

COMPANY FEATURE

NETAFIM: FROM FACILITATOR OF OCCUPATION TO GLOBAL LEADER IN SUSTAINABLE AGRICULTURE

MARCH 2020

With 17 factories in 13 countries, 29 commercial subsidiaries and a presence in 110 countries, Netafim is the world's largest micro irrigation corporation.¹ Since 2018, Netafim is controlled by the publicly traded Mexican conglomerate Orbia (formerly Mexichem).

In a world increasingly concerned with climate change and scarcity of natural resources, Netafim is generating profit from positioning itself as a global leader in sustainable agriculture. In reality, the company profits from Israel's ongoing occupation of Syrian and Palestinian land through the provision of irrigation technologies and know-how to illegal Israeli agricultural settlements. Settlement agriculture is a major instrument of land grab, facilitating the expropriation of occupied land and making use of water and

other natural resources at the expenses of the occupied Palestinian population.²

In this update, Who Profits provides an overview of Netafim's occupation-related activities and examines some of its recent global operations, calling attention to the discrepancy between its international work with small-holder farmers in the Global South and its facilitation expropriation and dispossession against Palestinian and Syrian communities.

Making the Desert Drip

Netafim is one of the oldest and best known Israeli agricultural technology firms, and its history is intertwined with the history of Zionist colonization. The company was founded in 1965 in Kibbutz Hatzerim, an agricultural cooperative in the Naqab (Negev) region in southern Israel. Its core technology, the drip

¹ Netafim Company Presentation. [Netafim, Shaping the future of Agriculture](#). September 2019.

² Who Profits. [Made in Israel: Agricultural Exports from Occupied Territories](#). April 2014.

irrigation system, was developed in the early 1960s by Simcha Blass, with the financial backing of the Jewish National Fund (JNF) and the Settlement Division of the Jewish Agency, as well as the Israeli Ministry of Agriculture.³ Blass was a prominent Zionist engineer and one of the founders of Mekorot, Israel's national water company.

In multiple publications, the company describes itself as “born of the need to make the Israeli desert bloom,”⁴ linking its products with the imperatives of Zionist colonization. Blass noted that Netafim's drip irrigation technology was instrumental in making the economic case for agricultural settlements in the Arava region, the desert area south of the Dead Sea.⁵ Following Israel's 1967 occupation of Palestinian and Syrian territories, its micro-irrigation products and know-how have been used to support the economic viability and drive up the profitability of Israeli agricultural settlements in the West Bank and the Syrian Golan.⁶ By providing products to the settlements, the company actively contributes to the expansion of agricultural production by illegal settlers and to the normalization of land grab and dispossession.

Testing Technology on Occupied Land

Netafim irrigation technologies are also provided in the framework of agricultural experiments conducted by settlement R&D cen-

3 Blass Simcha. *Water in Strife and Action*. Massada (1973):351.

4 Netafim Company Presentation. [Drip Irrigation – Israeli Innovation That Has Changed the World](#). November 2013; Netafim Company Presentation. [Netafim, Shaping the future of Agriculture](#). September 2019.

5 Ibid.

6 Who Profits has documented the involvement of Netafim in settlement agriculture in the settlements of Masua, Geshur, Dolev, Kalia, Maskiot, Gilgal, Ein Zivan and Natur. For more information, see Netafim's [Company Profile](#), updated 24 July 2019.

ters. Agricultural R&D on both sides of the Green Line is heavily subsidized by the Israeli government, primarily through the Ministry of Science and Technology and the Ministry of Agriculture.⁷ Netafim's participation in experiments carried out on occupied land and in partnership with settlement R&Ds enable it to use occupied land as a laboratory for the testing of its irrigation products.

Netafim has participated in several experiments in settlements in the Jordan Valley in the occupied West Bank. In 2004, it took part in an experiment on the effect of feeding canals on the yield and fruit size of lemons in the settlement on Masua. In 2013-2014, in collaboration with the Training & Professional Services Unit (SHAHAM) in the Israeli Ministry of Agriculture and Rural Development, Netafim and growers in the settlement of Kalia developed an irrigation method that reduces water consumption in the cultivation of seedless watermelons by 25%. Kalia cultivates approximately 1,500 dunams of watermelons and controls approximately 15% of the Israeli market for seedless watermelons. The company also participated in a multi-year experiment (2014-2017) on irrigating Mejdool dates in the Jordan Valley, conducted by the settlement-based Jordan Valley R&D Center in the settlement of Gilgal. A company representative co-authored a paper discussing findings with researchers from the Ministry of Agriculture and the settlement R&D.

Palestinians in the Jordan Valley inhabit an altogether different reality. Israel's severe restrictions on the free movement of people and goods prevents Palestinian producers from cultivating their lands, which have historically been a major source of income, forc-

7 Who Profits. [Agribusiness as Usual: Agricultural Technology and the Israeli Occupation](#). January 2020.

ing many to seek employment in settlement agriculture, often under deeply exploitative conditions.⁸

In 2012, Netafim provided irrigation technologies for the betterment of grapevines in a commercial crop of cabernet sauvignon grapes in the settlement of Dolev in the West Bank. The project is part of an agricultural experiment of the Samaria and Jordan Rift R&D. Following this project, Netafim participated in a conference about growing grapevines in the mountain area that took place in Ariel University in the settlement of Ariel in 2016.

