

PITA and DAI Sign Grant Agreement for Employment Generation Program



On June 13, 2007, the Palestinian Information Technology Association of Companies (PITA) launched the Employment Generation Program (EGP) which is conducted in cooperation with the Palestinian Enterprise Development (PED) project, funded by the United States Agency for International Development (USAID), and implemented by Development Alternatives, Inc. (DAI).

PITA designed the EGP based on the results of the staffing needs assessment of the sector. The survey provided critical information on the number of apprentices companies are willing to hire at this phase and what kind of skills they should possess.

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Letter from PITA's Chairman

Dear Reader,

Since its establishment in 1999, PITA has made the interests of its members top priority, stridently defending the sector on all fronts. For eight years now, PITA has focused its efforts on development of the Information and Communication Technology (ICT) sector through active lobbying and advocacy.

As included in this year's business plan, PITA management will focus additional attention on enhancing the services offered to our members, which include firm-level assistance, specialized training programs, capacity-building studies, regional marketing and promotion of our companies, as well as advocacy and lobbying.

Another priority for 2007 is the implementation of the ICT diffusion initiative, which seeks to spread familiarity with and use of ICT into other economic sectors. While the initiative requires substantial financial resources to get off the ground, PITA's management is committed this year to establishing a prototype of the initiative, to be expanded in the future.

PITA is also proud to announce the coming of Expotech 2007. For the fourth consecutive year, Expotech will be held in the city of Ramallah on October 30, 2007 to exhibit domestically-produced Palestinian ICT products and services. Expotech is the largest exhibition held in Palestine, and is growing in prominence as a meeting place for clients and suppliers, and a technology showcase for the wider public. Everyone is encouraged to take part.

Connect newsletter seeks to bring PITA members together, publishing their activities and news and connecting them with the outside world. I hope you find this flagship edition of *Connect* informative. We are more than happy to receive your comments.

Finally, I thank all our members and partners who continue to contribute to this shared vision of the ICT sector in Palestine.

Sincerely,
Ala Alaeddin
PITA Chairman

PICTI Business Plan Contest

The Palestine Information and Communications Technology Incubator (PICTI) was successful in launching the first business plan contest in Palestine, awarding cash prizes of US\$15,000. The Business Plan Contest was launched by PICTI during the November 2006 Expotech exhibition. The details of the contest were posted on PICTI's website.



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Hence, the EGP designed workshops and training courses to develop apprentices' skills and increase their general knowledge of the Information and Communications Technology (ICT) sector and its mechanisms. Eighty new graduates with different IT specialties were selected to participate in the training; 60 of these apprentices will be hired at the end of program.

The EGP launching ceremony included a presentation by DAI on the structure of the program, which includes one month of training and an employment day. The 80 apprentices signed a one-month contract with PITA, committing them to attend 104 hours of general training in business communications, essential computer skills, job search and CV development, labor law and business ethics, business fundamentals, ICT in brief, business leadership and intro to quality management ISO. Another 56 hours of specialized training in software development and programming, accounting, hardware systems, sales and marketing were offered to select apprentices.

"You might need to think seriously of opening your own business and contributing to the development of the sector through innovative ideas drawn from the local environment, which have practical results on the ground," said Abudaka.



In the second session, five business leaders - Intertech CEO Ala Alaeddin, Jawwal CEO Ammar Aker, Hulul CEO Hassan Kassem, Safad CEO Ibrahim Barham, and Wataniya Launching Director Jamal Yasin - spoke to the apprentices about how they each rose to business success. The executives encouraged the apprentices to be patient and focused to achieve their dreams. They also emphasized what they expect from their own employees and the skills they seek



Key Business Figures Address EGP Apprentices

As part of the Employment Generation Program (EGP), key business figures gave the apprentices presentations about their experiences as business leaders. Keynote speaker Minister of Transportation Mashhour Abudaka spoke at the first session about the role of ICT in company development and business transaction facilitation. He emphasized to the apprentices how important it is to have innovative ideas.



in new graduates. Executive Director of PITA Ihab Jabari briefed the apprentices on the role of ICT in the Palestinian economy, and how to benefit from the sector's viability.



PITA's 8th Regular General Assembly Meeting

On March 26, 2007, The Palestinian IT Association of Companies (PITA) held its 8th General Assembly (GA) meeting at PITA's headquarter offices in Ramallah, linked to Gaza members through video conferencing facilities. The GA meeting was attended by representatives of 60 companies in the West Bank and Gaza Strip.

Chairman of the Board of Directors Jamil Daher moderated the agenda of the meeting and briefed members on PITA's activities and achievements during the previous year. He also presented the challenges that characterized the ICT sector in Palestine due to the general economic decline, and described how PITA took action to mitigate these risks and obstacles.

Secretary of the Board Saad Abdul Hadi presented PITA's Administrative Report for the year 2006, in which he detailed PITA's activities, programs, challenges faced and achievements attained.

Subsequently, Treasurer of the Board Maher Shalabi detailed PITA's financial position from the year 2001 to 2006. This presentation was complemented by a financial audit presented by Hanna Quffeh of Hanna & Associates auditing firm.



The members of the GA discussed and approved both the Financial Report and the Administrative Report for 2006.

Subsequent to the approval of the financial and administrative reports, the members of the GA commenced elections for a new PITA Board of Directors.

