



Doing Business in the West Bank & Gaza

2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business in the West Bank & Gaza

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Market Overview

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Ample opportunities for doing business exist within the Palestinian market, despite the unique challenges present in the West Bank and Gaza. While economic restrictions exist in both geographic areas, the economies of the West Bank and Gaza have gone in different directions since the Hamas takeover in Gaza in 2007. The subsequent imposition of restrictions by Israel on the type of goods that enter the Gaza Strip has made it very difficult to enter the market there. The West Bank economy, on the other hand, showed a significant growth rate in 2011 (10.7%) that was followed by a decline in 2012 (5%), due largely to the suspension or diminishing of donor aid, and to Israel's temporary suspension of the transfer of the Palestinian Authority (PA)'s customs and VAT revenues, which Israel collects on behalf of the PA.

- In 2012 the GDP of the West Bank and Gaza (WB/G) reached an estimated \$10.30 billion with \$7.70 billion in WB and \$2.6 billion in Gaza.
- In 2012 the Palestinian population was 4.29 million with 2.65 in the West Bank and 1.64 million in Gaza.
- Despite relatively low incomes, there is a sizeable middle/upper-middle class in the West Bank and Gaza. The West Bank and Gaza boast one of the highest per capita rates of university graduates in the Arab world. Palestinians have a long-standing tradition of spending generously on higher education, regarded as an asset.
- In 2012 Palestinian imports of goods and services reached \$3.83 billion, and exports were \$739.1 million. West Bank and Gaza imports come mostly from Israel, Turkey and China; imports from Jordan have risen in recent years.
- The Palestinian market relies heavily on Israel as a trading partner; it accounts for 72% of total Palestinian imports and 90% of Palestinian exports. Business people within the West Bank are eager to diversify the number and location of their trading partners.
- In 2012, imports from the U.S., both direct and indirect, were estimated by the U.S. Commercial Service at \$200 million.
- The information technology sector is a growing area of the Palestinian market, as are cellular and landline telephone services. Palestinian stone and marble exports have remained strong, in particular to the United States. The handicraft market has begun to expand into export markets for a range of products.

- International donor investment in basic and social infrastructure in West Bank and Gaza will continue to present opportunities for U.S. contractors. From 1994 through 2010, the U.S. Agency for International Development (USAID) has provided more than \$4.2 billion in economic assistance to Palestinians living in the West Bank and Gaza. However, donor investments on the whole have been declining.

Market Challenges

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- The [Second Intifada](#) that began in the fall of 2000 significantly damaged the West Bank and Gaza economic and commercial environment. Movement of goods into and out of Palestinian markets has been since heavily restricted.
- The June 2007 takeover of the Gaza Strip by Hamas has resulted in the closure of borders with Israel and the cessation of most trade between Gaza and the outside world, including the West Bank. Recently, more goods, including new vehicles, are flowing into Gaza due to an easing of Israeli restrictions.
- Commercial law differs between the West Bank and Gaza. In the West Bank, Jordanian and Ottoman laws typically apply, while in Gaza it is usually Egyptian or British Mandate laws.
- The West Bank and Gaza remain highly dependent on Israeli supplies and export opportunities. All Palestinian exports must go through Israel or Israeli-controlled checkpoints. Recently, Israel has allowed the export of limited quantities of agricultural produce and flowers from Gaza to Europe through Israeli marketing channels.
- The falling U.S. dollar exchange rate has reduced the real value of remittances from abroad; current exchange rate for \$1 to New Israeli Shekels (NIS) is about NIS 3.70 versus NIS 4.30 four years ago. However, this has made American-made products more competitive.
- The [Israeli Standards Institution](#) (ISI) adopts mostly European Standards and can delay shipments into Palestinian markets by requiring lengthy standards testing on products entering the West Bank and Gaza. The [Palestinian Standards Institute](#) plays a minor role because the Palestinian Authority has no control over the borders and cannot apply Palestinian standards on imports entering its areas.

Market Opportunities

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- Infrastructure development, both donor and privately financed, is on the rise in the West Bank.
- Projected major projects include an electric power generation plant and a national electricity distribution company in the West Bank; expansion of telecommunications infrastructure and services; sanitation upgrades and expansion, waste disposal, and water services; and road upgrades.
- Expected future demand for private housing construction for middle and lower-middle-income families is expected to rise. There is a growing trend toward building large commercial and multi-story residential buildings. One new project, “Rawabi,” is under construction north of Ramallah, while another commercial and residential project, “El Ersal,” is in Ramallah.
- Expansion can be expected in the local production of processed foods, olive oil, pharmaceuticals, textiles, hardware, wood and cane furniture, plastics, and housewares. Construction inputs, such as cement and steel products, also could see heavier demand.
- Franchising and distributorships are popular, with the best prospects in fast food.
- Imports of healthcare products, such as medical equipment and disposables, are increasing due to international donor support.
- [See Best Prospects, Chapter 4](#)

Market Entry Strategy

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- Market entry is usually best through local agents. PA regulations require foreign companies to establish local agents and distributors in the West Bank and Gaza. U.S. firms selling goods to Israel through an Israeli agent or distributor are strongly encouraged to sign up separate Palestinian agencies and distributorships for the Palestinian markets in order for U.S. firms to benefit from local contacts and cultural knowledge of the market.
- The U.S. Commercial Service (CS) in Jerusalem provides U.S. companies with marketing services, such as the International Partner Search and Gold Key Matchmaking Service. For more information on these services and our other programs and trade promotion services, please visit our CS website at <http://export.gov/westbank/>.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

The following is the link to the Background Notes for Israel, which contains relevant information on the West Bank, Gaza and the Palestinian Authority:

<http://www.state.gov/r/pa/ei/bgn/3581.htm>

State Dept. link for the Palestinian Territories:

<http://www.state.gov/p/nea/ci/pt/index.htm>

The Quartet, set up in 2002, consists of the United Nations, the European Union, the United States and Russia. Its mandate is to help mediate Middle East peace negotiations and to support Palestinian economic development and institution-building in preparation for eventual statehood.

Office of the Quartet Representative (OQR)

<http://www.quartetrep.org/quartet/>

OQR Report – 21 March 2012

<http://unispal.un.org/UNISPAL.nsf/47D4E277B48D9D3685256DDC00612265/A856FDBC8FBE10CC852579C8006519C4>

Major Economic Trends and Outlook

The World Bank: [West Bank & Gaza](#)

The World Bank: [Doing Business in the West Bank and Gaza](#)

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Using an Agent or Distributor

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Many American companies have reoriented their marketing efforts to acknowledge the Palestinian market as culturally, economically, and commercially distinct from the Israeli market. The U.S. Commercial Service in Jerusalem strongly encourages American exporters wishing to market their goods in the West Bank and Gaza to use local Palestinian agents and distributors.

Using local agents and distributors may allow U.S. firms to maximize their sales exposure to the local market by taking advantage of linguistics/cultural expertise and local connections. Also, since Palestinian agents and distributors typically demand a considerably smaller profit margin than Israelis, American products may be able to enjoy some additional benefits. Palestinian Authority (PA) regulations in fact require foreign companies selling goods in WB/G to operate through a PA-registered local direct importer, distributor, or agent.

There are numerous small and mid-sized West Bank and Gaza distributorships available for U.S. food products, household products, computer and telecommunications equipment, medical supplies, and pharmaceuticals.

Local distributors now import goods on their own and carry limited stocks sufficient to satisfy immediate needs, and maintain their own sales organizations. When concluding a representation agreement, U.S. companies should include the following elements:

- Contract duration;
- Exclusivity (if applicable);

- Compensatory amount as a function of contract duration, in case of termination of exclusivity;
- Promotional input by agent and volume of sales; and
- Dispute settlement mechanisms, if possible.

The U.S. Commercial Service (CS) at the U.S. Consulate General in Jerusalem offers a variety of promotional services and programs, including company-to-company matchmaking services; single company promotions, the Featured U.S. Exporter (FUSE) service, and company background check services. CS Jerusalem also provides information about local “Business Service Providers” that may be of interest to U.S. exporters and visiting American executives. These services are described in detail on the Commercial Service/Jerusalem’s website: <http://export.gov/westbank/servicesforu.s.companies/index.asp>

[Business Service Providers](#)

Establishing an Office

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Given the complexity of jurisdictional authority between the Palestinian Authority and Israel, U.S. businesses should work closely with local partners and the U.S. Commercial Service at the U.S. Consulate General in Jerusalem.

Foreign companies wishing to conduct business in WB/G have the same registration requirements as locally established companies. They must file copies of both their certificate of incorporation and memorandum and articles of association, all authenticated by the registrar of companies located where they are incorporated. These documents must be translated into Arabic. Registration fees for foreign companies are not the same as those for locally established companies.

All new WB/G commercial enterprises must register with the Ministry of National Economy and the Ministry of Finance, and open income tax and Value-Added Tax (VAT) accounts.

For assistance with authentication of company documents and agreements, please contact Commercial Specialist Issa Noursi at Issa.Noursi@trade.gov or phone: +972-2-625-5201.

Franchising

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The number of direct franchises is still small; one U.S. fast food franchisor – Checkers – opened in WB in 1999; Coca-Cola has a bottling plant in Ramallah; Pepsi has one plant in Gaza; in 2012 KFC, Pizza Hut, and Domino’s Pizza opened their first restaurants in Ramallah, and Bethlehem.

A niche market exists for franchisors of fast food restaurants, automotive supplies and service, hardware, garments, electronic equipment, and office supplies. Palestinian business people generally prefer to have a direct franchise agreement with the parent company and not through the Israel franchisee.

Keys to successful franchising in the West Bank include cost competitiveness in relation to comparable items, brand recognition, strong management and marketing, and initial and ongoing training programs. To be able to succeed in the Palestinian market, fast food franchisors have to take into consideration the cultural and dietary customs of the general population; for example, neither alcohol nor pork meat or its byproducts, like gelatin, are acceptable, and only halal meats can be used. It is also very helpful if food products, such as chicken and beef, are sourced locally.

U.S. companies that want to develop local franchising arrangements should contact Commercial Specialist Issa Noursi at Issa.Noursi@trade.gov or phone: +972-2-625-5201.

Direct Marketing

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The Ramallah-based Coca-Cola bottling franchise and UNIPAL, a Palestinian company that imports American-made products from major U.S. companies like Phillip Morris, and Procter and Gamble, have introduced direct marketing in the West Bank. Other local companies are also following this new trend. Printed flyers and ads in local newspapers and TV stations are heavily used. Telemarketing and Internet are on the rise with the ever-increasing number of fixed-line owners.

Joint Ventures/Licensing

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Palestinian businesses in the West Bank are eager to develop joint-venture arrangements. Larger local companies, particularly those with export experience, may be reliable partners for U.S. companies. Several small-scale joint ventures with U.S. companies currently operate in the West Bank, and discussions on a few larger collaborations are in progress. The 1998 "Investment Law," which applies to both foreign and local businesses, establishes certain tax breaks and financial incentives for investments in specific industry sectors.

Selling to the Government

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It is possible to sell to the Palestinian Authority. Please carefully review the latest Treasury/OFAC Guidance on transactions with the Palestinian Authority, dated May 14, 2013 at the web link below:

http://www.treasury.gov/resource-center/sanctions/Programs/Documents/plc_gl7a.pdf

Distribution and Sales Channels

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The WB/G population is heavily concentrated in the four major towns of Nablus, Ramallah, Jenin, and Tulkarem in the northern part of the West Bank, and in Bethlehem and Hebron in the southern part, and in or near the urban centers of Gaza City and Khan Yunis in the Gaza Strip.

The area has no indigenous ports or freight-handling airports, so goods must transit Israeli, Jordanian, or Egyptian ports. The PA and the governments of Israel, Egypt, and

Updated: 6/12/2013

Jordan have concluded agreements to allow goods across the Allenby Bridge from Jordan into West Bank markets and through the Rafah Crossing from Egypt into Gaza, but the Rafah crossing has not been open for commercial goods since February 2007.

Delays for products entering or exiting WB/G are common, due in large part to Israeli security checkpoints or burdensome Israeli Government inspection procedures. While most products previously entered and exited Gaza through the Erez/Beit Hanoun or Karni/al-Mintar checkpoints, the Government of Israel has now closed them. All commercial goods can only enter Gaza through the Kerem Shalom checkpoint.

Wholesale channels and generic sales are not well developed. We expect these channels to expand over the next several years, as they have in the neighboring Israeli market.

U.S. companies are strongly advised to work with local clearing agents to expedite goods through the customs-clearance process. Currently, only Israeli firms are licensed as customs-clearance agents. The U.S. Commercial Service routinely assists in expediting delayed or blocked U.S. shipments into Palestinian markets.

Selling Factors/Techniques

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U.S. businesses should note the influence of a comparatively large, formerly U.S.-based Palestinian community, which has transferred American consumer preferences and buying habits to the West Bank. These cultural and consumption links are important factors in local Palestinian knowledge of American products. Although price is critical for successful sales in WB/G, local purchasers increasingly seek American quality, particularly for computers, electronic equipment, and consumer items.

Electronic Commerce

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Given the existence of a good telecommunication infrastructure, established banking system, and advanced IT applications that guarantee Internet security, the E-Commerce market in the West Bank and Gaza, has significant growth potential. The major telecommunication company, Paltel, has introduced e-payment services that allow customers either to delegate to a bank the responsibility of electronically paying their bills or to directly pay online using their own credit cards. Electronic commerce in the Palestinian handicraft industry has also developed, especially in Hebron, where wholesalers sell Palestinian pottery online. According to reports issued by the Palestinian Central Bureau of Statistics, 28.5% of establishments that have access to the Internet in the West Bank and Gaza have conducted e-commerce transactions in 2011.

