

The Business and Trade of Ahava – An Update

August 2013

The following update reveals valuable new information discovered by Who Profits: additional companies in Ahava's supply chain, natural resources from occupied territories and new EU funded research projects.

In May 2012, Who Profits published a comprehensive [report](#) about the business and trade of [Ahava – Dead Sea laboratories](#). The private Israeli cosmetic company is located in Mitzpe Shalem settlement in the occupied Jordan Valley, where it manufactures its products and exports them to more than 25 countries around the world.

Natural resources from occupied territories: The Mud

As Who Profits' report revealed (p. 25-30), Ahava exploits Palestinian natural resources by operating an excavation site in the occupied territory, on the shores of the Dead Sea, from which it extracts mud for its products. The Israeli civil administration confirmed that Ahava holds a license to operate a mud excavation site from the occupied area of the Dead Sea.¹ Ahava has been operating this excavation site since 2004 and it is the only company licensed to do so. The mud is used by Ahava in its mud product (photo no. 1), marketed world-wide.

In a research tour conducted by Who Profits in April 2013, we spotted Ahava's mud, excavated from occupied territories, stored in the company's production site in Mizpe Shalem settlement, as presented in photo no. 2. Photo no.3 presents empty barrels for mud excavation.



Photo no. 1: Ahava's mud products | Ahava's visitors center, Mitzpe Shelem settlement | Who Profits | April 2013

¹ Letter to Coalition of Women for Peace from the Israeli Civil Administration, 17 May 2011. The original Hebrew version is on file with who profits. See the English translation at: <http://bit.ly/Jp72EI>



Photo no. 2: Ahava's mud excavation site. The sign states: "Raw Mud" | Miztpe Shalem settlement | Who Profits | April 2013



Photo no. 3: Ahava's mud excavation site. The sign states: "Empty barrels for mud" | Miztpe Shalem settlement | Who Profits | April 2013

Ahava's supply chain

Ahava's supply chain includes many international companies, which supply Ahava with raw materials and products. New companies were spotted by Who Profits in April 2013, in addition to the companies that appear in Who Profits' report (pp. 31-39), which include **Lonza** (also known as the Lonza Group), **Zschimmer and Schwarz Italiana S.p.A**, **Eigenmann and Veronelli S.p.A.**, **Lanxess Distribution GmbH** and **YS Ashkenazi Agencies, Dead Sea Works** (known in Hebrew as Mifaley Yam Hamelah) and **Zohar Dalia**. These companies continue to supply Ahava with different ingredients.

C.E. Roeper

A German company that supplies natural raw materials worldwide.

The company provides Ahava with L-Menthol, pleasant-smelling aromatic crystals (Photo no. 6).

General information

C.E. Roeper
Hans-Duncker-Str. 13
D-21035 Hamburg
Germany
Tel.: + 49 40 734103-0
Website: www.roeper.de

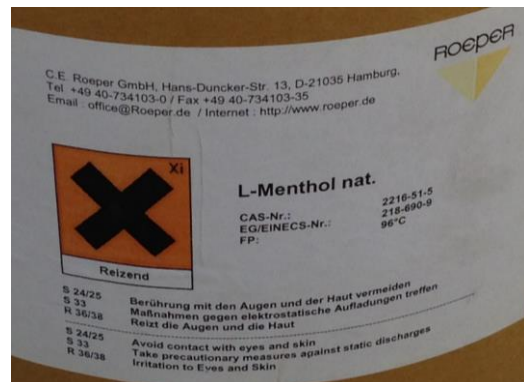


Photo no. 6: L-Menthol supplied to Ahava by C.E. Roeper | Miztpe Shalem settlement | Who Profits | April 2013

Faci Metalest

Faci Metalest, the Spanish branch of the Italian Faci Spa, manufactures metallic stearates and carboxylic acid derivatives. Technically, these products are metallic salts and esters from fatty acids of animal or vegetable origin and from acids or di-acids of a synthetic nature.

The company supplies Ahava with Octyl Palmitate (Ethylhexyl palmitate), a fatty acid commonly used in cosmetic formulations as a solvent, carrying agent, pigment wetting agent, fragrance fixative and emollient (Photo no. 4).