The results of elections for the 2007/2008 Board were as follows:

Ala Alaeddin, Chairman of the Board
 Mohamad El-Alami, Vice Chairman of the Board
 Sa'd Abdel Hadi, Secretary of the Board
 Maher Shalabi, Treasurer of the Board
 Majed Bakeer, Public Relations
 Mohammed Haboush, Member
 Hamza an-Najjar, Member

PITA Committees

The new PITA Board of Directors has formed three committees for the year 2007. The three committees are as follows and are open to all PITA members to join:

- Software Industry Committee
- Policy and Advocacy Committee
- Public Relations Committee



Fayyad Applauds PITA Efforts to Develop ICT Sector

Palestinian Prime Minister Salam Fayyad asked PITA to continue its positive role in developing the ICT sector in the Palestinian areas during his meeting with a PITA delegation at his office in Ramallah on Wednesday, July 18, 2007. PM Fayyad emphasized the important role PITA has played in organizing the sector and its great efforts to liberalize the market. He also applauded PITA's active role in defending the interests of its members saying, "PITA must continue its important work with all concerned bodies to facilitate the work of the ICT sector." The prime minister promised to consider PITA's recommendations when the government reviews the new telecommunications regulations law before submitting it to the Palestinian Legislative Council. PITA Chairman Ala Alaeddin, said the meeting with the prime minister was important and fruitful, especially given Fayyad's promise to help advance the ICT sector through active cooperation between the government and private sector. "We have already begun working with the Ministry of Telecommunications and Technology in licensing new internet provider companies, which is an essential step to opening the telecommunications market," Mr. Alaeddin concluded.

PITA Joins the International Technology Channels Association

The Palestinian IT Association of Companies (PITA) became a member of the International Technology Channels Association (ITCA). The association seeks to support international collaboration between ICT system houses, retailers, distributors, manufacturers and other enterprises and service providers which are active in the ICT marketplace and community. PITA members will begin receiving the ITCA monthly newsletter as part of the new arrangement.

PITA, Ministry of Telecommunications and Technology Study IPS Regulations

In an effort to facilitate the private sector's business with the government, the Palestinian IT Association (PITA) and the Ministry of Telecommunications and Technology formed a joint committee to tackle unresolved ICT issues, facilitate the work of Palestinian companies, and strengthen ties between the private and public sector. The committee is currently studying the proposed Internet Providers Services (IPS) regulations and was to give its recommendations before the end of July. The IPS regulations will open the telecommunications market for companies other than Paltel Group to compete in the market, which ultimately benefits the Palestinian consumer.

Abu Libdeh Meets with PITA Members

On May 28, 2007, The Palestinian IT Association of companies (PITA) hosted Chairman and Chief Executive Officer of Palestine Securities Exchange Market Hasan Abu Libdeh, who spoke on the Securities Exchange Market policies and relationship with the private sector, particularly the possibilities of developing cooperation between Palestinian information technology companies in a manner that would benefit the wider economy. Many PITA members at the meeting asked Mr. Abu Libdeh to establish an open and transparent bidding policy on the exchange to allow healthy competition between companies.



Workshops

Workshop on 'Using IT to Grow Your Business'

On June 27, 2007, the Palestinian IT Association of Companies (PITA) and the Business Woman Forum conducted a workshop on "Using IT to Grow Your Business."

The workshop, attended by 30 businesswomen, was opened with a presentation by PITA Executive Director Ihab Jabari on the ICT sector and PITA's mission, achievements and goals. Guest presenters at the workshop were Yahia Salqan, president and CEO of Jaffa.Net Computer Systems, who spoke about "How IT Can Help You Reduce Your Expenses and Maintain the Growth of Your Business?" Clusters Development Manager and ICT Cluster Manager at PED Project/DAI Omar Sahili spoke about "Automating SME Business Processes," and Director/Dean of Wajdi Institute of Technology Safa Nasser Eldin spoke about "Business Woman and IT." A Q & A session followed the presentations and was moderated by Board Member of the Business Woman Forum Samia Totah.

PITA Holds Two Workshops on Intellectual Property Rights

The Palestinian IT Association of Companies (PITA), in cooperation with the Palestine Information and Communications Technology Incubator (PICTI) and the Palestinian Trade Center (Paltrade), organized two workshops on Intellectual Property Rights (IPR) in Ramallah and Gaza. These workshops are part of PITA's mission to act as the vanguard in developing the information technology sector in Palestine.

The first workshop was held in Ramallah on March 26, 2007. Guest speakers at the event included Head of the IPR Department at the Ministry of National Economy Ahmad Omar, IPR Manager of Talal Abu Ghazaleh West Bank Branch Maen Naser, and Manager of Libraries, Manuscripts and Cultural properties in the Ministry of Culture Sami al-Batrawi. Thirty representatives of PITA member companies and ICT firms attended this event (see page 9 article for more details).

The second workshop was held in PITA's offices in Gaza on April 17, 2007 and was attended by 17 representatives of PITA member companies.

The guest speakers at the workshop included Deputy Director of the IPR Department of the Ministry of National Economy Ayman Dahlan, Manager Sami al-Batrawi, and IPR Officer of Talal Abu Ghazaleh West Bank Branch Manar Bashir.

It is worth noting that the sponsor for these workshops was the World Bank InfoDev program as a grant to PICTI, which has entered into agreement with PITA regarding the implementation of position papers on IPR and Company Registration Law.