Trade Promotion and Advertising

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- U.S. products face stiff competition from European, Israeli, and locally-made goods; however, interest in American-made products has increased due to the fall in the U.S. dollar exchange rate against the shekel.

- Competitively-priced U.S. brand names are popular, particularly with well-to-do Palestinian consumers, and many American brands of processed food are coming from the UAE.
- Most advertising is done through local Arabic newspapers, although an expansion of advertising through newly established Palestinian radio and television stations is possible. A few companies have begun billboard advertising, which should expand over the next few years. Advertising in the West Bank is comparatively cheap by world standards and prime-time Palestinian radio time costs about \$35 per minute.
- Major Arabic Daily Newspapers:
 - [Al Quds](#)
 - [Al Ayyam](#)
 - [Al Hayat Al Jadida](#)
- Local Television Station (All PA):
 - [Palestinian Broadcasting Corporation PBC](#)
- See Commercial Service websites for trade promotion services:
 - <http://export.gov/westbank/>

Pricing

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Price is a major factor affecting purchasing decisions by Palestinian companies and consumers. U.S. companies may want to gain market share by introducing products into the Palestinian market at locally competitive prices. All business transactions in WB/G are subject to VAT at the current rate of 16%.

Most goods are sold in small “mom & pop” retail outlets. Local consumers are price-conscious, although upper-middle class consumers prefer American brand names. Moreover, even with shipping costs, American-made consumer products are sometimes cheaper than relatively high-priced, comparable Israeli items currently being sold in Palestinian stores.

Sales Service/Customer Support

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Both after-sales service and customer support are important in the WB/G market. They are strong selling points for U.S. goods, as well. However, competitive pricing will remain the key to building a customer base.

Protecting Your Intellectual Property

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While the West Bank does not have a modern intellectual property rights (IPR) regime in place, it is even less developed in Gaza. The respective authorities are well aware of the problem and are beginning to address the issues involved. The World Bank and other international donor organizations have developed and are conducting programs to promote awareness of the financial and trade benefits to be derived from observing IPR standards. The legal regime with regard to IPR can be expected to change in the future,

as several donor countries and the World Bank are currently assisting in the development of modern IPR laws.

Protecting Your Intellectual Property in the West Bank and Gaza:

Several general principles are important for effective management of intellectual property (“IP”) rights in the West Bank and Gaza. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in the West Bank and Gaza than in the U.S. Third, rights must be registered and enforced in the West Bank and Gaza under local laws. Your U.S. trademark and patent registrations will not protect you in the West Bank and Gaza. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, essentially, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the West Bank and Gaza market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in the West Bank and Gaza. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in the West Bank and Gaza law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines, such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the West Bank and Gaza require constant attention. Work with legal counsel familiar with West Bank and Gaza laws to create a solid contract that includes non-compete clauses and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-sized companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both West Bank and Gaza or U.S.-based. These include:

- [The U.S. Chamber](#) and local [Palestinian-American Chamber of Commerce](#)
- [National Association of Manufacturers](#) (NAM)
- [International Intellectual Property Alliance](#) (IIPA)
- [International Trademark Association](#) (INTA)
- [The Coalition Against Counterfeiting and Piracy](#) (CAPC)
- [International Anti-Counterfeiting Coalition](#) (IACC)
- [Pharmaceutical Research and Manufacturers of America](#) (PhRMA)
- [Biotechnology Industry Organization](#) (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the U.S. and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the [U.S. Patent and Trademark Office](#) (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the [U.S. Copyright Office](#) at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.
- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: http://www.abanet.org/intlaw/intlproj/ipprogram_consultation.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.
- The current U.S. Department of State officer who covers IP issues in the West Bank and Gaza: Steven Bitner [BitnerSR@state.gov].

Due Diligence

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U.S. companies can avail themselves of the U.S. Commercial Service's International Company Profile service to check on potential local partners.

See: <http://export.gov/westbank/>

Local Professional Services

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U.S. companies should also seek professional legal and/or accountancy advice whenever engaged in complicated contractual arrangements in WB/G. These activities include establishing an office, investing, or applying for IPR registration. Please contact Assad.Barsoum@trade.gov for more information. There are three International accounting firms in WB/G: [Ernst & Young](#), [PriceWaterhouseCoopers](#) and [Deloitte Touche](#).

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[Al Quds Newspaper](#)
[Al Ayyam Newspaper](#)
[Al Hayat Al Jadida Newspaper](#)
[Arab Palestinian Investment Company \(APIC\)](#)
[CARE International West Bank/Gaza](#)
[Federation of Palestinian Chambers of Commerce](#)
[Palestinian American Chamber of Commerce](#)
[Palestinian Economic Council for Development & Reconstruction \(PECDAR\)](#)
[Palestinian Information Technology Association \(PITA\)](#)
[Palestine Investment Fund](#)
[Palestinian Monetary Authority](#)
[Palestine International Business Forum](#)
[Palestine Trade Center \(PALTRADE\)](#)
[Palestine Development & Investment Company \(PADICO\)](#)
[Palestine Exchange](#)
[Palnet Communications](#)
[Palestine Cellular Communications \(JAWWAL\)](#)
[Palestine Telecommunications Company \(PALTEL\)](#)
[Standards Institution of Israel](#)
[USAID West Bank and Gaza](#)
[United Nations Development Program \(UNDP\)](#)
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Franchising (FR)

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The number of direct franchises is still small, with one U.S. fast food franchisor – Checkers – opening in the West Bank in 1999. Coca-Cola has a bottling plant in Ramallah, Pepsi has one in Gaza, and in 2012 KFC, Pizza Hut, and Domino's Pizza opened their first restaurants in Ramallah and Bethlehem. In addition, several Palestinian companies are in advanced negotiations for master franchises with a number of American fast food companies.

A niche market exists for franchisors of fast food restaurants, hardware, garments, electronic equipment, and office supplies. Palestinian business people generally prefer to have a direct franchise agreement with the mother company and not through the Israeli franchisee.

Keys to successful franchising in the West Bank include cost competitiveness in relation to comparable items, brand recognition, strong management and marketing, and initial and ongoing training programs. To be able to succeed in the Palestinian market, fast food franchisors have to take into consideration the cultural and dietary customs of the general population; for example neither pork meat nor its byproducts like gelatin and alcohol are acceptable, and only halal meats can be used.

U.S. companies that want to develop local franchising arrangements should contact Commercial Specialist Issa Noursi at Issa.Noursi@trade.gov or phone: +972-2-625-5201

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Fast Food

Opportunities

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Excellent opportunities exist for fast food chains that serve hamburgers, fried chicken, donuts, and pizza.

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[National Beverage Company](#)

Telecommunications Equipment (TEL) & Computers/Peripherals & Business Equipment (CPT/BUS)

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The Palestinian Information and Communication Technology (ICT) sector employs around 5,300 individuals in 250 ICT companies in the West Bank and Gaza. All types of ICT companies exist, including: computer hardware, office equipment importers, software development houses, business consulting services, Internet Service Providers, and fixed and wireless telecommunication providers. The total ICT market size is estimated at \$500 million. The sector contributes around 10% of GDP and has an estimated 25% annual growth rate.

The telecommunications sector was privatized in 1997 with the establishment of Paltel-the Palestine Telecommunications Company as the fixed line operator in the West Bank and Gaza. In 1998, Jawwal was established as the first Palestinian cellular company. In 2009, Wataniya Mobile entered the market as the second mobile operator in the West Bank only. In addition, 15 VoIP companies and broadband service providers have recently entered the West Bank. Currently, Paltel has 400,000 fixed-line subscribers, Jawwal has 2.5 million mobile subscribers, and Wataniya Mobile has 500,000 subscribers.

Internet serves as an important communication tool within the West Bank and Gaza and with the outside world. In 2011, 55% of young Palestinians aged 15-29 used the Internet. Most of Palestinians use the Internet for knowledge, scientific research, studying, business-to-business activities, and entertainment.

The percentage of Palestinians in the West Bank and Gaza who owned a computer in 2012 was estimated at 51%. Most of the computer hardware companies import directly from international vendors. Exports are limited to software, research and development, and outsourcing services. Some software companies have outsourcing projects for regional and international companies.

The Palestinian ICT sector is represented by the Palestinian IT Association of Companies (PITA); a membership-based non-for-profit organization. With 130 members, representing 43% of the ICT sector, PITA has been very active in representing the interests of its members, developing the Palestinian ICT sector, and increasing partnerships between the public and private sectors.

Interested U.S. ICT companies should contact Senior Commercial Specialist Assad Barsoum at Assad.Barsoum@trade.gov or phone: +972-2-625-4742.

Sub-Sector Best Prospects

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Best prospects exist for U.S. exporters of microwave networks, computer hardware and software, computer networking equipment, laptops, servers, LCD/LED monitors, photocopiers, printers, video conferencing equipment, mobile phone applications, Internet content providers and gaming developers. Also, good prospects exist for U.S. exporters of VoIP equipment and applications.

Opportunities

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With an educated workforce, including in software engineering and other related ICT fields, excellent opportunities for investment, partnerships, sales, and back office operations exist in both the West Bank and Gaza. With the movement of software unhindered by the Israeli restrictions that affect the transfer of physical goods, commercial activity in this sector represents a focus of the Palestinian Authority, the private sector, and Palestinian educational institutions.

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Processed Food (FOD)

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Although many food products in the West Bank and Gaza are imported from Israel, they are relatively expensive. Palestinian consumers know American brands and have traditionally been willing to pay for good quality and internationally recognized names. In 2011, Palestinian household expenditures on food averaged 34% of disposable income. According to the Palestinian Central Bureau of Statistics, the processed foods sector accounts for 24% of all manufacturing industries, has a total market size of \$520 million, and employs more than 12,000 employees.

Processed food is one of the most rapidly developing sectors of the Palestinian economy. The broad range of the sector's basic products, as well as quality improvements to meet international standards and requirements, are enhancing the sector in the local market and increasing the export capacity of local producers. The potential for U.S. processed food exports is very promising.

The [Palestinian Food Industries Association](#) (PFIA) represents 185 companies in the West Bank and Gaza. PFIA assists local food producers in improving and promoting locally manufactured products, providing management and marketing training, and assisting them in expanding exports to regional and international markets.

Sub-Sector Best Prospects

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Best prospects exist for U.S. exporters of cereals, baby formula, condiments and sauces, juices, canned fruits and vegetables, cheeses, confectionaries, and powdered soups.

Opportunities

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Good opportunities exist for U.S. exporters of snack foods, cereals, baby formula, condiments and sauces, canned fruits and vegetables, cheese, dried fruits, tea and instant coffee, confections, rice, sugar, almonds, walnuts, and powdered soups. Excellent opportunities exist as well for U.S. exporters of corn, soybean, and sunflower oils.

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For more information about the Palestinian food sector, contact Senior Commercial Specialist Assad Barsoum at Assad.Barsoum@trade.gov or phone: +972-2-625-4742.

Building Materials/Construction Equipment (BLD/CON)

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The building and construction industry is one of the leading economic sectors in the West Bank. Home building and property ownership are considered to be prime investment opportunities for Palestinians in WB/G. The sector recorded the highest growth at 37% during 2010 in the West Bank and accounted for around 70% of total investments in 2011. Real estate investments range from developing and parceling of lots to construction of residential and commercial buildings. In Gaza this sector has faced numerous difficulties since Hamas took over in 2007 and Israel imposed an embargo on the flow of basic construction and building materials such as cement, steel, stones and gravel. This diverted the import of construction material from licit above-ground trade to illicit trade through Egypt-Gaza tunnels.

In the WB this sector has witnessed a boom in the past several years, with numerous private housing projects under way - most notably the Rawabi town project, the first ever planned city to be built North of Ramallah city in the West Bank.

Over the past 30 years, the growth rate in the home construction sector lagged behind the 3.9% population growth rate. Demand for housing also grew after the return of expatriate Palestinians soon after the Oslo Peace Agreement. Home construction amounts to around 57% of total construction spending. Construction of office buildings also increased, spurred on by demand from newly established local companies and the Palestinian Authority, which started renting out premises for its different ministries and agencies.

Preferences in home ownership are for individual homes with large spaces, while living in apartment buildings is the least desirable; however, this trend will likely change given the scarcity and high price of land. The average size of a Palestinian family in the WB/G is six persons. In Gaza, however, because of the scarcity of land, the trend has been to build high-rise office and apartment buildings.

The private sector leads the construction sector, and the boom in construction building over the past few years has resulted in an oversupply of nearly five thousand apartments that are unsold in the city of Ramallah alone, while outstanding real estate loans amount to \$500 million. The boom came as a result of increased demand for apartments, spurred by higher rents and the movement of people from villages to towns and cities. On the other hand, the public construction sector is facing contraction because of the Palestinian Authority's inability to pay contractors due to diminishing donor support.

Stone is used in construction in the WB/G because it is readily available and cheaper than wood; also, climatic conditions make wood less desirable as the winter season is relatively short and mild and hot weather prevails throughout most of the year. Lumber is imported and used to make doors, furniture, and kitchens. Other sector imports include steel, cement and aluminum profiles and glass, heavy equipment and machinery used in construction, and elevators.

For more information, please contact Commercial Specialist Issa Noursi, at Issa.Noursi@trade.gov. or phone +972-2-625-5201

Sub-Sector Best Prospects

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Aluminum profiles, glass, elevators, escalators

Opportunities

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The Rawabi project provides opportunities for American companies with expertise in urban development and construction form works methods (mass construction systems).

Another project, Al Ersal in the city of Ramallah, is a \$250 million joint venture between the Palestinian Investment Fund and the Saudi-based Land Holdings (a member of Al Rajihi Investment Group). Al Ersal will include residential, commercial, hotel, retail and office spaces.

