrica, was granted oil and gas exploration rights offshore the Gaza Strip in a 25-year agreement signed in November 1999 with the Palestinian Authority under Yasser Arafat. The exploration licence covers the entire marine area offshore Gaza, which is contiguous with several Israeli offshore gas facilities. The BG Group holds 60 percent equity in the licence; its partner Consolidated Contractors International Company (CCC), which is based in Athens and owned by Lebanon's Sabbagh and Koury families, holds 30 percent; and the Palestinian Authority's Palestinian Investment Fund, the remaining 10 percent. The agreement also includes field development and the construction of a gas pipeline. Following acquisition of over 1,000 square kilometres of 3D seismic data, BG drilled two wells in 2000 (Gaza Marine-1 and Gaza Marine-2), with gas reserves estimated to be around 1.3 trillion cubic feet, valued at \$4 billion. 60 percent of the gas reserves along the Gaza-Israel coastline belong to Palestine. BG had also struck gas off Israel's coast in the 1990s but these fields, which have been producing for several years now, are much smaller.

After the death of Yasser Arafat and Hamas's takeover of the Gaza Strip in the 2007 elections, both Israel and the BG Group said the political development would "not interfere" with the exploitation plans. The two sides reportedly arrived at an "understanding" that will transfer funds intended for the Palestinian Investment Fund into an international bank account, claiming the money could be used to fund "terror-related activities" [48]. Bypassing the Hamas government would enable Israel to establish de facto control over Gaza's offshore gas reserves. In 2001, the newly elected Prime Minister Ariel Sharon stated unequivocally that "Israel would never buy gas from Palestine," suggesting that Gaza's offshore gas reserves belong to Israel.

BG's original plans were to sell the Gaza's natural gas to Egypt. However, pressure from former British Prime Minister Tony Blair led the company to reopen earlier failed negotiations with Israel for a pipeline development that would land the gas at Ashkelon, a southern Israeli city with a petroleum refinery. According to the Times, BG was in 2006 "close to signing a deal" to pump the gas to Egypt [49]. However, Tony Blair intervened "on behalf of Israel" with a view to shunting the agreement with Egypt. The following year, in May 2007, the Israeli Cabinet approved a proposal by Prime Minister Ehud Olmert "to buy gas from the Palestinian Authority." The proposed contract was for \$4 billion, with profits of the order of \$2 billion, of which one billion was to go the Palestinians. Tel Aviv, however, had no intention of sharing the revenues with Palestine. An Israeli team of negotiators was set up by the Israeli Cabinet to thrash out a deal with the BG Group, bypassing both the Hamas government and Abu Mazen's Palestinian Authority.

It should also be noted that, in September 2008, an Egyptian high court overruled a controversial 20-year deal on Egyptian gas exports to Israel [50]. Egypt had been Israel's main natural gas supplier through Egyptian-Israeli consortium EMG [51].

The BG Group states in its 'Data Book 2008' (and on its website) that in December 2007 it "withdrew from negotiations" with the Israeli government concerning the sale of gas from the Gaza Marine field to Israel, and that it is now "evaluating options for commercialising the gas." The company further reassures us that it had closed its office in Israel in January 2008, and that it is currently "in the process of relinquishing the Med Yavne licence", its main gas field in Israel [52]. Media reports, however, reveal that negotiations between BG and Israeli officials have, in fact, been renewed since June 2008 [53]. In November 2008, the Israeli Ministry of Finance and the Ministry of National Infrastructures instructed Israel Electric Corporation (IEC) to enter into

negotiations with British Gas on the purchase of natural gas from the BG's offshore concession in Gaza. The decision to speed up negotiations with the BG Group coincided with the planning of the invasion of Gaza initiated in June [54]. As Michel Chossudovsky concludes, "it would appear that Israel was anxious to reach an agreement with the BG Group prior to the invasion, which was already in an advanced planning stage."

The BG Group is a UK-based oil and gas company which has its headquarters in Reading, Berkshire. In 2007, the company reported a revenue of £8,330m and total operating profits of £3,248m. In February 1997, the shareholders of British Gas plc approved the demerger of Centrica plc and British Gas plc was renamed BG plc. In December 1999, BG plc completed a financial restructuring which resulted in the creation of a new parent company, the BG Group plc. The BG Group has use of the trading name British Gas outside the UK, while Centrica owns the rights to use it within the UK. [55]