PITA's role will be to assess the existing legal framework governing the procedures applied to register patents and protect IPR in Palestine, with a focus on the information technology sector.

And Another Workshop on Company Registration Law

On May 30, 2007, the Palestinian IT Association of companies (PITA) in cooperation with the Palestine Information and Communications Technology Incubator (PICTI) held an important public workshop on Company Registration Law.

Nitham Ayyoub, acting comptroller at the Ministry of National Economy, spoke about company registration procedures in the West Bank and the official documentation required to register a company. He emphasized the importance of following procedures in order to finish the registration process quickly.

Karém Shehadah, a lawyer and partner of AF&R Shehadah Law Office, clarified current investment law in Palestine and demonstrated its importance in attracting foreign investments. The workshop was part of a joint project between PICTI and PITA to draft legal position papers on IPR and Company Registration Law.

The project is sponsored by World Bank InfoDev program and part of a PICTI grant.



New Members

PITA welcomes its newest members:

1- Wataniya Palestine Mobile Telecommunications Company

Wataniya in Palestine is the second mobile operator in Palestine. It was formed in December 2006 and is in the process of building its operations in preparation for its commercial launch in the near future. Its offices are located in al-Bireh.

2- PhoenixBird Information Technology & Systems Ltd

Located in Gaza, PhoenixBird Information Technology & Systems Ltd. is specialized in total IT solutions, networking, software development and IT logistics for the automotive industry.

3- Office Land Co.

Office Land Co. is specialized in computer hardware, networking and office equipment. It is located in Al Bireh.

Upcoming Events: EXPOTECH 2007

Once again, PITA is the proud organizer of the star attraction of Expotech 2007, which will take place in al-Bireh from October 30 to November 1, 2007. For more information please visit: www.expotech.ps

PITA Member News

Daman for International Trading Partnering with Honeywell Security & PELCO CCTV won a contract to build the Paltel Group Security Project in the West Bank and Gaza Strip, considered one of the largest security solution projects in the Middle East region. Paltel Group Security project is an integrated security concierge system that provides 24/7 security surveillance from central control rooms to more than 100 different sites across the Palestinian territories with the aim of creating a safer environment for Paltel Group by reducing vandalism and anti-social behavior. The system allows visitors to self-register their information quickly by scanning a photo ID, or business card or passport. The system then checks instantaneously whether the visitor is expected and has been in the facility before and makes sure the visitor is not on a watch list. These quick and consistent checks ensure that only invited individuals are allowed on site. After scanning the information, Lobby Works takes a digital photo of the visitor or records their signature and welcomes them into the facility.

Number One Source, Ltd. Company in al-Bireh, has added to its line of audio visuals and presentation products the eBeam system, an innovative interactive whiteboard technology manufactured by Luidia. eBeam is a 500-gram compact, portable, and easy-to-use device that turns the wall or whiteboard into an interactive whiteboard. The entire system is easy to install and does not need a technician for set-up, which only takes a few minutes. eBeam Projection works with any digital projector to turn any flat, rigid surface into an interactive, shared whiteboard. eBeam Whiteboard captures and records whiteboard notes to your computer and broadcasts them in real time over the internet to your colleagues or students. eBeam Complete is intended for those who need the features of both eBeam Projection and eBeam whiteboard in one package. All models are available with a bluetooth option for wireless connectivity, in addition to the standard USB wire.

GlobalCom Trade and Marketing Co. Ltd. has finalized a detailed business plan to deploy a Modified Wi-Fi network to cover Palestine. Technological and market experts consider this a daring initiative, especially in the Arab world. The network is the natural substitute for traditional telecommunication and internet service providers. The Wi-Fi network has many advantages, including being environment-friendly (employing safe microwaves to those in any TV remote control), high-speed and stable wireless Internet service, lower internet subscription fees, a barrier-free spectrum, and wide coverage (internet services will be provided to remote rural areas as well as major cities). The company raised over US\$3 million in private capital to start implementing a pilot project covering most major cities in the West Bank. Once the pilot project is implemented successfully, another US\$4 million will be raised to fully deploy a nation-wide network covering Palestine. The company plans to go public, selling its shares on the Palestine Stock Exchange by the end of the year 2008.



PITA Contributes to Workshop on Evaluating Information Technology Curriculum in Higher Education

On May 27, 2007, the Palestinian IT Association of Companies (PITA) participated in a workshop on "Evaluating the Information Technology Curriculum on Higher Education Institutions" organized by the Ministry of Education and Higher Education. General Manager of Jaffa.net Yahia Salqan emphasized the need to develop the IT curricula in institutions of higher learning to match the needs of the private sector in Palestine. He also said that Palestinian universities and Palestinian private companies should support each other, calling on the universities to end their competition with IT companies in training and software development.

PITA and the Donor Community

- PITA Chairman Ala Alaeddin and PITA Executive Director Ihab Jabari participated in an important meeting with different international donor associations at the World Bank's Dahiet al-Bareed offices on May 30. The meeting discussed various on-going projects and solicited feedback on major elements for inclusion in new development projects that will support the private sector. A number of Palestinian organizations representing the private sector stressed the need to include the resilience plan created by the Palestinian Private Sector Coordinating Council in the donor community's development plans as the best approach for aiding the Palestinian private sector.
- On May 8, 2007, the Palestinian IT Association of companies (PITA) along with other private sector representatives participated in a consultation meeting with the Department for International Development (DFID). The meeting emphasized the upcoming DFID program for assisting the private sector. PITA seeks to focus on developing the capabilities of member companies in all respects and requested clarifications as to the size of the small companies targeted by the program. PITA told the gathering that, by Western standards, all Palestinian IT companies are considered small. DFID officials promised to consider the private sector representatives' recommendations in creating the plan.