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[Rawabi
Palestine Investment Fund](#)

Furniture (FUR)

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The Palestinian furniture market is estimated at \$150 million. Although only small quantities of American wooden furniture have so far been imported into the West Bank and Gaza, its competitive pricing and good reputation for quality bode well for higher volume sales, especially for home furniture. Although American home furniture is relatively more expensive than other imported or locally-made furniture, Palestinians appreciate its durability, appearance, and quality.

In the West Bank, demand for American furniture is high among Palestinians in the upper and upper-middle classes and among the significant percentage of young Palestinians who have lived in the U.S. and who tend to favor American products in general. Palestinian consumers in the upper and upper-middle classes prefer wood species like cherry, mahogany, and maple. Oak is also a common choice, if the finish is light and shiny in appearance. Furniture textiles are displayed in a large variety of materials and colors.

A large number of wooden furniture workshops in the West Bank and Gaza, especially in Nablus and Gaza, produce standardized furniture that is inexpensive to manufacture. At present, there are specific market niches (see Best Products/Services below) that U.S. furniture exporters can and should pursue. Palestinian consumers are especially interested in competitively-priced American furniture items for living rooms, dining rooms, and bedrooms.

Interested U.S. home furniture companies should contact Senior Commercial Specialist Assad Barsoum at Assad.Barsoum@trade.gov +972-2-625-4742.

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Good export opportunities exist for American exporters of: upholstered living room sets (sofas, loveseat and two single chairs); dining room sets (a dining table, buffet/hutch and eight dining chairs); bedroom sets (a bed, dresser, and a wardrobe); coffee, end and side tables; recliners and sleepers; home theatre/entertainment furniture and curio cabinets.

Opportunities

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Excellent opportunities exist for American exporters of living room sets, bedroom sets, recliners, home theatre furniture, and china cabinets.

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<http://export.gov/westbank/>

Medical Equipment (MED)

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The size of the medical equipment and supplies market in the West Bank and Gaza is estimated at \$50 million. The figures change depending on international donors' support for specific health projects carried out in the area. The market is made up of medical capital equipment, medical supplies, lab equipment, and disposable lab supplies. Beyond the manufacturing of pharmaceuticals, there is no domestic production of medical equipment and supplies, so Palestinians depend on imports. Germany, the UK, and Japan are the primary sources of these imports, and are followed by Turkey and other European and Asian countries, the United States, and Israel. Recently, more imports of disposables have been coming from India.

The U.S. share of the market is roughly 15% of the total, but two factors are expected to change the percentage: the falling value of the U.S. dollar vs. the Euro, which makes U.S. exports more competitive, and the continued support by USAID of healthcare projects in the West Bank and Gaza. USAID regulations stipulate that funds can be spent on American-made equipment only, though waivers are often issued for local procurement. Currently, USAID is one of the largest donors in this sector, it originally pledged \$85 million over the next five years for the Palestinian Health Sector Reform Development Project known as "Flagship Project," but funding for this project was recently scaled back. The sector faces tough challenges related to the Palestinian Authority's inability to pay local Palestinian suppliers of medical equipment and pharmaceuticals; it is estimated that the PA owes those suppliers around \$80 million, with some arrears stretching back to 2010.

There are no import duties on U.S.-made goods entering the West Bank and Gaza, but they are subject to Value Added Tax (VAT) at the rate currently of 16.0%, and purchase tax. In order to benefit from duty-free entry, products must have a U.S. certificate of origin for exporting to the West Bank and

Gaza: http://export.gov/israel/doingbusinessinisrael/freetradeagreementwithunitedstates/eg_il_026153.asp

Also prior to shipping, approvals must be obtained from both the Palestinian and Israeli Ministries of Health for any medical product that is not already registered with both parties. Beginning in 2012, the Palestinian Ministry of Health issued a regulation stipulating that any medical equipment or device that is imported into the WB/G must be registered with the ministry before being allowed to be marketed in the Palestinian market. A similar regulation has been in effect for pharmaceuticals for a number of years.

The majority of the Palestinian population relies on medical services provided by public hospitals that are run by the Palestinian Ministry of Health under a general health insurance program. The Ministry is in charge of providing all medical equipment and supplies and the costs are entirely paid for by international donors' funds such as USAID, World Bank Emergency Services Support Program, the EU, UN agencies and the Islamic Bank for Development. The total number of public, private, and NGO hospitals in the West Bank and Gaza is 76 and the total number of beds is 5,108.

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There is no in-country production of medical equipment. There are good prospects for physiotherapy equipment, medical disposables, surgical instruments, ophthalmic testing and surgery equipment, ultrasounds, MRI and CT (Computed Radiography) equipment, orthopedic implants.

Opportunities

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No specific opportunities identified at this time.

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For more information contact: lssa.Noursi@trade.gov or phone: +972-2-625-5201

[USAID West Bank and Gaza](#)

Energy (ENR)

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The electricity system in the West Bank and Gaza requires substantial upgrading and expansion to meet current demand. Some villages do not have access to electricity, and others receive only partial service through diesel generators. Insufficient power supply is a serious impediment to Palestinian economic growth. Therefore, over the next few years, infrastructure development, including upgrading the electricity network and establishing a solar energy power plant, will be a growth sector of the Palestinian economy. The sector will offer opportunities to U.S. companies that specialize in major network equipment, diesel generators, and solar and wind generation equipment.

In the West Bank, four electricity distribution companies operate: the Jerusalem District Electricity Company (JDECO), which serves Jerusalem, Jericho, Ramallah and Bethlehem; the North Electricity Distribution Company (NEDCO), which serves the northern parts of the West Bank; and the Hebron Electric Power Company (HEPCO) and the Southern Electric Company (SELCO), which serve the southern parts of the West Bank. The four companies purchase around 700 MW of electricity from the Israel Electric Corporation (IEC), which they transmit over a grid owned by the IEC. The IEC supplies 95% of the electric power used in the West Bank, with Jordan supplying the West Bank city of Jericho with about 30 MW of electricity.

In Gaza, the Palestine Electric Company (PEC) operates a power station, the Gaza Power Generating Company (GPGC), which generates about 100 MW of electric power due to restrictions imposed by Israel on the amount of industrial fuel allowed in after the Hamas political takeover of Gaza in 2007. Also, some of the power plant's transformers were put out of commission by an Israeli military strike in 2006. The full capacity of GPGC is 242 MW. Total electricity demand in Gaza is roughly 350 MW. Israel and Egypt supply Gaza with 120 MW and 22 MW of electric power, respectively. Thus, the electricity shortage in Gaza is estimated at 30% of the total demand. Electricity cuts affect water, sanitation, education, agriculture, telecommunications as well as healthcare services in Gaza.

The West Bank and Gaza depend on petroleum products as the main source of energy. Palestinians import all their petroleum products from Israel. Petroleum products coming into Gaza are very limited because of Israeli restrictions imposed after the 2007 Hamas takeover of Gaza. Prices are high due to heavy taxation. Several years ago, natural gas was discovered offshore Gaza. British Gas holds a license to explore the gas fields, but the company's negotiations with Israel, the main potential customer for the gas, have not yielded results to conclude a supply agreement. If an agreement is reached and the infrastructure to transport the gas is developed, the power plant in Gaza could consume an estimated 1.1 BCM/pa. The power plant's turbines are dual powered; able to operate on both industrial fuel and natural gas.

Interested U.S. companies should contact Senior Commercial Specialist Assad Barsoum at Assad.Barsoum@trade.gov or phone: +972-2-625-4742.

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Renewable energy products, distribution equipment, solar and wind energy equipment, and waste energy systems.

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Over the next few years, infrastructure development, including upgrading of the electricity network and establishing a national electricity distribution company in the West Bank, will be a major growth sector. Another opportunity exists for establishing a solar energy generation plant in the West Bank.

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[Jerusalem District Electricity Company – JDECO](#)
[Gaza Power Generating Plant](#)
[Hebron Electric Power Company \(HEPCO\)](#)
[Southern Electricity Company \(SELCO\)](#)
[Gaza Electricity Distribution Company \(GEDCO\)](#)

Education Training Services (EDS)

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The West Bank and Gaza boast one of the highest per capita rates of university graduates in the Arab world. Palestinians have a long-standing tradition of spending generously on higher education. There are ten universities, one open university, eleven university colleges and nineteen community colleges in WB/G. Enrollment in these schools reached 86,000 students in 2010. For the academic year 2011-2012, the Al Quds Open University accounts for more than 66,000 students. During 2010, more than 8,000 Palestinian students in the West Bank and Gaza requested information on studying in the United States from [AMIDEAST](#).

There is a niche opportunity for American universities, colleges and other educational organizations to capture a larger part of the Palestinian higher education services market. The opportunity is greatest in the Ramallah, Bethlehem, and Jerusalem areas, where there are many private schools that graduate students with high English proficiency, prime candidates to continue higher education in the United States. Family incomes in these areas are the highest in the West Bank.

The vast majority of Palestinian undergraduate students who go to study in the United States pay their own way. However, several graduate and postgraduate scholarship programs are available to Palestinians. They include the [Fulbright Scholar Program](#) (FSP) and the [Ford Foundation International Fellowships Program](#) (FFIFP).

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Palestinian undergraduate students select a wide range of specializations, but the greatest demand is for business administration, computer science and technology, pharmacology and the various engineering fields. Graduate students' preferences also cover a wide range of majors, mainly business administration, chemistry, education and civil engineering.

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Undergraduate, graduate and post graduate education in all fields of study including English as a foreign language.

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[AMIDEAST](#)
[Jerusalem Open University](#)

For more information contact Commercial Specialist Issa Noursi at: Issa.Noursi@trade.gov or phone +972-2-625-5201

Wheat and Feed Grains (HS Code: 1000.0000)

Only a small proportion of annual feed grain consumption comes from WB/G-based production, so U.S. grain exporters have ample opportunity to supply feed for local poultry and livestock. There is one major wheat mill in the West Bank with an annual production of 70,000-100,000 metric tons. In addition, there are two smaller mills in the West Bank, whose production does not exceed 30,000 metric tons per year. The three mills satisfy 18% of the entire 600,000 metric tons annual demand for flour in the West Bank. The rest is divided as follows: 39% is bought from Israeli mills; 28% is imported from Turkey, Egypt and Ukraine; and 15% is donated by the United Nations Relief and Works Agency (UNRWA), the World Food Program, and other international organizations. By the terms of the Paris Protocol, Palestinian grain and meal purchasers, who generally seek low-cost sources, may import grain from anywhere. To date, the three wheat mills which import on their own account have purchased wheat from the U.S, Russia, Ukraine, and Germany. There are few importers of animal feeds, although the annual feed mixing and grinding capacity is estimated at some 200,000 metric tons. Flour mills in Gaza hardly operate because of the lack of wheat after the borders with Israel were closed when Hamas took over Gaza in 2007, and Gaza depends on flour that is brought in from Israeli mills and international donor agencies such as UNRWA.

Rice (HS Code: 1006.000)

WB/G imports 20-30,000 metric tons of rice annually. Competitive pricing by U.S. sources could make this an attractive market and might enable U.S. exporters to capture a significant share of it from Asian suppliers. In 2010, total imports of rice reached \$32 million.

Dried Legumes (HS Code: 0713.0000)

WB/G accounts for an estimated 40% of all Israeli imports of dried legumes. 2010WB/G imports totaled: white kidney beans \$291,000; lentils \$2.6 million; dried peas \$327,000 and chick peas \$2.8 million

Processed Oils (HS Code: 1500.0000)

WB/G locally produce and use large quantities of olive oil, but not other processed oils favored by Palestinian consumers, so moderate prospects exist for importing soy, corn, sunflower, and rapeseed oils. There are no crushing plants in WB/G but some crude vegetable oils are imported from various sources and refined locally. The total imports of processed oils amounted to \$17 million in 2010.

Sugar (HS Code: 1701.0000)

In 2010, WB/G imported about \$40 million of sugar.

Frozen Fish (HS Code: 0303.0000)

Israel and the Palestinian Authority import the majority of their fish requirements. They enjoy jointly a 4,000 metric tons duty-free import quota for frozen salt-water fish from the United States. In spite of this, only 5% of all frozen salt-water fish imports are of U.S. origin. Frozen fish fillets and Pacific salmon have found a favorable market in WB/G. At present, most of these types of frozen fish are being imported from Argentina, Vietnam, and Israel.

For more information contact Assad Barsoum at Assad.Barsoum@trade.gov or phone: +972-2-625-4742

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Chapter 5: Trade Regulations, Customs and Standards

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- [Import Requirements and Documentation](#)
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Import Tariffs

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In accordance with duty-free arrangements between the United States and the Palestinian Authority, the PA should not impose tariffs on U.S. products.

Trade Barriers

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The 1994 Paris Protocol provides that the PA not impose tariffs on goods of Israeli origin, but it does impose purchase taxes on many durable goods imported from other countries, generally at Israeli rates. The PA imposes a value-added tax (VAT) of 16.0% on all goods sold in WB/G, whether imported or locally made. All WB/G-bound imports that enter through Israeli ports are charged (VAT) at the rate of 16.0%. Israel's (VAT) rate is 18.0%. By the terms of Palestinian-Israeli agreements, VAT paid to Israel on WB/G-bound goods is rebated to the PA.

Import Requirements and Documentation

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Import licenses for WB/G, when required, are issued by the PA. The importer must be a trader registered with the PA and must present a pro-forma invoice and certificate of origin. The Paris Protocol mandates that the PA must inform the Israeli Ministry of Industry and Trade of each import request. While the PA may import some items freely, other items are subject to quantitative restrictions set forth in the Paris Protocol. The PA uses the same Certificate of Origin that Israel requires of American exporters to qualify for duty free treatment. http://export.gov/israel/doingbusinessinisrael/freetradeagreementwithunitedstates/eg_il_026153.asp

The importer is required to submit an application for an import license issued by the Palestinian Ministry of National Economy available through offices of all Palestinian Chambers of Commerce in the West Bank and Gaza. Upon approval, and after the application is stamped and signed, it becomes the import license. Each import shipment must also be authorized by the Ministry and so is subject to quota controls and labeling requirements.