Photo no. 4: Octyl Palmitate supplied to Ahava by Faci Metalest | Miztpe Shalem settlement | Who Profits | April 2013

General information

Faci Metalest
 Industrial Malpica - Santa Isabel,
 C / F West, plot 54-50016
 Zaragoza
 Tel: +34 976 574 375
 Website: www.metalest.com

ISP – International Specialty Products, part of Ashland

In August 23, 2011, Ashland completed the acquisition of the privately owned International Specialty Products (ISP), a global specialty chemical manufacturer of innovative functional ingredients and technologies. ISP was integrated into the Ashland Aqualon Functional Ingredients commercial unit.

Ashland is a public company, traded in the NYSE (NYSE: ASH), which provides specialty chemicals to over 100 countries worldwide.

ISP provides Ahava with FlexiThix polymer, an odorless thickener that works under extreme conditions (Photo no. 5).



Photo no. 5: FlexiThix polymer supplied to Ahava by ISP | Miztpe Shalem settlement | Who Profits | April 2013

General information

Ashland
 50 E. RiverCenter Blvd.
 P.O. Box 391
 Covington, KY 41012-0391
 USA
 Tel: +1 859 815 3333
 Website: www.ashland.com

Purac

Purac provides natural preservation solutions and soluble fortification ingredients for the food and the cosmetic industries.

The company was founded in the Netherlands and currently operates production units and offices in Brazil, China, France, Japan, Korea, Mexico, USA, Poland, Russia, Singapore, Spain, Thailand and India.



Photo no. 7: Purasal, supplied to Ahava by Purac | Miztpe Shalem settlement | Who Profits | April 2013

Purac is a subsidiary of CSM, a global player in bakery supplies and food ingredients. CSM is listed on NYSE Euronext Amsterdam.

Purac provides Ahava with Purasal, a skin lightening ingredient (Photo no. 7).

General information

CSM nv
P.O. Box 349
1000 AH Amsterdam
Nienoord 13
1112 XE Diemen
The Netherlands
Tel: +31 20 590 6911

Purac Biochem
Arkelsedijk 46
4206 AC Gorinchem
The Netherlands
Tel: +31 183 695 695
Website: www.purac.com

Services and machinery

The following companies provide services and machinery to Ahava's production site in the settlement of Mitzpe Shalem.

[Delek Israel Fuel](#)

Fuel for Ahava's factory and visitors' center in the settlement of Mitzpe Shalem is provided by [Delek Israeli Fuel](#) (Photo no. 9).



Photo no. 9: Delek's container in Ahava's production site | Mitzpe Shalem settlement | Who Profits | April 2013

Amnir Recycling industries

Amnir, an Israeli recycling company, provides recycling equipment and services to the Israeli government, local authorities, the Israeli army, Rafael and private companies such as: [Blue Square Israel](#), [Shufersal](#), [Discount Bank](#) and Ahava.

Amnir is a fully owned subsidiary of the Hadera paper group, a public Israeli company.

Amnir provides a recycling machine and maintenance services to Ahava's factory and visitor's center in the settlement of Mitzpe Shalem (Photo no. 8). Amnir recycling industries was also spotted in Oranit and in Geva Binyamin settlements.

General information

Amnir Recycling industries
Hadera Industrial Zone, 38101
Tel: +972-4-6349599
Website: www.amnir.co.il



Photo no. 8: Amnir's machinery in Ahava's production site. The writing of the machine indicates that Amnir provides the company with maintenance services | Mitzpe Shalem settlement | Who Profits | April 2013

Moked team 5 security

Moked Team 5 is a private security company, which provides security services and systems. The company is located in the settlement of Kfar Adumim and specializes in providing security services to settlements.

The company provides security services to settlements, settlements' regional councils, settlements' Industrial Zones and private companies such as [Kravitz](#), [Veolia](#) and Ahava.

General information

33 Kfar Adumim, 90618
Sales office: Beit Hadfus 11 Jerusalem
Tel: +972-1-700-555206
Website: www.tzevet5.co.il



Photo no. 10: Moked Team 5 sign in Ahava's production site | Mitzpe Shalem settlement | Who Profits | April 2013

Sanwa

Sanwa is a privately owned Israeli plastic packaging company, which specializes in cases and containers for the cosmetic industry. Ahava's plastic bottles and packages are provided by Sanwa.