Telecommunications Liberalization in Palestine

Yahya al-Salqan,
President and CEO of Jaffa.Net Computer Systems

Telecommunications experts have all agreed that an important step towards promoting the development of communications services and Internet is to liberalize such services and introduce competition. This will attract investment, spur infrastructure improvements, and drive prices down. The question then must be answered, are we in Palestine interested in attracting investment and lowering consumer prices?

Some may think that liberalization of the telecommunications industry and the introduction of competition may affect the incumbent operators, which places a burden on them that forces them to resist change. Statistics show, however, that incumbents maintained more than 90% of the total market share after liberalization. One could argue then, wouldn't it be wiser to let go of control and take advantage of competition, which by all means produces more efficient and productive organizations?

According to worldwide best practices, telecommunications reform and the opening of markets to competition can be a win-win situation where all stakeholders gain: customers, incumbent and new operators, employees, domestic and foreign investors, and government.

Are we so wealthy a nation that telecommunications prices are insignificant or affordable? Are the current telecommunications services and offerings sufficient? Why we do not have wide access to wireless Internet for example? Why are most of our international calls made by relatives in the Diaspora, rather than originating with us in Palestine? Does the price have anything to do with this? Why does Palestine not feature voice over Internet (IP) companies and offerings? Why did it take us so long to introduce ADSL? It is clear that the introduction of these services adds money to the government treasury and creates more jobs.

We are not asking for the moon, or reinventing the wheel. Is it too much to ask to be like other countries in the world (Jordan, Egypt, Yemen, Syria, Lebanon, Sudan, Saudi Arabia, to name a few)? Simply put, we have learned from others that in order to liberalize the telecommunications market, the government, in partnership with the private sector, should establish an independent Telecommunications Regulatory Authority (TRA) to modernize telecommunication regulations and laws, widen licensing for telecommunications services, put interconnection guidelines into practice, provide price regulation, and publish clear policies on competition.

Must all this take place at once, or should we wait? We in the ICT sector have learned to become practical and pragmatic. The Ministry of Telecommunications and Information Technology is asked to act however it can to pave the way towards creating an effective TRA. Interconnection guidelines and widening the licensing of operators in order to provide more telecommunications services is easily done. These steps should have been taken before November 15, 2006, the date the exclusive license expired. Now they are overdue. Why wait any longer?!

PICTI Workshops

Workshop: Creating Web Applications Using VS 2005 and ASP.NET 2.0

On March 8, 2007, the Palestine Information & Communications Technology Incubator (PICTI) conducted a workshop entitled "Creating Web Applications Using VS 2005 and ASP.NET 2.0" in its premises in al-Bireh.

More than 15 persons from different organizations and companies interested in creating web applications attended the workshop.



PICTI IT Systems and Operations Manager Hasan Omar kicked off the workshop with an introduction on PICTI, its role and effort in advancing the informatics sector in Palestine by incubating projects, establishing new companies, creating job opportunities, and conducting related workshops.

Microsoft Certified Solution Developer Trainer Jihad Najajrah started his presentation by briefing the audience with an introduction to the .Net framework and ASP 2.0, what's new in VS 2005 and ASP.NET 2.0, the creation of web applications using the VS 2005 layout and master pages, themes and validation controls, how to access data in ASP.NET, securing web applicationa in ASP.Net and XML web services.

During the workshop, Mr. Najajrah discussed and answered all questions raised by the participants. At the end of the workshop, certificates were distributed to participants by Mr. Omar.



Workshop: Object-Oriented Software Engineering

On March 14th, 2007, the Palestine Information & Communications Technology Incubator (PICTI) conducted a workshop on "Object-Oriented Software Engineering" at its premises in al-Bireh.

More than 40 persons attended the workshop from various organizations and companies such as Birzeit University, Wajdi Institute of Technologies, Hulul Company & other public and private institutions interested in the subject under discussion.

PICTI IT Systems and Operations Manager Hasan Omar started the workshop by introducing PICTI and its goal of advancing the Palestinian informatics sector by incubating projects, establishing new companies, creating job opportunities, and conducting related workshops.

The workshop aimed at providing the audience with a brief introduction about Object-Oriented Software Engineering, deriving software requirements, the difference between functional models and design models, best practices for deriving functional and dynamic models of the system to be developed, and so on.

Teaching Assistant in Birzeit University's Computer Science Department Samer al-Zein began his presentation by giving the audience an introduction in software engineering, object-oriented analysis and design, the basics of analysis and design and related software myths. He also reviewed Unified Modeling Language (UML) - what it is and the related static model and dynamic model - requirement elicitation scenarios and use cases; requirement analysis in functional and dynamic models; object design using design patterns, principles, strategy, singleton, adapter, composite and command; as well as the software processes of waterfall, iterative development, and Rational Unified Process (RUP).