Updated: 6/12/2013

Depending on the product, it may also be subject to testing by the Standards Institute of Israel. In some instances of differing standards, Israeli standards authorities will defer to their Palestinian counterparts on the condition that the importer provides satisfactory assurance that the product(s) in question will remain inside WB/G.

Israel imposes licensing requirements and quantitative restrictions on a wide range of foods and agricultural products. Items subject to quotas – mainly agricultural produce and processed foods – are negotiated annually. The Palestinian share is determined based on estimated consumption requirements and past quota utilization.

All health-related imports, such as food and pharmaceuticals, require approval by both the Israeli Ministry of Health and the Palestinian Ministry of Health, whose standards are the same. However, the Pharmacy Department at the Israeli Ministry of Health has announced that Palestinian pharmaceutical companies are not permitted to import raw materials acting as active ingredients for products that have a single registration in Israel unless the Palestinian companies get approval of the party that registered the related product.

Some specific items entering WB/G, totaling approximately 15% of total imports, must be accompanied by a pro-forma invoice, packing list, certificate of origin, and import license request. The remaining 85% of imported items may be imported directly with a permit from the relevant PA ministry. However U.S. exporters should check with U.S. Commercial Service Office in Jerusalem before shipment of goods: Issa Noursi at Issa.Noursi@trade.gov Tel: +972-2-625-5201.

For exports, the PA requires an invoice and certificate of origin signed by the local Chamber of Commerce and the Ministry of National Economy. Permission to export is virtually automatic. However, Israeli security controls apply to Palestinian goods. No further documentation is required to transit the Allenby Bridge into Jordan, but security checks are conducted. Goods transiting Israeli ports require Israeli port documentation.

U.S. Export Controls

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U.S. exporters to WB/G must follow the standard U.S. Government requirements regarding export control documentation for sensitive U.S. exports. For information on this subject contact U.S. Department of Commerce Bureau of Industry and Security, Internet web site: <http://www.bis.doc.gov> or the Trade Information Center at 1-800-872-8723.

Temporary Entry

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The PA has not yet established specific provisions for temporary entry of goods. It is currently using Israeli regulation, which in general follows international standards and regulations. Trade samples of negligible or low value (under U.S. \$1), non-merchandisable samples and printed advertising material are usually exempt. Trade samples with a value up to U.S. \$100 should have an ATA Carnet if brought into WB/G and Israel. If valued over U.S. \$100 an import license is required. Duty paid may be redeemed providing the goods are re-exported before the end of six months.

Labeling and Marking Requirements

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Goods entering WB/G may be subject to marking and labeling requirements in order to prevent “leakage” back into Israel. Some goods such as cigarettes and laundry powders now have Arabic or Arabic/English stamps labeled “Only for sale in the West Bank and Gaza.” U.S. businesses should check with a Palestinian importer for exact specifications.

As of January 1, 1997, all products imported or brought into WB/G must carry labels in Arabic in addition to the original labels. The labels must carry information on the product ingredients, production and expiry dates, and consumer warnings for hazardous products such as cigarettes and flammable materials. For more information contact Commercial Specialist Issa Noursi at: Issa.Noursi@trade.gov

Prohibited and Restricted Imports

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Although the PA has no published import prohibitions, U.S. companies should check with local Palestinian distributors to see if restrictions apply in certain cases (e.g., food products, firearms, etc.).

Customs Regulations and Contact Information

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The PA does not impose customs tax on U.S. imports, which are, however, taxed as they enter Israeli ports. Exporters should consult with Palestinian or Israeli freight forwarders who have access to the list of goods that are liable to purchase tax.

Contact: Mr. Fouad Shobaki, VAT & Excise Director General
[Palestinian Ministry of Finance](#)
Ramallah, West Bank
Tel: +970-2-240-0650
Fax: +970-2-240-2638

Standards

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Overview

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The Palestinian Authority has pledged to apply international standards requirements (e.g., ISO 9000 usage) to all imports. The [Palestine Standards Institution \(PSI\)](#), established in 1994, has been working to develop Palestinian standards, but currently the PA widely uses those standards adopted by the Israeli Standards Institute. PSI is expected to assume its role regarding all standards issues in the future. Due to Israeli

Standards Institute testing requirements, there are frequent delays for goods entering Palestinian markets.

Standards Organizations

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U.S. Commercial Service Point of Contact on Standards:

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Fax: +972-2-623-5132

E-mail: Issa.Noursi@trade.gov

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

Conformity Assessment

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Most standard testing is conducted in Israeli labs, although the Palestinian Ministry of Health has begun to institute some testing procedures of its own. PSI currently provides products testing and standards certification to Palestinian companies in the sectors of chemicals, construction materials, electronic equipment, elevators and escalators, energy and hydraulic equipment and systems, furniture, household electrical appliances, leather, processed food, paper, plastics, pressurized vessels, central gas installations and textiles, tourism and hospitality and toys. Concrete and construction materials as well as some food products are also being tested at Bir Zeit University.

Product Certification

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Since all WB/G bound goods enter through Israeli controlled ports, products certification is made according to Israeli standards. There are currently no mutual recognition agreements between the PA and U.S. organizations.

Accreditation

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Accreditation is being provided by the PSI at a limited scale. Until PSI develops its systems, Palestinians will continue to rely on accreditation from the Standards Institute of Israel.

Publication of Technical Regulations

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There is a [National Gazette in WB/G](#) and regulations are occasionally published.

Labeling and Marking

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Goods entering WB/G may be subject to marking and labeling requirements in order to prevent leakage back into Israel. Some goods such as cigarettes and laundry powders now have Arabic or Arabic/English stamps labeled "Only for sale in the West Bank and Gaza." U.S. businesses should check with a Palestinian importer for exact specifications. As of January 1, 1997, all products imported or brought into WB/G must carry labels in Arabic in addition to the original labels. The labels must carry information on the product ingredients, production and expiry dates, and consumer warnings for hazardous products such as cigarettes and inflammable materials.

Contacts

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Ramallah, West Bank

Trade Agreements

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In October 1996, President Clinton signed a proclamation granting duty-free import status to items produced in or imported from the WB/G. The European Union has a preferential trade agreement with the WB/G similar to that of the U.S. Generalized System of Preferences program. The PA has more restrictive trade agreements with Jordan and Egypt. Under the terms of the Paris Protocol, there are no restrictions on trade between WB/G and Israel. However, WB/G exports entering Israel face significant barriers, principally as a result of Israeli security measures and the completion of the security barrier in the WB and the closure of Gaza borders after Hamas takeover in 2007.

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[Palestine Standards Institution \(PSI\)](#)
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Overview of Foreign Investment Climate

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Palestinian businesses have a reputation for professionalism and product quality. Large Palestinian enterprises are internationally connected, with partnerships extending to Asia, Europe, the Gulf, and the Americas. The Palestinian economy is small and relatively open, although several large holding companies dominate some sectors. Because of the small size of the local market, access to foreign markets through trade is essential for private sector growth. However, restrictions on the movement and access of goods and people between the West Bank, the Gaza Strip, and external markets imposed by the Government of Israel (GOI) continue to have a deleterious effect on the private sector and limit economic growth. The de facto rule in Gaza since 2007 of Hamas, a designated Foreign Terrorist Organization (FTO), combined with GOI restrictions on some imports and most exports, constrains private sector opportunities in Gaza.

The West Bank and Gaza territory is ranked 135 in the world according to World Bank's 'Doing Business' report, unchanged from last year's ranking.

The West Bank's economic outlook has made noticeable strides since 2007, driven primarily by improved security, economic reforms implemented under Palestinian Authority (PA) President Mahmoud Abbas and Prime Minister Salam Fayyad, and international donor support that enabled the PA to pay salaries and private sector contractors and service providers. Additionally, the GOI eased restrictions on the movement and access of people and goods within the West Bank between 2008 and

2010, which helped boost economic activity. This economic growth, however, has recently slowed. Based on International Monetary Fund (IMF) figures, 2012 gross domestic product (GDP) growth in the West Bank was 5% and 6% in Gaza, decreases from the yearly combined average of 10% growth achieved in 2010–2011 and falling short of the projected 8% growth for 2012. Growth slowed due to local and regional political uncertainty, decreased donor support, delayed payment of PA salaries, and the accumulation of unprecedented levels of private sector arrears, according to the IMF. In 2012, the total transferred by donor countries in support of the PA budget reached USD 823 million, about USD 450 million short of the amount needed to cover the PA's recurrent deficit. Donor aid had also previously declined by 29% from 2010 to 2011. Increased growth is dependent on continued easing of Israeli movement and access restrictions, further external trade and private sector growth, improved PA governance in commercial regulation, increased political stability, and the general recovery of global and regional economic growth.

The Palestinian population is young: 48.2% of the population of the West Bank and Gaza is below the age of 18, according to the Palestinian Bureau of Statistics (PCBS). As such, the work force in the West Bank and Gaza is expected to expand significantly over the next several decades. The labor force is relatively well-educated, boasting a 95% literacy rate, with high technology penetration and familiarity with overseas markets. Wages are low relative to Israel, but higher than neighboring Arab countries. In October 2012, the PA passed the first Palestinian minimum wage, set at NIS 1,450 (USD 389) per month, which took effect in January 2013. The Palestinian economy is service-oriented: according to PCBS, the services sector contributed the highest percentage to GDP growth, witnessing 10.2% growth through the first three quarters of 2012 as well as an increase of those employed in the sector by 2.9%, compared to the same period in 2011.

The information and communications technology (ICT) sector is one of the fastest growing sectors in the Palestinian territories, with an average growth rate of 25-30% since 2000, according to PA statistics. Software development and outsourcing are attractive sectors for potential investors with a growing number of high tech-focused Palestinian college graduates, one of the highest Internet penetration rates in the Middle East, and competitive salaries. Multinational companies working with Palestinian companies enjoy lower costs and lower attrition rates than operations in similar markets, and several U.S. and multinational firms actively outsource software development to Palestinian companies.

Since June 2007, the PA has demonstrated a renewed determination to improve the investment climate and to attract foreign investments. The PA undertook a number of significant reforms and prepared the 2008-2010 Palestinian Development and Reform Plan (PDRP) in 2007, a set of broad economic policies that focus on stimulating growth through private sector investment and consolidating public finances. Prime Minister Fayyad expanded on the PDRP through his two-year plan for statehood in 2009, which also emphasized the role of the private sector and the importance of improving the overall enabling environment for investment. A revised multi-year reform and development framework titled the National Development Plan (NDP) for 2011-2013, highlights the need for sovereign control over its borders and developing domestic resources to attract investment for sustainable economic development. The PA outlined 23 sector strategies in the NDP, focusing on private sector growth in agriculture and

tourism, in particular, and committed to continued legal and institutional reform, strategic investments in national infrastructure, and negotiated international trade agreements.

The PA has also focused on legal reforms as a means of improving the investment environment, and in 2011 passed a public procurement law, amendments to the income tax law, and amendments to the investment law. The investment law amendments promote ICT software and hardware development by basing incentives on human capital instead of fixed assets (if the company has at least five professional employees), and provides additional tiered tax incentives for projects. However, commercial projects, insurance companies, banks, money changers, and real estate (other than real estate development projects) no longer receive tax incentives and the private sector has been largely critical of the PA's amended income tax law, arguing that it will discourage business without providing significant revenue to the PA. The amendments give additional authority to the Palestinian Investment Promotion Agency (PIPA) to create incentive packages targeted to individual business needs. Under the new law, if any step in the business registration process takes longer than one month, PIPA can intervene and issue a business license or registration on its own authority. The PIPA board, however, also has the discretion to discontinue all new incentives after April 2013 (but not retroactively), upon approval by the Council of Ministers.

Since the Palestinian Legislative Council (PLC) has not met since April 2007, laws must be issued by presidential decree, a process that has proven to be time consuming and resulted in lengthy delays for many key pieces of legislation. The United States Government (USG), through the U.S. Agency for International Development (USAID) and other assistance agencies, is providing technical assistance to the PA to improve the investment climate and strengthen the trade regime through legislative reforms, improved regulations, and capacity building.

The PA has hosted several large investment conferences, most recently in Bethlehem in June 2010, which attracted over 1,000 potential investors and business representatives. Over 100 projects were presented at the conference, and further information on these and other projects is available at www.pic-palestine.ps.

Since 1995, the PA has taken steps to facilitate and increase foreign trade. On July 31, 2012 Israel and the Palestinian Authority reached an understanding on trade and taxation designed to facilitate the flow of goods between Israel and the PA, reduce smuggling, and increase tax revenues to be shared by both parties. Additionally, the PA is actively preparing itself for eventual observer status in the World Trade Organization (WTO), and participated in the 2005, 2009, and 2011 WTO ministerial meetings as an ad hoc observer.

This report focuses on investment issues related to areas under the administrative jurisdiction of the PA, except where explicitly stated. Given the changing circumstances on the ground, potential investors are encouraged to contact the PA Ministry of National Economy (www.mne.gov.ps), Palestinian Investment Promotion Agency (www.pipa.gov.ps), the Palestine Trade Center (www.paltrade.org), and the Palestinian-American Chamber of Commerce (www.pal-am.com), as well as the U.S. Consulate General in Jerusalem and the U.S. Commercial Service (<http://export.gov/westbank/>) for the latest information.