#### Notes:

- [1] See, for example, this parliamentary review: www.parliament.uk/commons/lib/research/briefings/snia-04931.pdf.
- [2] For a list of Israeli military equipment, see www.fco.gov.uk/en/about-the-fco/publications/publications/annual-reports/export-controls1. See also http://en.wikipedia.org/wiki/Military\_equipment\_of\_Israel.
- [3] See www.corporatewatch.org/?lid=3159.
- [4] See http://weaponsoutofwarwick.wordpress.com.
- [5] See www.indymedia.org.uk/en/2009/01/419750.html.
- [6] www.corporatewatch.org/?lid=182.
- [7] www.baesystems.com/WorldwideLocations/UnitedKingdom/Locations/index.htm.
- [8] See www.corpwatch.org/article.php?id=15205.
- [9] See www.boeing.co.uk/ViewContent.do?id=2843&aContent=Subsidiaries.
- [10] See www.boeing.co.uk/ViewContent.do?id=2682&aContent=University%20Relationships.
- [11] For more details, see http://mae.pennnet.com/display\_article/350820/32/ARTCL/none/EXECW/1/Air-Force-looks-to-ITT-for-connector-assemblies-for-F-15E-jet-fighter-bomber.
- [12] See http://mae.pennnet.com/display\_article/350820/32/ARTCL/none/EXECW/1/Air-Force-looks-to-ITT-for-connector-assemblies-for-F-15E-jet-fighter-bomber.
- [13] For more details, see http://decommisioners.wordpress.com.
- [14] See http://irishantiwar.org/node/361.
- [15] See http://www.mediamonitors.net/joshruebner3.html.
- [16] See www.corpwatch.org/article.php?id=15205.
- [17] See www.corporatewatch.org/www.raytheon9.org.
- [18] See this report: www.corporatewatch.org.uk/?lid=3188.
- [19] See the campaign's blog for more details: www.raytheonout.wordpress.com.
- [20] www.raytheon.co.uk/contact/index.html.
- [21] See www.lockheedmartin.co.uk/locations/locations.html.
- [22] See www.amnesty.org.uk/news\_details.asp?NewsID=18004 and http://www.guardian.co.uk/world/2009/jan/09/armstrade-gaza.
- [23] See this report www.indymedia.org.uk/en/2009/01/419376.html.
- [24] www.catdestroyshomes.org/downloads/WoW\_Caterpillar\_Report.pdf.
- [25] See the call at

http://www.bigcampaign.org/index.php?page=the palestinian call for boycott divestment and sanctio

ns.

- [26] See www.bigcampaign.org/index.php?page=what-s-in-a-label-2 and http://news.bbc.co.uk/1/hi/world/middle east/7708244.stm.
- [27] See http://www.corporatewatch.org.uk/?lid=3138.
- [28] For example, see http://www.indymedia.org.uk/en/2008/06/401745.html.
- [29] See http://www.haaretz.com/hasen/spages/819910.html.
- [30] See http://www.indymedia.org.uk/en/2009/01/417901.html.
- [31] Fore more information on Eden Springs and the campaign against it, see www.scottishpsc.org.uk/index.php?option=com\_content&view=category&id=284&Itemid=200133.
- [32] For more information, see www.bigcampaign.org/index.php?page=veolia.
- [33] See http://palsolidarity.org/2009/01/4517.
- [34] For more information, see www.bigcampaign.org/index.php?page=why-leviev.
- [35] For example, see www.indymedia.org.uk/en/2009/01/419042.html.
- [36] See www.guardian.co.uk/world/2009/jan/04/israel-gaza-hamas-hidden-agenda.
- [37] See www.indymedia.org.uk/en/2009/01/418434.html.
- [38] www.dec.org.uk/item/200.
- [39] www.guardian.co.uk/world/2009/jan/22/gaza-charity-appeal.
- [40] See http://news.bbc.co.uk/1/hi/uk/7846150.stm.
- [41] See http://stopwar.org.uk/index.php?option=com\_content&task=view&id=992&Itemid=1.
- [42] See www.indymedia.org.uk/en/2009/01/420397.html.
- [43] See http://stopwar.org.uk/index.php?option=com\_content&task=view&id=994&Itemid=1.
- [44] See www.guardian.co.uk/media/2009/jan/26/bbc-staff-protest-over-gaza-aid-appeal.
- [45] See, for example, this excellent Electronic Intifada article: http://electronicintifada.net/v2/article10122.shtml. See also this Media Lens alert on British mainstream media's biased and distorted coverage of the recent Gaza attacks: www.medialens.org/alerts/09/090112 an eye for.php.
- [46] See www.corporatewatch.org/?lid=3192.
- [47] For example, see http://link.brightcove.com/services/player/bcpid1184614595?bctid=1653700352.

#### [48] See

www.jpost.com/servlet/Satellite?cid=1183459207651&pagename=JPost%2FJPArticle%2FShowFull and http://www.haaretz.com/hasen/spages/915151.html.

#### [49] See

http://business.timesonline.co.uk/tol/business/industry\_sectors/natural\_resources/article1826739.ece.

- [50] See http://english.aljazeera.net/news/middleeast/2008/11/2008111895917929279.html.
- [51] See www.haaretz.com/hasen/spages/1017726.html.
- [52] See www.bg-group.com/OurBusiness/WhereWeOperate/Pages/pgIsraelandAreasofPalestinianAuthority.asp.
- [53] For example, see www.globes.co.il.
- [54] See www.haaretz.com/hasen/spages/1050448.html.
- [55] For more on BG and Gaza's offshore gas, see this article by Michel Chossudovsky: www.globalresearch.ca/index.php?context=va&aid=11680. See also this timeline by David K. Schermerhorn: www.globalresearch.ca/index.php?context=va&aid=11787. For more background, see this Electronic Intifada article: http://electronicintifada.net/v2/article4909.shtml.

Corporate Watch

www.corporatewatch.org news@corporatewatch.org