Students asked a number of questions during the workshop and were given a certificate of completion at the end of the session by Mr. Omar.

Workshop: Intellectual Property Rights



This workshop was held as part of the InfoDev program and the agreement signed between PICTI and PITA regarding Intellectual Property Rights (IPR), in which PITA's role is to assess the existing legal framework governing the procedures for registering patents and protecting IPR in Palestine.

PITA Chairman Ala Alaeddin announced that this IPR workshop is one of a series of workshops to be held with the goal of producing a policy position paper tackling this issue.

Head of the IPR Department of the Ministry of National Economy Ahmad Omar discussed the IPR issue in Palestine, relating that there is great misunderstanding about the concept of IPR in the Palestinian territories, even among those most concerned with the issue. The problems faced in tackling this issue are a lack of expertise and information even in the Palestinian justice system, he said.

Mr. Omar also said that, under the present circumstances, Palestinians have no domestic laws concerning IPR, and as a result the Palestinian market is characterized by chaos, piracy and forgery, especially in the area of author rights. Mr. Omar said it was imperative that such IPR laws be issued in the near future and that community awareness must be raised in coordinating with the Ministry of Education and Higher Education to incorporate the IPR issue into the Palestinian curriculum.

IPR Manager of Talal Abu Ghazaleh West Bank Branch Maen Naser stated that the IPR issue should be given the needed attention by related government parties. He also said that development in this area requires widening to take into consideration software and IPR, for example.

Another point of view was offered by Manager of Libraries, Manuscripts and Cultural Properties in the Ministry of Culture Sami al-Batrawi who said that the Palestinian Authority made few attempts from its inception to endorse laws regarding IPR. He also said that the attempt to pass an author rights law by the Palestinian Legislative Council also negatively affected the creation of a Palestinian National Library. Mr. Batrawi asked that other conferences and workshops be held on IPR, that the Ministry of Culture publish more informative bulletins and that a national committee be formed to manage the IPR issue.

During the workshop, several questions were raised by the attendees and answered by the three presenters.

PICTI EVENTS

PICTI @ the MENA-OECD

The Palestine Information & Communications Technology Incubator (PICTI) was selected to present its incubation model at the Middle East and North Africa Organisation for Economic Co-operation and Development (MENA-OECD) Enterprise Networking meeting in March 2007. PICTI General Manager Laith Kassis offered a presentation about PICTI governance, its mandate, the incorporation of a seed fund, client success stories, and recommendations. A power-point presentation was shown during the first session of the meeting.

PICTI also promoted its partnership with the private sector, as a stakeholder providing economically-viable models for universal access to information and value-added ICT services.

Also during the meeting, Mr. Kassis announced the formation of MENAInc and invited those interested to join the MENAInc Incubation Network.

PICTI took part in MENA-OECD Enterprise Financing Network actions and activities, emphasizing concrete multi-stakeholder deals, action-oriented partnerships, and joint programs and financing models.

Networking with multi-stakeholders in order to share knowledge and experiences and to build partnerships in the field of ICT towards developing plans of action for regional & global networks of organizations seeking to promote ICT-enabled innovation and entrepreneurship. PICTI has also shared its recommendations with the organizers.

PICTI is considering membership in the MENA-OECD under Non-Profit Organizations/Private Individuals (Category 5 of Membership Categories).

PICTI PARTICIPATION AT THE 21ST NBIA INTERNATIONAL CONFERENCE

As a member of the National Business Incubation Association (NBIA), the Palestine Information & Communications Technology Incubator (PICTI) was invited to participate in the 21st NBIA International Conference on Business Incubation which took place in Seattle, USA between March 31 - April 5th, 2007.

The event was an opportunity to explore an ocean of information and make new discoveries about incubation. PICTI representative Laith Kassis was most interested in learning about proven best practices, investigating the latest trends in areas such as angel investing, assisting women entrepreneurs, working with bioscience companies, funding incubator programs and creating cross-border partnerships.

Mr. Kassis' participation also provided him with an opportunity to learn about new modules of incubation, introducing him to the fundamentals of incubator development, best practices in incubator management, and tips from experts on the wide range of business assistance services that an incubator can offer, in addition to special topics in business incubation. Mr. Kassis also attended two of the pre-conference workshops: "The Fundamentals of Incubator Management" and "Serving Client Companies", in addition to six sessions on creating earned income, helping clients find the right price, preparing clients for angel investments, raising public and private funds, maximizing revenue potential and minimizing expenses, and tips on client mentoring.

PICTI at 4th MENAinc Workshop on Business Incubation in Middle East and Northern Africa

The Palestine Information & Communications Technology Incubator (PICTI) participated in the conference on business incubation network in the Middle East and Northern Africa (MENAinc) which took place in Tunisia from May 22 - 24, 2007.

Mr. Laith Kassis represented Palestine at the event, as well as representing PICTI and sharing the incubator's success stories, which include graduating start-up companies, a student internship program and the business plan contest launched under the infoDev grant.

All participants agreed on holding the coming 5th network in Bahrain. The group plans to network with the IDB, UNIDO, OECD, AGFUND, KFH and other institutions interested in funding innovation and incubation.

This network was founded during the 3rd MENA Conference held in Jordan at the beginning of 2007. PICTI was among the founding members of this network, represented by PICTI officials Laith Kassis and Hasan Omar. The membership of the network includes Palestine, Jordan, Bahrain, Tunisia, Libya, Syria, Iran and Morocco.