Where applicable, this report addresses issues related to investment in the Gaza Strip, although Hamas's implementation of PA legislation and regulations may differ significantly from the West Bank. There are few opportunities for meaningful foreign direct investment in Gaza due to Hamas's control and Israeli restrictions on the flow of imports and exports; however, there has been an increase in investment in construction and real estate by the international community over the last year and significant local investment in Gaza real estate has continued. Since June 2010 the Israeli government has allowed numerous consumer goods into Gaza, which has contributed to economic growth. The World Bank estimates that Gaza GDP slowed to a 6% growth rate in the first quarter of 2012, due largely to a decline in the fishing and agricultural sectors. The construction, hotel and restaurant sectors were the fastest growing in Gaza in 2012, owing to a robust Egypt/Gaza tunnel trade of smuggled goods and numerous donor-funded infrastructure projects. The IMF and World Bank pointed out, however, that economic growth started from a very low base and sustaining Gaza's recovery requires further reduction of Israeli restrictions, including those on sales of Gazan goods to the Israeli and West Bank markets.

The legal framework for foreign investment in the West Bank and Gaza is based on the 1998 PA Investment Promotion Law, as amended in 2011. All business entities must be registered with PIPA's registry of investments either in the West Bank or Gaza. According to existing PA company laws, three different types of companies may be incorporated:

- **General Partnership:** The liability of each partner in a general partnership is unlimited. All partners are personally responsible for the liabilities of the partnership. The name of at least one of the partners must be included in the title of the General Partnership.
- **Limited Partnership:** This includes two different types of partners: general and limited. A limited partnership must have at least one general partner who is personally responsible for the liabilities of the company. There is also at least one limited partner whose liability is limited to the amount of the capital.
- **Local Companies (Limited Liability Company (LLC) and Public Liability):** Most investors prefer to use LLCs for the purposes of conducting commercial affairs. The procedures that have to be followed to register this form of company are as follows:
 1. Search for company name and reserve proposed name.
 2. Submit company incorporation papers and sign document pledging to deposit initial capital within three months, if applicable (Jordanian Dinars [JD] 250,000 for a public shareholding company, JD 10,000 for a private shareholding company, or JD 10,000 for a nonprofit; other companies are exempt from this requirement). Obtain certificate of registration from the Ministry of National Economy.
 3. Register with the Companies Registry and pay registration fee.
 4. Register for income tax and value added tax.
 5. Register with Chamber of Commerce.
 6. Obtain business license from the municipality.
 7. Obtain approval from fire department.

Certain investment categories require the Council of Ministers' pre-approval. These include investments involving (1) weapons and ammunition, (2) aviation products and airport construction, (3) electrical power generation/distribution, (4) reprocessing of petroleum and its derivatives, (5) waste and solid waste reprocessing, (6) wired and wireless telecommunication, and (7) radio and television. Purchase of land by foreigners also requires the approval of the Council of Ministers.

Conversion and Transfer Policies

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The Investment Law, as amended in 2011, guarantees investors the free transfer of all financial resources out of the Palestinian territories, including capital, profits, dividends, wages, salaries, and interest and principal payments on debts. No Palestinian currency exists, but the New Israeli Shekel (NIS) is the accepted currency, and U.S. dollars (USD) and Jordanian dinars (JD) are widely used in business transactions. There are no other PA restrictions governing foreign currency accounts and currency transfer policies.

Expropriation and Compensation

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The Investment Law, as amended in 2011, prohibits expropriation and nationalization of approved foreign investments, except in exceptional cases for a public purpose with due process of law, which shall be in return for fair compensation based on market prices and for losses suffered because of such expropriation. The PA must secure a court decision before proceeding with expropriation.

PA sources and independent lawyers say that any Palestinian citizen can file a petition or a lawsuit against the PA. In 2011, the PA established independent, specialized courts for labor, chambers, customs, and anti-corruption. These courts are composed of judges and representatives from the Ministry of National Economy and Ministry of Finance. While general confidence in the judicial system is improving and businesses are increasingly using the courts and police to enforce contracts and seek redress, alternative means of arbitration are still used to resolve some disputes.

Dispute Settlement

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The Investment Law, as amended in 2011, provides for dispute resolution between the investor and official agencies by binding independent arbitration or in Palestinian courts. It has been reported that some contracts contain clauses referring dispute resolutions to the London Court of Arbitration. In 2010, the International Chamber of Commerce Palestine established the Jerusalem Arbitration Center (JAC) to provide a forum to resolve business disputes between Palestinian and Israeli companies; it became fully operational in 2011.

The PA is not a member of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention) or the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention).

Commercial disputes are resolved by way of conciliation, mediation, or arbitration. Arbitration in the Palestinian territories is governed by Law No. (3) of 2000. International arbitration is permitted. The law sets out the basis for court recognition and enforcement of awards. As a general rule, every dispute may be referred to arbitration by the agreement of the parties, unless prohibited by the law. Article 4 of the law states that

certain disputes cannot be referred to arbitration, including those involving marital status, public order issues, and cases where no conciliation is permitted. In the event that parties do not agree on the formation of the arbitration panel, each party may choose an arbitrator and arbitrators shall choose a casting arbitrator unless the parties agree to proceed otherwise.

Judgments made in other countries that need to be enforced in the West Bank/Gaza are honored, according to the prevailing law in the West Bank, mainly Jordanian Law No. (8) of 1952, as amended by the PA in 2005. The law covers many issues in relation to the enforcement of foreign judgments.

Performance Requirements and Incentives

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The Investment Law, as amended in 2011, provides a number of incentives, including exemptions from value added and income taxes, for certain categories of PA-approved domestic and foreign investment. The amendment extends these incentives to new development on existing projects and, in an effort to attract business in the information and communication technology sector, all companies that employ at least five college graduates. To benefit from these incentives, investors must apply to PIPA, chaired by the PA Minister of National Economy, and present it with a completed investment application and feasibility study. PIPA is composed of both public and private sector members.

Article 22 of the law provides that fixed assets are given the following exemptions:

- a. "The project's fixed assets shall be exempted from customs duties and taxes provided that they are brought in within a period specified by the Authority's decision approving the lists of fixed assets of the project ..."
- b. "The spare parts imported for the project shall be exempted from customs duties and taxes, provided that the value of such spare parts does not exceed 15 % of the value of the fixed assets and that they are brought in or used in the project within a period specified by the Authority ..."

Article 23 of the law provides that the projects approved by the PA and which have obtained the licenses required under the law shall be granted the incentives mentioned in this law in the following manner:

- a. "Any investment whose value is more than USD 250, 000 and less than USD 1 million shall be granted an exemption from income tax on its taxable income for a period of seven years commencing from the beginning of the first fiscal year following the year of commencement of production or from start of its actual activities and will receive an additional term during a project's trial period.
- b. "Any investment whose value is from USD 1 million to USD 5 million shall be granted an exemption from income tax on taxable income for a period of nine years commencing from the beginning of the first fiscal year following the year of commencement of production or from start of its actual activity; and the period falling from the start of production or activity to the beginning the first fiscal year shall be regarded a trial period for production or business and accordingly shall be deemed an additional exemption period."

- c. "Any investment whose value exceeds USD 5 million shall be granted an exemption from income tax on taxable income for a period of eleven years commencing from the beginning of the first fiscal year following the year of commencement of production or from start of its actual activity; and the period falling from the start of production or activity to the beginning the first fiscal year shall be regarded a trial period for production or business and accordingly shall be deemed an additional exemption period."

Further, Article 22 of the law provides that information technology companies will receive the following exemptions:

- a. "Companies and projects that employ five local professional employees shall receive an exemption from income tax for a period of three years beginning from the date of engagement of these employees."
- b. "Companies and projects that employ ten local professional employees shall receive an exemption from income tax for a period of seven years beginning from the date of engagement of these employees."
- c. "Companies and projects that employ twenty local professional employees shall receive an exemption from income tax for a period of nine years beginning from the date of engagement of these employees."
- d. "Companies and projects that employ thirty local professional employees shall receive an exemption from income tax for a period of ten years beginning from the date of engagement of these employees."

Article 24 of the law provides that PIPA may grant additional incentives and exemptions subject to approval by the Council of Ministers. The Board of Directors may also extend the term exemptions for an additional two years if the percentage of the local content of machinery and equipment exceeds 40%; however, capital invested in land and buildings shall not be assessed as part of this percentage.

The PA income tax law is intended to incorporate both the West Bank and Gaza. The income tax rate on upper income categories was raised from 15% to 20% in 2012. The corporate tax rate is 20%. The amended law of 2011 imposes a capital gains tax of 15% above a threshold of 25% of total gains, and a 3% tax on land sales. Personal income tax is specified according to the following (though additional factors such as dependents and exemptions affect the base rate):

- 5% for income up to NIS 40,000;
- 10% for income between NIS 40,001 - 80,000; and
- 20% for all incomes above NIS 80,001.

Custom duties – The Palestinian territories are in the same customs envelope as Israel, so all customs and tariffs are in line with Israeli rates:

Base: On the value of imports.

Rates: From zero to 340% for food, animal and agriculture products; and zero to 22% for all other products.

Purchase tax:

Base: Value of imports plus customs fees.

Rates: 5 to 200%.

Value added tax:

Base: All imported goods.

Rates: 16% sales tax in Palestinian administered areas of the West Bank

A 20% tax is withheld at source from dividends distributed in the West Bank/Gaza to shareholders of a foreign company. There are no taxes due on dividends distributed to shareholders of Palestinian companies regardless of where they live or their nationality, and regardless of whether they are an individual or a company. An automatic deduction at the source of 25% is withheld from companies, unless they obtain a "Deduction at the Source Certificate," which grants a reduced rate that ranges between zero and five %. Applications for these certificates are available from PA district tax offices.

While the PA does not require foreign nationals working in the West Bank to seek work permits, the Government of Israel (GOI) does require foreigners to obtain Israeli visas in order to enter the West Bank and Gaza via Israel. Israel generally grants foreign passport holders of countries that have diplomatic relations with Israel three-month tourist visas upon arrival, but longer business visas may only be obtained by businesses or organizations with an Israeli presence. Israel often requires foreign passport holders of Palestinian descent to apply for a Palestinian ID card. Israeli authorities may consider as Palestinian anyone who has a Palestinian identification number, was born in the West Bank or Gaza, or was born in the United States (or elsewhere) but has parents or grandparents who were born or lived in the West Bank or Gaza. Any such U.S. citizen may be required to enter Israel using a Palestinian Authority (PA) travel document via the Allenby Bridge crossing on the Jordanian border instead of Ben Gurion Airport in Tel Aviv. If they decide not to obtain a PA travel document, such Americans may be barred from entering or exiting Israel, the West Bank or Gaza, face long delays, or be denied entry at the ports of entry. Palestinian-Americans holding Palestinian IDs and PA exit permits may depart via the Allenby Crossing between Jordan and the West Bank provided they have a valid Jordanian visa in their U.S. passports.

According to the GOI, foreign nationals working in the West Bank should either apply for work visas at Israeli embassies in their country of origin or seek adjustment of status through the Israeli Coordinator of Government Activities in the Territories (COGAT) after their arrival in the West Bank. This process, however, is opaque, time consuming, and often does not result in issuance of a work visa. As a result, many foreign passport holders depart and reenter the West Bank every three months in order to receive a new three-month tourist visa upon re-entry. Some U.S. citizens working in the West Bank have reported that the GOI placed a "Judea and Samaria only" stamp in their passports at the time they renewed their visas, thereby prohibiting them from entering Israel or Jerusalem from the West Bank, a matter the United States government is looking into.

Right to Private Ownership and Establishment[Return to top](#)

Jordanian law in the West Bank, as amended by PA regulations, guarantees the right to private ownership. Similarly, the right to private ownership in Gaza is guaranteed by British Mandate law, as amended by regulations issued by the PA. Foreigners must obtain permission from the PA before purchasing property in areas under PA civil

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authority and from the appropriate Israeli authorities before purchasing property in the West Bank areas under Israeli control. (Under the terms of Oslo-era agreements, nearly 60% of the West Bank is designated “Area C” and remains under Israeli control for security, construction, and planning.) PIPA outlines the following concerning foreign ownership of property:

The Acquisition Law in the West Bank, which regulates foreign acquisition and the rental or lease of immovable properties, classifies foreigners into three categories:

- Foreigners who formerly possessed Palestinian or Jordanian passports shall have the right to own certain properties sufficient to erect buildings and/or for their agricultural projects.
- Foreigners who hold other Arab passports have the right to own certain property that suffices for their living and business needs only.
- Other foreigners, including Jerusalem ID holders, must receive permission from the PA Cabinet to own buildings or purchase land.

The permission process is lengthy, and includes clearances from the intelligence and preventive security agencies. It is critical that potential purchasers of land or buildings perform a title search to ensure that no outstanding violations or unpaid penalties exist on the property. Under current law, violations and penalties are transferred to the new owner.

Accurate title search can only be obtained from the PA Land Authority (al-Taboh). Land registration is done through the Land Registries in Hebron, Ramallah, Qalqilya, Tulkarem, Nablus, Bethlehem, Jericho, Jenin, and Gaza City. In order to purchase land in the West Bank or Gaza, an application that includes supporting documents, such as deeds to the property and powers of attorney, should be submitted to the land registry office having jurisdiction over the land.

Protection of Intellectual Property Rights

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The West Bank and Gaza do not have a modern intellectual property rights (IPR) regime in place, and IPR legislation originates from a combination of Ottoman-era, British Mandate, and pre-1967 Jordanian laws. The PA was indirectly committed to the GATT-TRIPS agreement when it signed the 1995 Interim Agreement on West Bank/Gaza according to Annex III (Protocol Concerning Civil Affairs), Appendix 1, Article 23.

Currently, intellectual property is governed by the Civil Claims Law of 1933 and the Palestinian Trademark and Patent Laws of 1938 in Gaza, and the Commercial Law No. (19) of 1953 and the Patent Law No. (22) of 1953 in the West Bank. Registration is very similar, and, despite different authorizing legislation, there are few substantive differences between IPR laws in the West Bank and Gaza Strip.

