

PITAtimes Newsletter

" There is no substitute for hard work"

Message from PITA's Chairman:

Eng. Ibrahim Jaffal

The difficult days that we are currently living and amidst the lack of clarity and the instability of all our daily life aspects including; health, economic and political and other aspects that were affected; necessitates and calls up the need for strengthening and empowering the Palestinian resilience and existence to overcome all the critical circumstances.

The Palestinian ICT sector has proved itself to be the backbone of all sectors and the leader that everyone relies on and especially in such times of need. This sector is the engine that drives, optimizes and cultivates the Palestinian economy and its social growth and it's the main contributor in the development of the Palestinian infrastructure and other economic and developmental sectors.

PITA is aware of the important role that this vital sector has and still playing within the Palestinian context and aware of PITA's social responsibility towards developing Palestine's economic status and towards enriching its ICT sector and other economic sectors and sub-sectors.



WHAT'S INSIDE THIS ISSUE?

- [Message from PITA's Chairman P.1](#)
- [Message from Mr.Tareq Maayah P.3](#)
- [Post - Corona Evaluation Report P.5](#)
- [PITA's Latest Activities P.9](#)
- [Up-Coming Events P.14](#)

Message from PITA's Chairman;

Such responsibility requires collateral efforts and endeavors between PITA and the public, private and banking sectors and all the Palestinian businessmen and decision makers.

The Palestinian ICT sector plays a major role in serving, protecting and fostering the software and hardware companies and other companies that are under its umbrella, and helping those companies in penetrating the local and the international markets and empowering the capabilities of the ICT companies in the light of the scarce resources that exist in Palestine. Thus; revitalizing the global partnerships for sustainable developments is a MUST! This sector with its tools and trends is making Palestine without borders and it's what helps Palestine to overcome this crisis and its economic implications.

We must all work hand in hand in order to eliminate the threat that this crisis has brought into our lives and seeks to take advantage of it and transform it into an opportunity. This shall happen only if we utilize the Palestinian skills and capabilities and create solutions, products and initiatives that could address the challenges we are witnessing.

I have faith in us and I believe that the Palestinian people have so much potential, so let's do it together, let's take a one man stand and tell the world that we are a nation wants to penetrate the world and to be in the forefront and we want to live and we want freedom.

Opening Article By Mr. Tareq Maayah - CEO of EXALT Technologies

The Tech Sector: Emergence of Success in Palestine

Despite its relatively small contribution to the economy, the high tech sector in Palestine presents few unique attributes that are worth examining. One of the Palestinian Information Technologies Association of Companies- PITA- long-established goals is to make this sector a main pillar for the Palestinian economic development.

Fueled by a high level of consumerism and low levels of production and exports, our Palestinian economy is generally suffering from an ever-growing trade deficit. However, the tech sector presents a distinctive case in terms of its current level of services' exports in addition to the long-term potential that it has to offset this trade deficit. Furthermore, it has negative unemployment levels and so it has to provide engineers and software developers with empowering work opportunities that are appreciated on a global scale.

Establishing strong and independent Palestinian technology companies provides the sector with autonomy and the opportunity to expand its services internationally. Having a well-known and strong Palestinian industry, led by capable local companies, creates further trade opportunities since an established track record leads to recognition and acceptance among global tech players. Other countries such as India have risen to greatness fueled



by the expansion and strength of their tech industry.

We should point at the Israeli organizations' current attempts to drain Palestinian engineering talents which serve as the ultimate proof of the potential that our Palestinian tech sector has. Unfortunately, some misguided Palestinian organizations have been relentless in their efforts to push Palestinian engineers to work in Israel in a fashion similar to that of the Palestinian laborers.

This sought out model introduces a layer of political dependence on the Israeli market and delays the ability for Palestinian technology companies to compete and provide services on a global scale. It further causes a huge loss to the industry as Palestinian engineers who otherwise continue to invest in the sector will bolster the creation of its own Intellectual

The Tech Sector: Emergence of Success in Palestine

Property (IP), technology startups, and provide global services based on a trusted and established name.