The network aims at encouraging all kind of initiatives that support the development of incubated companies. It provides services to these startups in incubators and technoparks by promoting them in new markets and facilitating access to financing.

The network also tracks and measures the success rate of incubators of the MENA region through sharing knowledge and experiences, good practices, and management skills and resources.

It's worth mentioning that the World Bank - InfoDev will be granting this network a sum of US\$140,000 and PICTI is to play a leading role in the marketing and incubation process, as well as studying the technical and training needs of the network in order to follow up and evaluate the performance of the incubated companies.

infoDev Program

Student Internship Program

In cooperation with the InfoDev program at the World Bank, the Palestine Information & Communications Technology Incubator (PICTI) completed the Student Internship Program for fresh graduates (2005-2006) in the Information & Communications Technology sector.

PICTI General Manager Laith Kassis says that the program was announced during PICTI's participation at Expotech Exhibition in the year 2006 and is a qualitative step towards building the capacity of fresh graduates and training these graduates practically in the discipline of software development in local IT companies. One of the additional advantages of this program is the networking process it allows and the introduction of talented fresh graduates to Palestinian companies already working in the ICT sector.

PICTI IT & Operations Manager Hasan Omar reported that, after contacting and coordinating with ICT sector companies (most of them members of PITA), PICTI received 29 applications from these companies outlining their need for additional human resources. PICTI has matched these requests with more than 200 applications from fresh graduates submitted through PICTI's Portal (www.picti.ps).

Mr. Omar also added that PICTI managed to employ a total of 13 employees in the West Bank and Gaza Strip in specialized areas of software development. PICTI will be splitting the cost of these new employees' salaries with the hiring company, providing a \$420 salary for each employee for a period of three months.

As for the rest of the graduate applications, PICTI shared the CVs of job seekers with similar job creation programs.



Business Plan Contest

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Furthermore, the contest's evaluation criteria and prizes were promoted in the local newspapers, on PICTI's website, and through technology special interest groups. Additional promotion activities included the conducting of several workshops at PICTI offices, and an-Najah and Bethlehem universities.

Twenty-six business plans were submitted to PICTI by the deadline on February 28, 2007. The business plans were independently evaluated. Judging was conducted by an independent panel of professionals and local experts in the fields of business, telecommunications, marketing, management and internet business models.

Eight teams were selected as winning entries. Three teams were named finalists in the 2006/07 Business Plan Competition, winning a total of US\$15,000 in cash prizes. Furthermore, one member of each of the runner-up teams was also awarded a trip to a regional ICT event in June 2007.

The winning teams were announced on Thursday, April 26, 2007 at an awards ceremony held at PICTI offices in al-Bireh. The ceremony was attended by distinguished guests from the public, donor community and private sectors.

In his opening statement, PICTI Chairman Jamil Daher advised that "the early design of the contest was intended to encourage innovative thinking and entrepreneurship among Palestinian students and professionals, leading to the introduction of ideas that can be used in business and industry. It was an innovative way to recognize Palestinian entrepreneurs

who have mature concepts for unique and innovative ICT products with market potential, and in time to nurture these ideas into profitable businesses." Mr. Daher also acknowledged that this contest was part of an effort to raise awareness about incubation and PICTI's mission to commercialize ideas and establish new SME in the IT sector.

Mr. Daher added that "start-up and early stage companies play a pivotal role in the future well-being of the ICT sector in Palestine, and this business plan competition provides an excellent way for existing and emerging entrepreneurs to participate."

PICTI General Manager Laith Kassis advised that "the culture and taboo of failure has to be ironed out. Learning from mistakes, the entrepreneur that fails twice will have a better chance of succeeding the third time. PICTI is in the business of nurturing and mentoring these entrepreneurs as well."

He continued on, saying, "The real value of creating a business plan contest is not in having the finished product in hand; rather, the value for entrepreneurs lies in the process of researching and thinking about a business in a systematic way. The act of planning helps an entrepreneur to research and look at an idea critically. Business plans may take time now, but they prevent costly mistakes later."

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Mr. Kassis introduced attendees to the process of financing new information technology start-up companies, while highlighting the challenge of covering the equity gap related to proof of concept and seed stages.

The winners presented new technology inventions. Two promising prototypes included a device that transforms sound waves to electrical charges that was developed by a physics student in her third year at Birzeit University. Another software prototype was the head recognition security system developed by another female graduate of the Jordanian tertiary system. PICTI's preliminary research indicates that these inventions are still under research and development in the West as well.

The business plan contest also introduced new innovations. These entrepreneurs introduced new ideas that would create a desired economic transformation either to products, business processes or services by increasing customer or producer value. The innovation was intended to make someone better off, as well as solve a problem in the market place that was identified by these entrepreneurs.

For example, new innovations were presented to affect economic change throughout the Palestinian stock market business chain by harnessing mobile technologies. Another idea promoted was the dissemination of education materials on flash cards based on Open Source Technologies.

Another business opportunity was presented by an existing entrepreneur seeking to develop a real estate management system for the growing real estate industry in the Gulf region. The entrepreneur even has some prospective clients lined up. Other areas of interest involved an early prototype of GIS software that works well as a planning tool with all levels of government. The award for best business plan presented went to innovations involving mobile technology platforms making video, voice and multimedia services more user friendly and convenient for end users.