In order to register a trademark, four copies of the proposed trademark must be attached to the application, one of them in color, along with a copy of the company’s Certificate of Registration. A foreign company is entitled to register its trademark in the Palestinian territories by giving power of attorney in this regard either to a trademark agent or to a lawyer. Trademarks can be registered unless they fall within the recognized prohibition, such as being similar to or identical to an already registered trademark, are likely to lead to deception of the public, or are contrary to public morality. Trademark protection is available for registered trademarks for a period of seven years, which may be extended

for additional periods of 14 years. The proprietor of a trademark in the West Bank/Gaza owns the sole right to the use of the trademark in association with the goods with which the trademark is registered. The trademark is open for opposition after being published in the Gazette for a period of three months. The holder of a trademark retains the right to bring civil action against any perpetrator in addition to criminal proceedings.

Trade names are registered in the Palestinian territories according to specific procedures and conditions that are laid out in the Jordanian Trade Names Registration Law No. (30) of 1953, which is still applicable in the West Bank, and Law No. (1) of 1929 in Gaza.

The Patents and Design Law No. (22) of 1953 is applicable in the West Bank and the Patents Design Law No. (64) of 1947 is applicable in Gaza. A foreign company is entitled to have a patent or design registered by giving power of attorney in this regard to a patent agent or to a lawyer, with the requisite documents. Patent protection is provided for a period of 16 years from the date of filing the patent application.

Copyright in the Palestinian territories is governed by the Copyright Laws of 1911 and 1924. The protection lasts for a period of 50 years after the death of the author of the work. The law also deals with infringements, compulsory licenses, and many other procedural issues as well.

The law prescribes imprisonment for a maximum period of one year or a fine not exceeding 100 Jordanian dinars for infringement of a registered mark.

There is minimal enforcement of IPR laws for music and movies in the West Bank/Gaza, while the PA has enforced some of these laws to protect the Palestinian pharmaceutical industry. The PA has drafted a modern law that will encompass IPR, including copyright, patents and designs, trademarks, and merchandise branding, but the law will likely be difficult to adopt without a functioning legislature. The PA is keen to obtain membership in the different organizations and agreements concerned with intellectual property, such as the World Trade Organization (WTO) and the World Intellectual Property Organization; it has held observer status in the latter since 2005.

Transparency of the Regulatory System

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The PA has worked to erect a sound legislative framework for business and other economic activity in the areas under its jurisdiction since its creation in 1994; however, implementation and monitoring of implementation needs to be strengthened, according to many observers. The PA Ministry of National Economy, with the assistance of international donors, is in the process of drafting a number of proposed laws related to business and commercial regulation, including licensing, intellectual property rights, business registration regulation of competition, secured lending, bankruptcy, and trademark and copyright. The Ministry of National Economy regularly holds stakeholder meetings for draft commercial legislation, in order to gather input from the private sector, and publishes drafts of the proposed law. Because the Palestinian Legislative Council has not met since 2007, each law must be adopted as a presidential decree, an effort that often delays reform efforts. The proposed laws will likely need to be approved by the PLC, should it reconvene in the future.

There is a regulatory body that governs the insurance sector, and the PA has adopted a telecom law that calls for establishment of an independent regulator. However, establishment of the telecom regulator has stalled due to disagreement over its proposed members and authorities.

Efficient Capital Markets and Portfolio Investment

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Major progress was achieved in 2004 with the passage by the PLC of the Capital Markets Authority Law, the Securities Commission Law, and the establishment of the Capital Market Authority, the regulator of the stock exchange, and the insurance, leasing, and mortgage industries. A banking law was adopted in 2010 to bring the Palestinian Monetary Authority's (PMA) regulatory capabilities in line with Basel recommendations and international financial reporting standards. The law provides a legal framework for the establishment of deposit insurance, management of the Real Time Gross Settlement (RTGS) system established in late 2010, and treatment of weak banks in areas such as merger, liquidation, and guardianship. It gives the PMA regulatory authority over the microfinance sector.

The PMA regulates and supervises 18 banks with 226 branches and offices in the Palestinian territories, several of which are foreign banks, mostly Jordanian; the top three banks have assets of more than USD 5.5 billion combined. No Palestinian currency exists, and, as a result, the PA places no restrictions on foreign currency accounts. The PMA is responsible for bank regulation in both the West Bank and Gaza. Palestinian banks are some of the most liquid in the region, with more than USD 9.29 billion in assets at the end of September 2012 and total deposits of USD 7.3 billion and gross credit USD 3.9 billion at the end of October 2012.

The World Bank Ad-Hod Liaison Committee report released in September 2012 notes that the PMA is effectively supervising the banking sector:

“The Palestinian banking sector continues to perform well under the supervision of the Palestinian Monetary Authority (PMA). The PMA continues to enhance its institutional capacity and is steadily building the capabilities of a central bank. It provides rigorous supervision and regulation of the banking sector, consistent with international practice. An Anti-Money Laundering law that was prepared in line with international standards with technical assistance from the IMF and USAID has been in force since October 2007. The PMA is currently finalizing a draft law that solidifies its independence and provides the legislative framework for it to become a full-fledged central bank.”

Additionally, the PMA's board of directors recently passed a deposit insurance law and work has begun on a national switch that will interconnect domestic ATMs and points of sale.

Palestinian banks have remained stable despite the global economic crisis, but have suffered from deteriorated relations with Israeli correspondent banks since the Hamas takeover of Gaza in 2007, at which time Israeli banks cut ties with Gaza branches and gradually restricted cash services provided to West Bank branches. All Palestinian banks were required to move their headquarters to Ramallah in 2008. Israeli restrictions on the movement of cash between West Bank and Gaza branches of Palestinian banks have caused intermittent liquidity crises in Gaza for all major currencies: U.S. dollars,

Jordanian dinars, but mainly Israeli shekels (NIS). There is normally a shortage of NIS in Gaza banks, but, at the time of this report, there is currently none. The shortage of U.S. dollars and Jordanian dinars remains.

Credit is limited by concerns over uncertain political and economic conditions and limited availability of real estate collateral due to non-registration of most West Bank land. The PMA has taken steps to improve the sector's loan-to-deposit ratio from 28% in 2008 to 52% in 2011 by encouraging banks to participate in loan guarantee programs sponsored by the United States and international financial institutions, supporting a national strategy on microfinance, and putting in restrictions on foreign placements. The Ministry of National Economy has drafted legislation that would allow the use of moveable assets, such as equipment, as collateral for loans. Non-performing loans are 2.3% of total loans, due to credit bureau assessments of borrowers' credit worthiness and a heavy collateral system.

In early 1997, the Palestinian Securities Exchange (PSE) started operations on a limited scale as a fully virtual exchange. The PSE has grown, and as of December 2012, 48 companies spanning a wide range of sectors, including telecoms, banking, services, and insurance are listed on the "Al Quds" index with a market capitalization of USD 2.719 billion. More are expected to be listed when the Securities Law and the Capital Markets Authority strengthen the legal framework of the PSE.

Competition from State Owned Enterprises (SOEs)

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Although there are no state-owned enterprises, some have noted that the Palestine Investment Fund (PIF), an investment fund that essentially acts as a sovereign wealth fund, enjoys a competitive advantage in some sectors, including housing and telecom, due to its close ties with the PA. The import of petroleum products falls solely under the mandate of the Ministry of Finance's General Petroleum Corporation, which then re-sells the products to private distributors at fixed prices.

Corporate Social Responsibility

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Most large or multinational businesses in the West Bank include corporate social responsibility (CSR) in their business plans, mainly focusing on philanthropy related to education, health, and youth. For example, the PaITel Group Foundation, the CSR arm of one of the largest Palestinian companies, has an annual budget of USD 2 million for programs aimed at youth, women, and developing entrepreneurs. Most companies are small, family run businesses – over 68% of Palestinian companies employ one or two people – and many of these do not have the budgetary resources for CSR.

Political Violence

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In June 2007, Hamas, a designated Foreign Terrorist Organization (FTO), violently seized control of the Gaza Strip, effectively removing the PA from government facilities. Following the Hamas takeover, the GOI implemented a closure policy that restricted imports to limited humanitarian and commercial shipments and cut off exports. The economic situation and investment outlook in Gaza further deteriorated following Israeli combat operations there during December 2008 and January 2009 ("Operation Cast Lead"). Even before the substantial physical damage sustained by the private sector during the military operation, the World Bank estimated as many as 90% of private

sector businesses had closed. The GOI eased its closure policy in June 2010 by lifting some restrictions on goods imported into Gaza, which boosted economic growth and lowered unemployment. The GOI allows limited exports to overseas markets.

The State Department, at the time of this writing, has in place a travel warning that urges American citizens to avoid all travel in the Gaza Strip and to exercise caution when traveling in the West Bank.

Corruption

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The Anti-Graft Law (AGL) of 2005 criminalizes corruption, and the State Audit and Administrative Control Law and Civil Service Law both aim to prevent favoritism, conflict of interest, or exploitation of position for personal gain. The AGL was amended in 2010 to establish a specialized anti-graft court and the Palestinian Anti-Corruption Commission tasked with collecting, investigating, and prosecuting allegations of public corruption. The Anti-Corruption Commission, appointed in 2010, has indicted several high-profile PA officials; these cases are now pending before the courts. However, the PLC, which is the legislative body responsible for oversight of the PA's executive branch, has not met since April 2007. In May 2011, the World Bank reported that the PA had made significant progress in establishing a strong governance environment in many critical areas, but it highlighted continuing areas of concern, including management of state land assets, transparency in licensing and business rights, and public access to government information. Palestinian civil society and media are active advocates of anti-corruption measures, and there are also international and Palestinian non-governmental organizations that work to raise public awareness and promote anti-corruption initiatives. The most active of these is as the AMAN Coalition for Integrity and Accountability, the Palestinian chapter of Transparency International. In May 2011, the World Bank reported that relatively few Palestinians have actually experienced bribery (less than 2% of those surveyed), and Palestinians do not consider corruption to be one of the most serious problems they face. Please see <http://www.aman-palestine.org/eng/index.htm> for further information. When compared to other countries in the region, Palestinians' experience of bribery in the public sector is very low. There are no reliable means of determining where or to what extent this kind of activity occurs.

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a

competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption provides for the criminalization of certain acts of corruption,

including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>)

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.)

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department’s Advocacy Center and State’s Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center “Report a Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/departement/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

Bilateral Investment Agreements

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The Palestine Liberation Organization (PLO), on behalf of the PA, has signed international trade agreements, which refer implicitly or explicitly to WTO rules. These include:

- 1) Paris Protocol Agreement with Israel (1994) – free trade in products between Israel and Palestinian markets
- 2) Technical and Economic Cooperation Accord with Egypt (1994)
- 3) Trade Agreement between the PA and Jordan (1995)
- 4) Duty Free Arrangements with the United States (1996)
- 5) The EuroMed Interim Association Agreement on Trade and Co-operation (1997)
- 6) Interim Agreement between European Free Trade Area (EFTA) states and the PLO (1997)
- 7) Joint Canadian-Palestinian Framework for Economic Cooperation and Trade (1999)
- 8) Agreement on Commercial Cooperation with Russia – extends MFN status
- 9) Greater Arab Free Trade Area, to which PA is a party (2001)
- 10) Free Trade Agreement with Turkey (2004)
- 11) Trade Agreement with the EU – duty free access for Palestinian agricultural and fishery goods (2011)
- 12) Free Trade Agreement with Mercosur (2011)
- 13) Unilateral acts by other Arab trade partners extending preferential treatment to trade with Palestine.

Since 1996, duty-free treatment has been available to all goods exported from the West Bank/Gaza to the United States, provided they meet qualifying criteria as spelled out in the U.S. - Israel Free Trade Area (FTA) Implementation Act of 1985, as amended. The

duty-free benefits accorded under the FTA exceed those benefits which would be provided under the Generalized System of Preferences (GSP). It is worth noting that the benefits for imports provided in all of the trade agreements listed above are subject to application by the GOI, since all goods destined for the West Bank or Gaza must enter through Israeli-controlled crossings or ports. The GOI generally applies duties and tariffs consistent with its trade agreements, not with the PA's trade agreements.

OPIC and Other Investment Insurance Programs

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The Overseas Private Investment Corporation (OPIC) provides a variety of services to qualified U.S. investors in emerging economies and developing nations. During the early stages of investment planning, U.S. investors may contact OPIC for insurance against political violence, inconvertibility of currency, and expropriation in the form of an insurance registration letter. OPIC insurance is not available after the investment has been irrevocably committed. OPIC has initiated a number of programs in the West Bank and Gaza to support private sector development, including a loan guarantee facility.

The World Bank, via a USD 26 million fund administered by its Multilateral Investment Guarantee Agency (MIGA), provides guarantees in the form of insurance against political risk for private investments in the West Bank and Gaza. Under the terms of the Fund, investors who are nationals of companies incorporated in a MIGA member country, or who are Palestinian residents of the West Bank or Gaza, are eligible to obtain guarantees for up to 15 years. The Fund currently has the capacity to issue guarantees for up to USD 5 million per project.

Labor

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With its growing youth population, the Palestinian territories have an abundant labor supply with a high level of education and skills. (According to PCBS, the total population of the Palestinian territories in December 2012 was about 4.4 million, 2.7 million in the West Bank, and 1.7 million in the Gaza Strip. PCBS estimates 1,094,500 people or 43.4% of the population over age 15 participated in the labor force in the third quarter of 2012.) Since 2001 when the GOI began restricting the number of labor permits available to Palestinians, areas adjacent to the "Green Line" boundary between Israel and the West Bank, such as Jenin, Tulkarem, and Qalqilya have seen their unemployment rates increase substantially above the West Bank average.