General information

18 Tnuva street
Be'er Tuvia industrial zone 83815
P.O.B 1150, Kiryat Malachi, 83110
Tel: +972-8-8600018
Website: www.sanwa.co.il



Photo no. 11: Sanwa's box found in Ahava's production site | Mitzpe Shalem settlement | Who Profits | April 2013

SDMO industries and Shmerling-Synchro Energy Engineering

SDMO Industries designs, manufactures and installs generating sets. The company operates three production sites in Brest, France and a distribution network present in over 180 countries. SDMO owns eight subsidiaries in Zweibrucken (Germany), Buenos Aires, Schoten (Belgium), Sao Paulo, Barcelona, Miami, London and Lagos (Nigeria). In addition, it operates five representative offices in Johannesburg, Algiers, Dubai, Cairo and Moscow, and four storage platforms in Miami, Le Havre, Lomé and Dubai.



Photo no. 12: SDMO generator, provides by Shmerling-Synchro Energy Engineering in Ahava's production site | Mitzpe Shalem settlement | Who Profits | April 2013

Shmerling-Synchro Energy Engineering is an Israeli company, specializing in selling, renting and service of diesel generators, manufacturing, designing and installation of electrical boards and control panels, gas generators and cogeneration systems. In addition, the company distributes diesel generators and power generators and provides maintenance services for its generators.

Shmerling-Synchro Energy Engineering is owned by Taavura Holdings, a subsidiary of Avraham Livnat (one of [IDB's](#) owners) and [Nesher Israel Cement Enterprises](#).

Shmerling-Synchro Energy Engineering is the exclusive marketer of SDMO industries in Israel.

General information

SDMO

France Head office:

12 bis, rue de la Villeneuve, CS 92848, 29228 BREST Cedex 2

Website: www.sdmo.com

Shmerling-Synchro Energy Engineering

3 Ha'avoda st.

New industrial zone, Ramle 72100

Tel: +972-8-9210080.

Website: www.shmerling.co.il

Volvo Penta

Volvo Penta, part of the [Volvo group](#), is a world-leading supplier of engines and complete power systems for marine and industrial applications. The company provides engines to the Ahava factory and visitors center in the settlement of Mitzpe Shalem.



Photo no. 13: Volvo Pentas' engine in Ahava's production site | Mitzpe Shalem settlement | Who Profits | April 2013

Ahava's participation in EU funded projects

In addition to the projects mentioned in Who Profits report (pp. 16-18), Ahava takes part in another two research projects funded by the EU FP7 program.

Ahava coordinates SuperFlex, a 9,386,165 Euro research project under the EU's FP7 program, for production of personalized skin care products for elderly population. The project started in September 1st 2013 and is due to end in 31 August 2017. Other Israeli participants in the project are the Hebrew University of Jerusalem and the Israeli companies OSM Dan and Gomeh Solutions. International participants are the Italian Project Sas di Massimo Perucca and Angel Consulting Sas

di Matteo Zanotti Russo & C, the British NHance Technologies, the German Xetics, AFT Automation und Feinwerktechnik, Fraunhofer-Gesellschaft zur Foerderung der Angewandten Forschung E.V and Dermatest Gesellschaft fur Allegologische Forshung U Vertrieb von Korperpflegemitteln MBH and the Spanish Fundacion Gaiker and Tuboplast Hispania.²

Ahava is also a participant in the SmartNano project, a 4,458,267 Euro project funded under the EU's FP7 program. The project's objective is to develop a technology platform for the detection, identification and measurement of nanoparticles consumer products in food and in the environment. The project began in June 1st 2012 and is due to end in 31 May 2016. The project is coordinated by CSEM Centre Suisse D'electronique et de Microtechnique – Recherche et Developpement (Switzerland). Other participants are Feyecon Development & Implementation (Netherlands), JRC – Joint Centre – European Commission (Belgium), Postnova Analytik (Germany), Avid Nano (UK), Ruder Boskovic Institute (Hrvatska) and Abich (Italy).³

² http://cordis.europa.eu/projects/rcn/109254_en.html

³ http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ_RCN=12796816