Other innovative contributions did not win a prize, but should not go unnoticed. These included multimedia products on the history of Jerusalem and coaching in vocational training .

"Winners and non-winners alike will be asked to sign up for the pre-incubation program at PICTI for further business plan consultations and for the purpose of preparing investment briefs," PICTI Operations and IT Systems Manager Hasan Omar announced.

The 2006/07 Business Plan Contest Awards were sponsored by the infoDev program for incubation in developing countries. PICTI management will be soliciting new sponsors for future rounds of the contest.

PICTI CLIENTS

Yooyaland Launched in the Palestinian Market

The Palestine Information & Communications Technology Incubator (PICTI) has networked with one of its incubated companies, bringing it together for a period of 18 months with Hadara Company.

Alia Abu Shmeiss came to PICTI with an idea, a business plan and a completed PICTI application (available at www.picti.ps). At the incubator, her application went through the process of evaluation and was approved, resulting in an Incubation Agreement between the two parties. Immediately, PICTI began to provide Ms. Abu Shmeiss and her project with services to transfer her ideas on developing a high quality edu-tainment website addressing Arabic-speaking children and teaching through Internet technologies.

In addition to assisting with project financing; securing the needed space; technical services and support for computers and networking; domain registration and website hosting for testing purposes; administrative and legal services such as registering the company, developing trademarks, and consulting on legal issues and contracts development, PICTI also managed to recruit 10 technical staff members for the project. Their job was to transform interactive stories into reality and develop child-friendly cartoon personalities.

Periodically during the development process, testing was conducted to check the popularity of the cartoon personalities, including Yooya, Maha, Taha and Haj Fundoss. The development of these personalities relied on several key issues, including artistic creation and educational content contributed by the owner of the idea, which was then transformed into interactive stories using multimedia technology in sound and animation.

The energy invested by the team's editing, adding and deleting resulted in an enhanced quality investor-ready product. Throughout the life span of the project's incubation, PICTI's role was to encourage innovation and entrepreneurship by project employees in an attempt to elevate the product to high-quality standards.

One of the most important aspects that PICTI dealt with was the addition of diverse options to YooyaLand's Business Plan to integrate it with the Middle East environment in e-payment knowledge. In an attempt to attract investors, PICTI prepared several proposals for local and regional investors. With the assistance of PICTI General Manager, Ms. Abu Shmeiss managed to present the project to investors in Jordan and Palestine.

Yooyaland team was also given the chance to present the project at GITEX exhibition in Dubai and EXPOTECH exhi-

bition in Ramallah at PICTI's booth. The main objective of this participation was to observe visitors' interaction with the product, which showed that many people were interested in, particularly parents and their children. This project exemplifies PICTI's role in developing the Palestinian Micro, Small and Medium Enterprises (MSME) sector as a means for generate new jobs, attracting foreign investment and improving economic conditions in the Palestinian territories.

It's worth mentioning that this project could not have succeeded without Ms. Abu Shmeiss, who understood the commercial value of a unique idea, as well as how to make use of an institution like PICTI, which specializes in transforming ideas into real products and businesses.

In spite of the challenges that the project faced during its growth and incubation phases at PICTI, the results proved its ultimate value and success, especially in the final partnership between Yooyaland and Hadara Company.

More Clients: PICTI Signs Seven Pre-Incubation Agreements

PICTI designed and implemented the first Business Plan Contest in Palestine sponsored by the World Bank - InfoDev project. The objectives of this competition were directly driven by PICTI's objectives & mission statement:

- Encourage innovative thinking and entrepreneurship among professionals, students, and academia. Also, identify and support the technical, intellectual and managerial talent of young entrepreneurs as a potential backbone for a dynamic market for ICT products and services in Palestine.
- Bridge the gap with academia and facilitate the establishment of market-driven industry with university linkage initiatives.
- Channel these generated ideas into PICTI's pipeline of prospect tenants and also nurture and support the commercialization of ideas and enhance the development and growth of dynamic enterprises by incubating some of these ideas into profitable business ventures.

After the announcement of the Business Plan Contest during Expotech Exhibition in November 2006, PICTI management conducted several workshops on "Building a Business Plan."

As a result, 26 applications were received by February 28, 2007. During March 2007, these applications were evaluated

against the following pre-set criteria included in the evaluation matrix by the evaluation panel: Product, Business Model, Entrepreneur, Innovation and Feasibility, and Financial.

Seven applications passed the first phase of evaluation and to date six pre-incubation agreements have been signed. These projects are: "I-deal Stock" submitted by Basem Hadaydi which incorporates sms technology with the stock exchange; "Real Estate Management System" by Al-Andalus Software Company; "Diskl" by Hanna Kreitem and Maysara Abdulhaq, which is an open source e-learning product; "LandVision for GIS System" by Mohammad Qalalweh and Mohammad and Mahmoud Sudqi; "e-Coaching" by Majed Ayyad, and "Speed Link" e-commerce portal by Abdallah Omar.

Based on the services and tasks agreed-upon between PICTI and clients in their pre-incubation agreements, PICTI has already begun providing services to these projects such as training in developing a presentation, financial models, and investment briefs.