The most recent unemployment estimates for the first three quarters of 2012 (until September 30, 2012) for the West Bank and Gaza were released by the PCBS on December 30, 2012 as follows:

West Bank: 19.2%
Gaza Strip: 30.6%

Unemployment disproportionately affects youth: when broken down, the highest unemployment rate in the first three quarters of 2012 was 43.8% among youth ages 20-24 years.

For the same period, PCBS reports the public sector employed 22.9% of the workforce (16.3% in the West Bank and 38% in Gaza Strip). During the third quarter of 2012, the average daily wage employees in the West Bank was 87.5 NIS compared with 66.1 NIS

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in Gaza Strip. The average daily wage for persons employed in Israel and Israeli settlements was NIS 167.4.

Labor force distribution by sector is as follows. (Source: PCBS labor force survey, September 2012)

West Bank

- 34.3% - Services and other
- 22.1% - Commerce, Hotels, Restaurants
- 14.7% - Mining, Quarrying, Manufacturing
- 12.0% - Agriculture, Forestry, Fishing, Hunting
- 11.3% - Construction
- 5.6% - Transportation, Storage, Communication

Gaza

- 51.7% - Services and other
- 17.6% - Commerce, Hotels, Restaurants
- 9.3% - Transportation, Storage, Communication
- 9.0% - Construction
- 7.8% - Agriculture, Forestry, Fishing, Hunting
- 4.6% - Mining, Quarrying, Manufacturing

Foreign-Trade Zones/Free Ports

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There are no foreign trade zones or free ports in the West Bank or Gaza.

Foreign Direct Investment Statistics

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The PA released a survey of foreign investment in December 2011 that showed the stock of foreign investment in the Palestinian territories had reached USD 2.297 billion by the end of 2010, a 45% increase over 2009 figures. This includes foreign direct investment, portfolio investments, and other investments. Stocks of foreign direct investment reached USD 1.58 billion in 2009, an increase of 18% over the previous year.

A list of foreign investments in the Palestinian territories is not publically available. The largest investment company in the West Bank/Gaza is the Palestine Development and Investment Company (PADICO), which has invested over \$250 million in the economy. Key PADICO investors include diaspora Palestinians from Jordan, the United Kingdom, and the Gulf. PADICO has made significant investments in telecommunications, housing, and the establishment of the Palestine Exchange. The Arab Palestinian Investment Company (APIC), headquartered in Ramallah, is a large foreign investment group with authorized capital of over USD 100 million. Three new private equity funds, largely comprised of foreign investors, launched in 2010 and 2011: Riyada, Siraj, and Sadara. Other significant potential foreign investments include Qatari mobile operator QTel's projected USD 600 million investment in Wataniya Mobile over a 10-year period, and Qatari Diar's projected USD 1 billion investment in Rawabi, a mixed use/affordable housing real estate development. The largest U.S. investment is Coca Cola's 15% stake in the local bottler, National Beverage Company, a company valued at USD 70 million.

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How Do I Get Paid (Methods of Payment)

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Most local importers use letters of credit. U.S. firms should use contractual arrangements to ensure fulfillment of payment obligations, particular when beginning a business relationship. Recently however American exporters have been demanding that payments be made in advance even for long-time customers with good credit history.

SBA loan guarantees enable small U.S. exporters to obtain financing through commercial banks, usually short-term (i.e., 12-month) export working-capital loans for single transactions. SBA's international business trade loan program also offers small export trading and export-management companies long-term financing to compete more effectively and to expand or develop export markets.

The Foreign Agricultural Service of the U.S. Department of Agriculture (USDA) administers the Market Promotion Program to help U.S. producers and other organizations finance promotional activities for U.S. products with funds from USDA's Commodity Credit Corporation. These funds can also be used for market research, consumer promotions, and technical assistance. For more information contact Yossi Barak at yossi.barak@usda.gov

Please see <http://www.export.gov/finance.html> for a U.S. Commerce Department review of current project finance options and procedures.

How Does the Banking System Operate

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The Palestinian Monetary Authority (PMA) has the power and responsibility to regulate and implement monetary policies. It is sole holder and manager of the PA's and Palestinian public-sector entities' foreign currency reserves. With 18 commercial banks comprising over 135 branches now operating in the WB/G, the local banking sector has undergone rapid growth since the establishment of the PA in May 1994. A number of new Palestinian banks have been established and begun operating. Israeli banks do not operate in the West Bank and Gaza. The Jordan-based Palestinian-owned Arab Bank, the largest in the Arab world, has 23 branches in WB/G. Arab Bank offers a wide array of international banking privileges and is highly regarded among the local and international business communities.

West Bank and Gaza banks routinely deal in the Israeli shekel, Jordanian dinar and U.S. dollar. Israeli shekels are preferred for retail business transactions; while U.S. dollars

and Jordanian dinars are preferred for savings. At times, Israeli imposed restrictions on Gaza following the Hamas takeover in 2007 have created liquidity shortfalls there.

To offer Israeli shekel accounts, local banks must maintain correspondence relationships with Israeli banks. Most local banks currently have a relatively conservative lending approach, primarily because of lack of legal enforcements. Local banks generally offer savings and checking accounts; some do either personal or commercial lending or both. Most commercial and private lending is done on a short-term basis, of one to three years and one to four years, respectively, with shorter terms the norm. Firms often must put up the full amount of the loan - or more - as collateral. The lending to deposit ratio, remains low at 50 compared to 80 in regional markets. At the end of 2012, total deposits at local banks amounted to \$7.5 billion. In 2012, banks provided the Palestinian Authority with loans amounting to \$1.3 billion.

Foreign-Exchange Controls

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Under the Interim Agreement, West Bank banks must use the Bank of Israel (shekels) and Central Bank of Jordan (dinars) for all foreign exchange transactions.

U.S. Banks and Local Correspondent Banks

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The Cairo-Amman Bank and Arab Bank, the largest banks operating in the PA, have limited correspondence relationships with U.S. banks. Also one international bank operates in the PA: HSBC.

Project Financing

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Project finance is available to U.S. investors from the following U.S. government agencies: OPIC, and the U.S. Trade and Development Agency (TDA). The World Bank's International Finance Corporation (IFC) and the European Community's local development banks and credit agencies also provide project finance, although loans from the latter generally go to local Palestinian companies or to firms with a connection to European companies.

OPIC operates two major financing programs: direct loans and loan guarantees. American investors planning to share significantly in the equity and management of a venture in WB/G may use OPIC medium- to long-term financing (5-12 years). OPIC financing commitment to a new project cannot exceed 50% of the total project cost. OPIC loans usually range from \$100,000 to \$4 million. Interest rates vary according to the project's financial and political risk. The OPIC loan guarantee program is available to all U.S. businesses regardless of size. OPIC issues commercial and political risk guarantees, under which funding can be obtained from a variety of U.S. financial institutions. Typically, OPIC loan guarantees range from \$1 to \$25 million but may reach \$50 million. Interest rates are comparable to those of other USG-guaranteed issues of similar maturity.

In 2007, the Overseas Private Investment Corporation (OPIC), working with Palestinian and U.S. partners, helped establish a program that will generate at least USD 228 million in lending to Palestinian small and medium enterprises over the next 10 years. OPIC has also established a new mortgage finance company, which is just now beginning to offer long-term mortgage loans to potential homebuyers. By dramatically expanding

access to long-term credit, the mortgage facility will support several new affordable housing development projects, thus stimulating the construction sector. OPIC has also implemented a political risk insurance program for businesses exporting from the West Bank.

EXIM provides project finance in the form of direct loans, guarantees, or a combination of both through its Project Finance Division, in which outside consultants are contracted to evaluate projects. These services are available to major U.S. suppliers and to project sponsors without access to bank or government guarantees. The equity investor must be both creditworthy and exposed to meaningful financial risk. The direct loan and/or guarantee can cover up to 85% of the contract amount. EXIM is committed to completing its evaluation and issuing a preliminary indication of willingness to finance a project within 45 days from the day all the required documentation is submitted with the application for financing. EXIM however does not have a program for West Bank and Gaza, but one exists for Jordan that Palestinian importers could use if they have a partner there.

The U.S. Trade and Development Administration (TDA) promotes economic development in developing countries by funding feasibility studies, consultancies, training programs, and other project-planning services. TDA has financed several feasibility studies in the food, ICT, and waste water sectors, and also organized and financed orientation visits to the United States for power and telecommunications officials and stone and marble executives from WB. For more information contact Joshua Kaplan jkaplan@ustda.gov

The International Finance Corporation (IFC), the private sector arm of the World Bank, was established to encourage private-sector activities in developing countries. IFC provides loans, equity investments, guarantees, and stand-by financing. Multilateral Investment Guarantee Agency (MIGA) also offers political risk insurance.

USAID funds activities and programs to increase private-sector economic opportunities for Palestinians, encouraging broad-based growth by addressing key problems which hinder economic opportunities: access to financial services, access to markets, productivity and competitiveness of Palestinian firms, and the policy framework for private-sector development. Improving private-sector opportunities to achieve increased employment and incomes will help build support for the peace process and provide a stable foundation for long-term prosperity.

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Export-Import Bank of the United States: <http://www.exim.gov>
Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html
OPIC: <http://www.opic.gov>
Trade and Development Agency: <http://www.tda.gov/>
SBA's Office of International Trade: <http://www.sba.gov/oit/>
USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/ccp/default.htm>
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Business Customs

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In general Palestinian businesses are family-oriented, built on trust and long-term relationships. Larger local businesses tend to be non-family owned. Palestinian business people are pragmatic and generally politically moderate, and owners of larger enterprises have international contacts and worldwide experience.

Although business orientation has in the past tended to be toward Europe and the Gulf, local entrepreneurs seek American partners because of their technical expertise and know-how. U.S. businesspeople that travel to the area should familiarize themselves with State Department travel warnings currently warning U.S. citizens of the risk of traveling to the West Bank and avoiding all travel to the Gaza Strip. If they do travel, they should concentrate on building strong personal relationships with potential partners. It is customary to discuss plans over cups of Arabic coffee or tea, and you may often be invited to the family home or out for a restaurant meal.

Most major Palestinian businesspeople speak English well, although when negotiating contractual terms it is advisable to use a good translator, who might be a local attorney assisting with the deal. Palestinians dress more formally than Israelis, usually in Western business suits. Business cards are always exchanged, and appointments can be made on short notice.

The normal workweek varies depending on the business, although most firms are closed on Fridays (Muslim holiday), even if the owner is Christian. Christian-owned firms are also generally closed on Sundays.

Travel Advisory

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Current information on travel and security in Israel, the West Bank and Gaza may be obtained from the Department of State by calling 1-888-407-4747 within the United States, or, from overseas, 1-317-472-2328. U.S. citizens should consult the Travel Warning and Consular Information Sheet for Israel, the West Bank and Gaza, the Middle East and North Africa Public Announcement, and the Worldwide Caution Public

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Announcement, and the Worldwide Caution Public Announcement at the Department's Internet site: http://travel.state.gov/travel/cis_pa_tw/tw/tw_5841.html

Visa Requirements

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For visa requirements to enter Israel, West Bank and Gaza go to the State Department's Internet site: http://travel.state.gov/travel/cis_pa_tw/cis/cis_1064.html

U.S. companies that require travel of foreign business persons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

Telecommunications

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The international dialing code for the West Bank and Gaza is +970. Calling fixed lines may require a city code: (02) for Jerusalem, Ramallah, Hebron and Jericho; (09) for Nablus, Tulkarem, and Qalqilya; (04) for Jenin; and (08) for Gaza. Mobile phone numbers in Jawwal begin with (059) and in Wataniya start with (056). To call a fixed line from a mobile phone, dial the city code followed by the fixed line number.

Paltel is the only fixed line operator in the West Bank and Gaza. The company offers its 400,000 subscribers a full range of services, including local and international phone calls, access to the Internet, and payphone services. ISDN, ADSL, and BSA services are also available. Wireless Internet can be found in many hotels, coffee shops, and restaurants. Jawwal and Wataniya are the only two licensed mobile operators in the West Bank and Gaza. Currently, Wataniya operates in the West Bank market only but is expected to begin operations in Gaza in 2013. Also, a number of VoIP and broadband service providers have recently entered the West Bank and Gaza.

Transportation

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U.S. business visitors should use one of the several taxi services in Jerusalem for travel in Jerusalem and the West Bank. Long-term business visitors may want to rent a car and driver. The U.S. Government warns against travel to Gaza. When traveling within the West Bank, travelers should keep their passports available for inspection at Israeli checkpoints. The Commercial Service strongly suggests checking the latest State Department security update before considering trips to the West Bank and Gaza. http://travel.state.gov/travel/cis_pa_tw/tw/tw_5841.html

Language

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All Palestinians speak Arabic; most heads of larger companies and many other Palestinians speak English well.

The following general hospitals are in the West Bank:

- Ramallah Government Hospital Tel: +970-2-298-2216
- Arab Care Hospital (also in Ramallah) Tel: +970-2-298-6420

Palestinian hospitals do not accept insurance unless drawn out by a local Palestinian insurance company so payment in cash is required. Hospitals usually ask for a deposit upon admittance of patient and amount is calculated according to estimated duration of treatment in hospital. In the West Bank very serious and untreatable cases are usually referred to Israeli hospitals. In the West Bank, the best hospital is Ramallah Government Hospital, which is very well equipped and staffed. Travelers can find information in English about emergency medical facilities and after-hours pharmacies in *The Jerusalem Post* newspaper. Most doctors and hospitals expect immediate cash payment for services. U.S. medical insurance is not always valid outside the United States, so supplemental medical insurance with specific overseas coverage is a useful investment. Travelers can obtain additional health information from the "International Travelers Hotline" of the Center for Disease Control: (404) 332-4559.

Tap water is generally safe to drink and bottled water is readily available.

Local Time, Business Hours, and Holidays

The local time is two hours ahead of Greenwich Mean Time and Daylight Saving Time is observed. Most businesses are closed on Fridays, Christian owned businesses close on Sundays and may also close on Fridays.