Netafim has also supplied irrigation equipment to settlements in the Syrian Golan. In 2009, it provided irrigation technologies for an experiment in controlling the size of olive trees in the settlement of Geshur. In 2019, its computerized drip irrigation and fertilization system was installed in blueberry fields in the Syrian Golan as part of a pilot project of the Israeli agricultural export company Agr-exco. The project, carried out jointly with the settlements of Ein Zivan and Natur, aims to cultivate 1,500 dunams of blueberries in the Golan and turn Israel into an exporter of blueberries to European markets. Agrexco has an agreement with a British distributor that markets its produce in the UK.

The occupied Syrian population, meanwhile, is confined to 5% of the land.⁹ While Israeli settlements in the Golan are incentivized by a disproportionate allocation of water resources for agricultural production,¹⁰ research shows

that Syrian farmers pay up to four times more than their Israeli counterparts for water.¹¹

From the Creators of Iron Dome: Netafim's Smart Irrigation Platform

The adaptation and diffusion of Israeli military technology into civilian spheres extends beyond Israel's prolific security and surveillance industry. Civil firms like Netafim generate profits from the commercialization of military knowledge developed in the context of the Israeli occupation, capitalizing on structures and policies of repression and blurring the distinction between military and civil enterprises.

In collaboration with the private Israeli company mPrest Systems, a partially-owned subsidiary (40%) of the state-owned military corporation Rafael Advanced Defense Systems, Netafim developed NetBeat™, a smart irrigation management platform. The digital irrigation platform incorporates mPrest's command and control software, developed specifically for Iron Dome, the Israeli military's air defense system. According to the CEO of Netafim, mPrest was awarded the contract due to the company's "field-proven software."¹²

Iron Dome is a short range missile defense system developed by Rafael in conjunction with Elta and mPrest, deployed along the besieged Gaza Strip and in the occupied Syrian Golan. Israel's 2014 and subsequent military attacks on Gaza, serve as a marketing opportunity for Iron Dome technology. The technology's extensive media coverage attracted the interest

8 Human Rights Watch. [Occupation, Inc. How Settlement Businesses Contribute to Israel's Violation of Palestinian Rights](#). 19 January 2016.

9 Human Rights Council, [Israeli settlements in the Occupied Palestinian Territory, including East Jerusalem, and in the occupied Syrian Golan](#). Report of the United Nations High Commissioner for Human Rights. A/HRC/40/42. 30 January 2019.

10 Human Rights Council, [Israeli settlements in the Occupied Palestinian Territory, including East Jerusalem, and the occupied Syrian Golan](#). Report of

the Secretary-General. A/HRC/34/39. 16 March 2017. <http://bit.ly/2OGWBXT>

11 Mason, Michael, & Dajani, Muna (2019). A political ontology of land: Rooting Syrian identity in the Occupied Golan Heights. *Antipode*, 51(1), 187-206.

12 mPrest Systems Press Release. On file with Who Profits.

of states like Taiwan, India and South Korea.¹³ The system developed by mPrest, called C4I, is responsible for Iron Dome's air awareness picture building, target classification, calculating interception programs and controlling launch and interception processes.¹⁴

Netafim's website describes NetBeat™ as "the result of the best professionals" in development teams in eight countries, over 120 engineers from Israeli technology companies and military knowledge developed by mPrest, "the creators of iron dome."¹⁵ The collaboration shows the profit potential of making available to the agritech market, technology developed specifically for the Israeli military in the context of over a decade long siege on Gaza.

A Green Image

Netafim's operations in the Israeli agricultural sector and rhetoric of "making the desert bloom" have paved the way for its successful globalization. Today, the company controls approximately 30% of the precision irrigation market, and operates in over a hundred countries, often in partnership with corporations, governments and aid organizations.

A signatory of the UN CEO Water Mandate, an initiative of the UN Secretary-General and the UN Global Compact, Netafim asserts its commitment to "conducting business in a way that positively benefits society and the environment."¹⁶ In particular, company literature emphasizes the pressing issue of water and land scarcity and the needs and aspirations of smallholder farmers.

13 Hamushim, [The Gaza Laboratory — Protective Edge](#).

14 mPrest Systems and Rafael Advanced Defense Systems, Iron Dome Command and Control Center, on file with Who Profits.

15 Netafim, [Introducing Netbeat™ - The First Irrigation System with a Brain](#).

16 Netafim. [UN Global Compact Communication on Progress 2018](#). 2018.

In 2018, the company launched the Better Life Farming alliance, a long-term partnership working with smallholder farmers, along with the International Finance Corporation (IFC) of the World Bank Group, Bayer AG and Swiss Re Corporate Solutions. It also collaborated with the IFC in 2019 on an irrigation project in Niger, training smallholder farmers to use Netafim's drip irrigation systems. That same year, Netafim signed a three year research collaboration agreement with Bayer and BGN Technologies, the technology company of the Israeli Ben-Gurion University, as well as a \$100 million deal to install precision irrigation systems in 100 villages across India and a \$14 million deal with Tanzania-based conglomerate Bakhresa Group to provide irrigation to sugarcane in the country.

Yet the company's stated commitment to the UN Global Compact, society and the environment is called into question by its complicity in the Israeli settlement enterprise and occupation economy. Under the Israeli occupation, scarcity of water and land for Palestinian agricultural production is the direct product of policies and structures of land grab and de-development imposed by the occupying power.

While the settler growers that Netafim provides with smart irrigation systems and agronomist expertise enjoy uninterrupted access to water for agricultural and domestic use, Palestinian communities, sometimes a short distance away, are prevented from developing their own water resources and infrastructure and forced to purchase water from the Israeli state-owned Mekorot at rates determined by the Israeli authorities.¹⁷

17 According to Amnesty International, water expenses can make up half of a family's monthly income in poor Palestinian communities. Amnesty International. [The Occupation of Water](#). 29 November 2017.