Additionally, contrary to the perceived value of donor sponsored programs operating under the umbrella of alleviating unemployment and underemployment, little value comes from investing funds in training/retraining programs. The real value, on the other hand, arises from directing these resources into established universities. Providing more resources and strengthening the Engineering and Computer Science Departments in local universities enhances the industry and leads to a higher value. Larger numbers of capable engineers catalyze the success of the industry, allowing established companies that provide technology services on a global scale to further expand based on this increased availability of competent talents.

The government's recent initiative, which entails training software developers within 14 weeks, reflects a lack of understanding of the industry and its needs on the one hand, and the science behind the discipline on another hand. Just as other engineering streams need time to be mastered, Computer Engineering is backed by its own set of core sciences, skills, and knowledge acquired through intensive four or five-year university programs. Expedited programs have a low percentage of graduates capable to perform at the required engineering level, as previously proven by similar programs. Instead, if such resources are allocated to universities, then the outcome will ripple an abundance of success for the graduates and the industry as a whole.

The Palestinian high technology sector will continue to provide empowering employment opportunities and allow Palestinians to showcase their capabilities and intelligence on a global scale. Investing in the right areas that aim to strengthen the sector and protect it from brain drain reaps a great win on a national level and allows us to build foundations for a success story to share internationally.

Status Evaluation Report –

Corona Crisis

The global epidemic, Corona Virus (COVID-19) has almost affected the lives of every human being. This virus that keeps us contained in our homes – maybe for months – is already re-shaping our relationships with everything that surrounds us. We have seen the significant and extreme economic impact of the corona virus on financial markets and all fundamental industries and sectors. Notwithstanding of this crisis; PITA seeks to support and help its members in how to survive the corona-virus epidemic and keep their businesses alive without having to give up on any of their employees. In this harsh time period, it is very important for companies to show solidarity and work together to keep the workflow, even though they are struggling to keep their organizations afloat and employees safe while the novel corona-virus sweeps across the globe.

We are aware of the role the ICT sector is playing through this crisis; it is the backbone of all sectors and it's the core they rely on and this was clearly noticed during this crisis. This crisis has put so much pressure and great impact on this sector. Therefore; what PITA aims to achieve in this phase since it is considered to be the leader of this sector and it's all affiliated companies, is to guarantee that those companies to survive this storm.

A part of PITA's endeavors; is to track, study and keep abreast of the economic implications that occurred as a result of the Corona Crisis so it can help these companies to make the right adjustments for such implications and provide the required support to get out of this epidemic with the least possible damages and to guide them through this crisis. Thus; a questionnaire was made and shared with PITA's members for achieving such goal, and this report includes some crucial findings and it highlights on the main challenges they are facing, so PITA is able to identify those indicators and accordingly will decide what methods shall be taken to provide such help.

Several companies responded to the questionnaire; including **software companies, hardware companies, training and consultancy companies, internet service providers and other telecom and electrical professional services companies**. All those companies had to shut down and close their facility starting from the beginning of the emergency state for approximately 90 days. During this crisis they have faced different challenges that affected their performance and some of them even had to discharge some of their employees up to 14 employees, and some employees have resigned their jobs. **Here are the most important challenges they have encountered:-**

- Difficulty in reaching the customers/ delivering the products,
 - Difficulty in paying the employees' salaries
 - Losing Projects
 - Lack of raw materials,
 - Decline in sales
 - No liquidity
 - Difficulty in reaching the facility itself
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The majority of those companies use online programs / systems to teleworking with their employees and those companies include from 6 employees and reach up to 140; so we are talking about small and medium sized companies that have been affected as a result of this epidemic and they consider this "Long-term lock-down" is a problem and not a solution. Most of them do not have key strategies/implementations that it could introduce to resuscitate their businesses post Corona-virus epidemic and all of their employees will need resources to guarantee the implementation of their job remotely; and unfortunately some of them do not have escalation procedures to get those additional resources and their business sustainability in terms of actions to be taken and financial impact will need from 3 months to 6 months; until the end of August 2020.