Holidays

Muslim holidays include Eid Al Fitr, Eid al-Adha, the Islamic New Year (Ra's as-Sana), the Prophet's Birthday (Mawled), Isra and Mi' raj. Businesses are open on those holidays, but government offices are closed. Business and government offices close for three days for Eid Al Fiter and four days for El Adha. The Consulate General in Jerusalem is closed on these holidays, but the U.S. Embassy in Tel Aviv is open. The month-long Ramadan period is expected to begin on July 9, 2013. During this period, businesses and government offices generally remain open, but business slows somewhat as observant Muslims are required to observe a fast from before sunrise to sunset. Islamic holidays are based on lunar calendar, so dates will vary from year to year. In addition, the U.S. Embassy in Tel Aviv and the U.S. Consulate in Jerusalem are closed for official American and Jewish holidays:

American, Islamic, and Israeli Holidays: January, 2013– January, 2014

January 2	New Year's Day 2012/2013
January 21	Martin Luther King Day
February 18	President's Day
March 26	Passover (1st Day)*
April 1	Passover (Last Day)*
April 16	Israeli Independence Day*
May 15	Shavuot (Pentecost)
May 27	Memorial Day
July 4	U.S.A Independence Day
July 9	Ramadan Begins

August 6	Ramadan Ends (Eid Al Fiter)
September 2	Labor Day
September 5	Rosh Hashanah (New Year 1st Day)*
September 6	Rosh Hashanah (New Year 2nd Day)*
September 14	Yom Kippur (Day of Atonement)*
September 19	Succot (Feast of Tabernacles)*
September 26	Simhat Torah (Rejoicing of the Law)*
October 14	Columbus Day
October 15	Eid Al Adha Feast
November 11	Veterans' Day
November 28	Thanksgiving Day
December 25	Christmas Day
January 1, 2014	New Year's Day

*Israeli National Holidays: All businesses in Israel are closed. Jewish holidays begin at sunset the day before. Businesses and offices close in the early afternoon of the day before. Many Israeli businesses close for the duration of Passover (7 days) and Succot (8 days).

Temporary Entry of Materials and Personal Belongings

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The PA has not yet established specific provisions for temporary entry of goods. It is currently using Israeli regulations.

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[U.S. Consulate General](#)
[U.S. Department of State](#)
[Embassy of the United States](#)
<http://www.jawwal.ps/Alwataniya>

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Chapter 9: Contacts, Market Research and Trade Events

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Contacts

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U.S. Embassy, U.S. Consulate General, and other U.S. Government Contacts

Ms. Maria Andrews, Commercial Counselor
The U.S. Commercial Service, American Embassy
71 Hayarkon Street, Tel Aviv 63903
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E-mail: Maria.Andrews@trade.gov

Mr. Joseph White, Deputy Senior Commercial Officer
The U.S. Commercial Service, American Embassy
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E-mail: Joseph.White@trade.gov

Mr. Assad Barsoum, Senior Commercial Specialist
Sectors: Accounting/advertising & leasing services, apparel/textile industries, electrical/electronic industries, energy/power generation industries, furniture, foods & food processing/packaging equipment, information technologies industries, telecommunications industries, toys/games, travel & tourism industries)

Ground Floor
19 Keren Hayesod Street
Jerusalem 94188
Tel: +972-2-625-4742, Fax: +972-2-623-5132
E-mail: Assad.Barsoum@trade.gov
<http://export.gov/westbank/>

Mr. Issa Noursi, Commercial Specialist
Sectors: Advanced materials, chemicals & plastics industries, automotive & transportation industries, building & construction industries, consumer product industries, environmental industries, healthcare & scientific industries, manufacturing & process technology industries, metal & minerals industries, paper & packaging industries, educational/franchising & financial services.

Ground Floor
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Office of Agriculture Affairs, U.S. Embassy,
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ITA/MAC/Office of the Middle East
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U.S. Trade & Development Agency (TDA)
1000 Wilson Blvd., Suite 1600
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Overseas Private Investment Corporation (OPIC)
1100 New York Avenue, NW
Washington, DC 20527
Tel: 202-336-8404
Fax: 202-408-5133
E-mail: dulce.zahniser@opic.gov

Rita Murrell, Director Asia, Africa, Middle East
Trade Finance and Insurance Division
Ex-Im Bank
811 Vermont Avenue NW
Washington DC 20571
Tel: 202-565-3712
Fax: 202-565-3677, 3684
E-mail: Rita.Murrell@exim.gov

Palestinian Contacts

Bilateral Business Group Contacts

Palestinian American Chamber of Commerce
Ramallah, West Bank
Mr. Said Baransi, Chairman
Tel: +970-2-2974117 Fax: +970-2-297-4092
E-mail: sbaransi@bci.ps
<http://www.amcham.ps>

Trade or Industry Associations in Key Sectors

Federation of Palestinian Chambers of Commerce, Industry & Agriculture for West Bank and Gaza
P.O. Box 54701
Jerusalem
Tel: +970-2-234-4923 Fax: +970-2-234-4924
<http://www.pal-chambers.org/>

Palestinian Federation of Industries (*has branch office in Gaza*)
P.O Box 574
Ramallah, West Bank
Mr. Saqer Al Jerashi, Chairman
Tel: +970-2-242-1485 Fax: +970-2-242-1486
E-mail: pfi@palnet.com
<http://www.pfi.ps/index.php>

Palestinian Businessmen's Association (*has branch in Gaza*)
Ramallah, West Bank
Mr. Mohammad Masrouji, President
Mr. Majed Ma'ali, Director General
Tel: +970-2-297-4636 Fax: +970-2-297-4004
E-mail: info@pba.ps
<http://www.pba.ps/>

Palestinian Information Technology Association (PITA) (*has branch in Gaza*)
P.O Box 2460
Ramallah, West Bank
Mr. Hasan Kasem, Chairman
Tel: +970-2-240-8478 Fax: +970-2-240-8479
E-mail: info@pita.ps
<http://www.pita.ps/newweb/etemplate.php?id=16>

Palestine Trade Center (PALTRADE) (*has branch in Gaza*)
P.O. Box 883
Ramallah, West Bank
Ms. Hanan Taha Rayyan, CEO
Tel: +970-2-240-8383 Fax: +970-2-240-8370
E-mail: htaha@paltrade.org
<http://www.paltrade.org>

Bethlehem Chamber of Commerce & Industry
P.O. Box 59
Bethlehem, West Bank
Dr. Samir Hazboun, President
Dr. Ala'a Nabil Adeleh, General Manager
Tel: +970-2-274-2742 Fax: +970-2-276-4402
E-mail: bcham@palnet.com
<http://www.bethlehem-chamber.org/>

Palestinian Businessmen Forum, Hebron
P.O. Box 354
Hebron, West Bank
Mr. Nafez Hirbawi, Chairman
Tel: +970-2-222-6786 Fax: +970-2-222-6787
E-mail: pbfh@palnet.com

Jericho Chamber of Commerce, Industry & Agriculture
P.O. Box 91
Jericho, West Bank
Mr. Kazem Moaqet, Manager
Tel: +970-2-232-3313; Fax: +970-2-232-2394
E-mail: jercom@palnet.com

Nablus Chamber of Commerce & Industry
P.O. Box 35
Nablus, West Bank
Mr. Nameer Khayat, Director General
Tel: +970-9-238-0335 or +970-9-237-9615 Fax: +970-9-237-7605
E-mail: nablus@palnet.com

Hebron Chamber of Commerce
P.O. Box 272
Hebron, West Bank
Mr. Ghazi Herbawi, Chairman
Mr. Jawad Sayyed, Director
Tel: +970-2-222-8218; Fax: +970-2-222-7490
E-mail: jawadsayyed@yahoo.com

Ramallah Chamber of Commerce
P.O. Box 256
Ramallah, West Bank
Mr. Khalil Rizek, Chairman
Mr. Salah Al Odeh, General Manager
E-mail: salahudeh@gmail.com
Tel: +970-2-298-4692 or +970-2-295-5052; Fax: +970-2-298-4691

*Government Offices Relating to Key Sectors and/or Significant Trade Related Activities
(In most cases it is better to contact Palestinian Authority offices by fax or telephone
rather than by letter.)*

Office of the President
Ramallah
Contact: Dr. Muhammad Mustafa, PA President Economic Advisor
Tel: +970-2-295-9928, Fax: +970-2-296-9740

All Palestinian Ministries are headquartered in the city of Ramallah with branch offices in Gaza and some West Bank cities.

Palestinian Ministry of National Economy
P.O. Box 1629
Ramallah, West Bank
Mr. Ziad Karableh, Director of International Trade Relations
E-mail: ziadk@met.gov.ps
Tel: +970-2-298-1214/5/6 Fax: +970-2-298-1207
<http://www.met.gov.ps>

Palestinian Economic Council for Development & Reconstruction (PECDAR)
Dr. Mohammad Shtayyeh, Managing Director
P.O. Box 54910, Jerusalem
Ramallah, West Bank
Tel: +970-2-297-4300 Fax: +970-2-297-4331
E-mail: shtayyeh@planet.edu
<http://www.pecdar.org>

Palestine Monetary Authority
Ramallah, West Bank
Dr. Jihad Al Wazeer, Governor
Tel: +970-2-240-9920/1 Fax: +970-2-240-9924
E-mail: info@pma.gov.ps
<http://www.pma.ps/>

Palestinian Ministry of Finance
Ramallah, West Bank
Mr. Fuad Al Shobaki, VAT & Excise Director General
Tel: +970-2-240-4917/8 Fax: +970-2-240-4140
<http://www.pmf.ps/en/>

Palestinian Ministry of Tourism
P.O. Box 534
Bethlehem, West Bank
Ms. Rula Maayah, Minister
Tel: +970-2-274-1581 Fax: +970-2-274-3753

Palestinian Ministry of Telecommunications & Information Technology
P.O. Box 246
Ramallah, West Bank
Ms. Safa Naser Eddin, Minister
E-mail: minister@mtit.pna.ps
Tel: +970-2-242-9867; Fax: +970-2-242-9868

Palestinian Ministry of Planning
P.O. Box 4557
Ramallah, West Bank
Mr. Mohammad Abu Ramadan, Minister
Tel: +970-2-297-3022 Fax: +970-2-297-3021
<http://www.mopad.pna.ps/>

Palestinian Energy Authority
P.O. Box 3591
El-Bireh, West Bank
Dr. Omar Kittaneh, Chairman
Tel: +970-2-298-6190 Fax: +970-2-298-6191

Palestine Standards Institution
P.O. Box 2258
Ramallah, West Bank
Mr. Mazen Abu Sharia, Director General

Tel: +970-2-298-4144 Fax: +970-2-298-2444
<http://www.psi.gov.ps>

Commercial Banks

All commercial banks have their headquarters in the city of Ramallah with branches in Gaza except for HSBC and Jordan Ahli Bank that do not work in Gaza.

Arab Bank PLC
P.O. Box 1476
Ramallah, West Bank
Mr. Jamal Hourani, Regional Director
Tel: +970-2-295-4817/18/19 Fax: +970-2-298-2444
<http://www.arabbank.ps/>

Bank of Jordan
P.O. Box 1829
Ramallah, West Bank
Mr. Johnny Zeidan, Regional Manager
Tel: +970-2-295-2694/5/6/7/8 Fax: +970-2-295-8684
http://www.bankofjordan.com.ps/pal_ar/index.php

Cairo Amman Bank
P.O. Box 1870
Ramallah, West Bank
Mr. Joseph Nisnas, Area Manager
Tel: +970-2-298-9435/6 Fax: +970-2-295-5437
<http://www.cab.ps/>

Palestine Commercial Bank
P.O. Box 1799
Ramallah, West Bank
Mr. Azzam Shawa, General Manager
Tel: +970-2-297-9999, Fax: +970-2-297-9977
<http://www.pcb.ps/>

Bank of Palestine Ltd.
P.O.Box 471
Ramallah, West Bank
Mr. Hashim Shawa, Chairman & General Manager
Tel: +970-2-296-5010/11, Fax: +970-296-4703
<http://www.bankofpalestine.com>

The Housing Bank for Trade & Finance
Ramallah, West Bank
Mr. Mahmoud Takrouri, Regional Manager
Tel: +970-2-298-6270-4, Fax: +970-2-298-6276
<http://www.hbtf.com>

Jordan Ahli Bank (*No branches in Gaza*)
Ramallah, West Bank
Mr. Hanna Ghattas, Regional Manager
Tel: +970-2-295-9343, Fax: +970-2-298-6372
<http://www.ahli.com/palestine.shtm>

HSBC (*No branches in Gaza*)
P.O. Box 2067
Ramallah, West Bank
Tel: +970-2-298-7802/3, Fax: +970-2-298-7804
<http://www.hsbc.com/1/2/about/network/mea/palestinian-autonomous-area>

Multilateral Development Bank Offices

World Bank
Ms. Mariam Sherman, Country Director West Bank and Gaza
P.O. Box 54842, Jerusalem
Tel: +972-2-236-6500, Fax: +972-2-236-6543
<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/WESTBANKGAZAEXTN0,,menuPK:294370~pagePK:141159~piPK:141110~theSitePK:294365,00.html>

International Monetary Fund (IMF)
Contact: Mr. Oussama Kanaan, Resident Representative
Tel: +970-2-236-6570, Fax: +970-2-236-6543
<http://www.imf.org/wbg>

International Finance Corporation
Contact: Mr. Youssef Habesch, Country Officer
Tel: +970-2-236-6517 Fax: +970-2-236-6521
<http://www.ifc.org>

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

(Add link to trade events section of local buyusa.gov website here or just delete this text.)

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities and support them once they do have exporting opportunities.**

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: <http://export.gov/westbank/>

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center at (800) USA-TRAD(E).**

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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