As a first step, a workshop dedicated to these clients was conducted at PICTI on Tuesday May 29, 2007 as part of PICTI services. PICTI General Manager Laith Kassis coached the clients by reviewing with them the required documents to be filled out with the assistance of PICTI. A fully-equipped space in PICTI's pre-incubation area was assigned for each of these projects.

By the end of the pre-incubation period and based on the results of the research completed, a final decision will be made concerning the prospective incubation of each project.



Palestine Information & Communications Technology Incubator
الحاضنة الفلسطينية لتكنولوجيا المعلومات والاتصالات

Expotech 2007 The Palestine ICT Exhibition

Expotech: The Palestine Information and Communication Technology (ICT) Exhibition is recognized nationwide as the largest and most professional exhibition in Palestine. For the fourth consecutive year, ExpoTech demonstrates innovative solutions, equipment and services developed locally and internationally.

Thousands of visitors from all over Palestine visit the only ICT exhibition in Palestine. Business people, ICT professionals, ICT professors are among the 20,000 regular visitors of the exhibition.

ExpoTech offers exhibitors the right marketing channel to reach a wide spectrum of decisionmakers in the Palestinian areas including ICT specialists, businesspeople, and managers from numerous economic sectors. The exhibition is the right channel to deliver a targeted message about your product to the ICT community in Palestine and to increase the value of your company's brand and image. The exhibition is the right venue for building a solid commercial relationship with new customers.

ExpoTech is the only yearly forum for discussing the latest technologies with ICT experts in Palestine and a focal point for establishing new relations with the private and public sector, including senior government officials and major Palestinian companies.

ExpoTech is the only place where you can meet your customers in the Gaza Strip - live. Expotech utilizes the best technology available to allow visitors from Gaza Strip who are not permitted by Israel to travel to Ramallah city to visit the exhibition through scheduled virtual interactive tours.



Join us in shaping the future of ICT in Palestine
For more information, please contact hiba@pita.ps

PITA Overview

The Palestinian Information Technology Association (PITA) was founded in early 1999 in Ramallah, Palestine as a membership-based organization for domestically-registered companies in the ICT sector. The association represents 75 companies from various sub-sectors including hardware distributors, software development firms, office automation vendors, Internet service providers, telecommunications, ICT consulting, ICT training and related businesses.

Our Purpose

To represent the collective interests of the private IT sector in Palestine

Our Vision

To lead the positioning of the ICT sector as the economic pillar of Palestine

Mission Statement

- To promote and defend the private ICT sector by Advocating business-enabling policies, mechanisms and environment through public/private partnership.
- Promoting the Palestinian ICT sector locally and internationally by facilitating access to markets that benefit PITA members
- Engaging the technical and non-technical ICT human resources and related institutions in-order to expand the pool of qualified ICT sector personnel and uphold its professional standards

PITA Contact Information

Al-Sheikh Commercial Tower, 4th floor, Al-Quds St.
Al-Bireh, Palestine - P.O.Box 2460
Tel: +970-2-2408478
Fax: +970-2-2408479

Bank of Palestine Building, 9th Floor Remal, Gaza - Palestine

Tel: +970-8-2881110
Fax: +970-8-2881110
E-mail: info@pita.ps

Website: www.pita.ps

PICTI Overview

Mission Statement: PICTI's mission is to design, develop and implement initiatives that will lead to the creation of innovative entrepreneurial enterprises focused on ICT. Key competitive advantages of PICTI include its governance structure that provides access to economic clusters, its dedicated staff with incubation know-how, its clients, and an initiative underway to structure a seed fund for the benefit of pre-revenue start-up companies incubated at PICTI. PICTI aims to develop the Palestinian Micro, Small and Medium Enterprises (MSME) sector as a means of generating new jobs, attracting foreign investment and improving the economic situation in the Palestinian territories.

Strategic Objective: Political uncertainty and difficult economic conditions continue to severely impact the ability of Palestine's ICT sector to efficiently, effectively, or competitively gain access to markets for its goods and services. The specific actions required to overcome these impediments will be a key focus of PICTI in the design, development, and implementation of the ICT sector support infrastructure to be established. PICTI will craft promotions and marketing strategies that will separately and uniquely focus on the development of, and access to, business opportunities in regional and international markets for Palestinian ICT firms. But most importantly, PICTI will identify and support the technical, intellectual and managerial talent of young entrepreneurs who can become the backbone of a dynamic export market for ICT products and services in Palestine.

Global Market Focus: PICTI utilizes a diverse network of industry professionals that will help identify and assess future ICT development trends where high-value-added regional and/or international niche markets will emerge. Within these niche technology applications, it will be necessary to identify those that will be applicable to a wide cross section of industry sectors and that will maintain strong, sustainable growth acceleration into the future. The Incubator will work closely with its client firms to channel and focus their entrepreneurial zeal and technical talent into developing those expertise required for successful entrée into these valuable niche markets.

PICTI Partners: A partnership agreement between the founding partners, PITA, Palestine Banking Corporation (PBC), and PalTrade, resulted in the establishment of PICTI. USAID funded PICTI operations for three years, with this support expiring on September 29, 2006. Paltel Group replaced the PBC as of November 2006.

PICTI Contact Information

Al-Sheikh Commercial Tower, 4th floor, Al-Quds St.
Al-Bireh, Palestine - P.O.Box 54807
Tel: +970 2 240 9290
Fax: +970 2 240 9294
www.picti.ps info@picti.ps

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