There plans to face such crisis can be abridged in the following points:

- Business Model Development (the way the company works to generate revenue)
- Development of New Products and Services
- Development of Existing and New Markets
- Equipment and Tools Development

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- Developing the Human Cadre
 - Purchasing of Systems/Programs for Teleworking

They are planning to deal with the repercussions of this crisis by following such procedures:

- Cost – Cutting
 - Employees' Layoffs
 - Bank Loans
 - Change the Field of Work
 - Production - Cutting
 - Increase Production
 - Developing new needed Software Products that meets the current needs
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The companies expect an active role in addressing their complaints and expect all the governmental and non-governmental bodies' support and they mentioned many areas that have to be tackled such as automation and online payment. Other issues they pointed at is "Zero Tax Exemption"; in which it has to be cancelled and all invoices to be issued with full Tax even to donors and let MOF deal with its Zero Exemption and not put a burden on the companies. They also have emphasized the issue of their employees' salaries and the difficulty of paying their operating costs.

The role of PITA and MTIT in helping those companies in overcoming this crisis as they have suggested:

- Provide financial support
- Provide fund programs and grants
- Taxation support / cut off taxes
- Find new market if possible
- Find support from governmental and other parties
- Mobility and urge MOF to pay their dues
- Work hard with donors and international organizations
- Provide logistical support

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- Reach to more understanding and a satisfactory working formula that includes the continuity in work between all parties
 - Create partnership with companies in the West bank and implementation of several projects
 - Legal support and ease of processes and regulations
 - Provide companies with essential tools for safety
 - Facilitation of cargo and shipments' movement
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PITA's Latest Activities

24th of June 2020, Ramallah; PITA's Board of Directors held a meeting with Mr. Said Abu Hijleh - DAI Country Director in Palestine. Throughout the meeting; they have discussed future prospects and horizons of cooperation and evaluated the previous experience, success stories and business models regarding the blockchain and the mutual work between the companies. Mr. Said has suggested his visions and plans for new working mechanisms which can in turn serve the Palestinian ICT sector and strengthen its role.

23rd of June 2020, Gaza; within PITA's goal to strengthen the Palestinian ICT sector, establish partnerships with all vital and active donors and stakeholders and under the cooperation among PITA and Mercy Corps; a meeting was conducted between the software and hardware companies and representatives from Mercy Corps to discuss and answer all the inquiries regarding the project "Developing the Marketing and Competitive Capabilities of the ICT companies".

17th of June 2020, Gaza; PITA has participated a in steering committee that goes under the project "Improving the Quality of Students and Graduates of the Administration and Office Automation Program at Gaza Community College for Tourism Studies by Providing them with Digital Technological Skills to Increase Employment Opportunities". This project seeks to help the graduates in acquiring and gaining new capabilities and competencies that in turn will enable them to enter and penetrate the labor force and increase their chances in obtaining new job opportunities.

16th of June 2020, Gaza; PITA has met with a delegation from UN Women. The purpose of the meeting is to enhance and build a solid partnership with the UN Women. The meeting discussed the importance of strengthening the role of women and their inclusion in the ICT sector and opening new job prospects for them so they can penetrate the labor force.

15th of June 2020, Ramallah; PITA has held a meeting with the software and hardware companies within a series of constants meetings that PITA is currently implementing for the purpose of evaluating the country's current status and its sectors amidst the corona crisis and its implications. Such meetings are tailored towards creating a resuscitation plan to help the private sector and the other subsectors and to recover and to serve their needs. In addition to discussing the local and the international effects of this crisis on the longer-terms on the ICT sector and other sectors. The goal of those meetings is to set a strategic vision and plan to support the Palestinian ICT sector for the next 5 years for the purpose of identifying the general orientations regarding the digital transformation of the governmental and the private sectors so that companies can plan for further future investments. The attendees suggested and pointed to the importance of pushing the government to digitalize its services in cooperation with the private sector – hand in hand – using a mechanism that could benefit both parties, and within this context; companies shall provide coherent and clear visions that help in such matter and PITA shall facilitate the workflow between the companies and the public sector. The meeting also emphasized the importance of investing in the Academic sector in order to qualify abled- graduates whom are ready to penetrate the labor force.

14th of June 2020, Ramallah; PITA's Board of Directors represented by its Chairman; Mr.Ibrahim Jaffal met with the Minister of National Economy; Mr. Khaled Ossaili. The purpose of the meeting was to set out and suggest new methods for enhancing and fostering the legal environment of the Palestinian National Economy, to simplify the followed procedures regarding the services delivery and to discuss the corona crisis's implications on the Palestinian economic sectors.

10 of June 2020, Ramallah; PITA's Chairman- Mr. Ibrahim Jaffal has met with the H.E Dr. Ishaq Sider- Minister of Telecom. and Information Technology. The goal of this meeting is to achieve an enormous shift in the Palestinian ICT sector. PITA and the MTIT seek to support and empower the ICT sector with the most possible ways, they are doing their utmost for achieving this objective. Throughout the meeting; they have discussed several subjects including E-Gov. application, governmental services, (PSIX) and (X-Road) systems, 4th and 5th generation services and discussed the need for establishing an awareness campaign regarding the use of the Israeli sim cards and other vital topics. His Excellency suggested several strategic plans for attracting the big companies operating in the ICT field and provide them with the sufficient and the needed support and he emphasized his belief in the power of the new generation of the Palestinian youth. Mr. Ibrahim Jaffal also pointed to the importance of the digitization transformation and he stressed on the constant effort between the Ministry and PITA.

7th of June, Gaza; The Palestinian Information Technology Association- PITA represented by its Vice President Mr. Rami Abu Eloun has signed an MoU with Al-Isra University represented by Dr. Ahmed Al-Hasayneh; Vice President of Al-Isra University. This comes as a part of PITA's endeavors to build and strengthen the relationship and bridge the gap between the private sector and the academic sector and so empowering and enhancing the role of the new graduates within the ICT sector.

1st of June, Gaza; PITA has distributed health parcels on its members and partners as a part of PITA's precautionary measures to help and support the aforementioned parties during the Corona crisis in Gaza Strip.





Upcoming Events

1. London Technology Week 2nd - 10th September 2020, London, UK. This technology week will be championing the power of tech through conversation, knowledge sharing, and connections in areas including the future of HealthTech, the investment landscape and resilience in leadership and it will share insights from industry experts and to build connections at a time that matters most.

2. MENA ICT FORUM 2020 November 9 - 10, 2020, Jordan. A premier two-day forum bringing together regional leaders in technology, innovation, and business to discuss and spread awareness on the future of technologies to the region. This event is targeted towards fusing technologies, building bridges and reshaping the generations of the future.

3. Expotech, Palestine 2020; EXPOTECH is an event that is dedicated to the information and communication technology in Palestine, hence spotting the lights on the latest technological trends and opportunities happening on both local and global levels. For its 16th anniversary, EXPOTECH technology week made itself a great platform to learn about new technologies & trends and offer innovative solutions in ongoing technologies through showcasing the success stories of Palestinian businesses and entrepreneurs who seek to tap into the potential of the tech sector in Palestine. The focus this year will be on Artificial Intelligence and highlighting all the services and solutions that it provides

4. GITEX Technology Week, 6-10 DEC 2020, Dubai. GITEX is a must-attend, world-class event located in Dubai. This is where the world's technology leaders, enterprises and startups come together to show you the future of every business and every industry. As the world is emerging from the great lockdown, healthcare and tech leaders in this event unpack how AI is shaping business and society's recovery worldwide and reveal AI's critical role in preparing businesses and communities for a post-pandemic world by shaping recovery and re-emergence strategies.

Why Participating is important ?

- Knowledge - Sharing
- Keep Pace with The Changing World
- Strengthen The Professional Ties
- Challenge and Grow
- Identify needs and challenges in the ICT sector
- Advance Economic Growth
- Create Opportunities

Be A Member !
<http://home.pita.ps/wp/join-pita/>

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