The Palestinian Investment Promotion Agency “PIPA”

Building a Better Future

Textile and Garments

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Characteristics of Textile and Garments Industry

- Textile industry ranked great importance in Palestine
- 12.1% share of Industrial sector 2014
- 11.8% of labor force 2014
- 12 M USD value of exports 2014
- 2,068 Enterprise engaged in this sector "406 Textiles, 1,662 clothes"
- 123.9 M USD value of imports 2014
- 124.3 M USD the annual production value 2014
- 70% of legal ownership are individual companies
- 50% of projects hiring (1-4) workers

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Textile and Garments companies that received investment incentives from PIPA

- 21 Projects received incentives
- 1,721 Direct jobs created
- 4 USD M Projects gross investment
- 4% of total industrial companies treated

Investment incentives and criteria

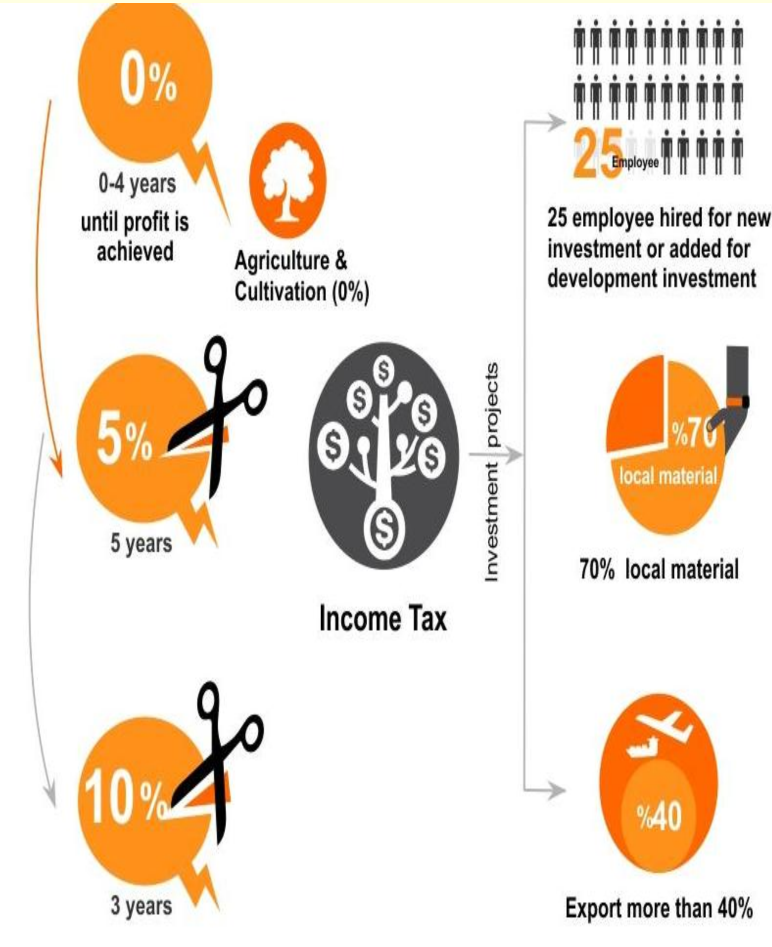
Law No. (1) for year 1998 and its amendments:

Investment incentives

- 0% for agriculture cultivation and livestock
- 5% Income tax for a period of (5) years
- 10% Income tax for a period of (3) years
- Custom incentives on investment machinery
- Incentives contract package (sector, location, transfer of knowledge..)

Criteria: (Industry, Tourism, Agriculture)

- 25 New jobs or added
- 40% Produce exported
- 70% Local content (materials and machinery)



Guarantees:

✓ No distinction between foreign or local investors, Investor can have a free ownership

✓ Investors may freely transfer all financial resources any time and with any currency accepted by the investor

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Targeted sectors in Palestine

Agriculture (Roses, Strawberry, Dates, Olive oil and its products, fishery), Fund and financial services (Insurance, Loan guarantee, funds) , ICT (Incubators, Research and Development, Excellence centers, Call centers, Software development, games development) Infrastructure, Real Estate and construction, Industry (Stone and Marble, Food and Beverage, Pharmaceuticals and cosmetics, light industries), Energy (Renewable energy, Gas and Oil industries) , Logistics and Transportation (storing, packaging, shipping fright services) Health, Tourism (Pilgrims services, Tour operators, Hospitality)

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Investment opportunity

- Designing and R&D
- Industrial strings and related industry inputs
- Marketing and packaging services

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Success Stories

شركة فليفل
للتجارة وصناعة الأقمشة

Arja Textile Co.
The Ultimate Clothing Experience

Sinokrotex

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Palestine's commitment to investors

- Free investment in all sectors and any percentage
- Free money transfer, i.e capital and revenue
- No confiscation, nationalization
- Equal treatment for investors

Palestine competitiveness

- Government commitment to have a truly **enabling investment environment**
- Language and literacy: multi language literacy; Literacy Rate % aged 15 and above is 95.3%
- Education: Students of Secondary Stage (enrollment Ratio): 64.0%; Community Colleges Graduates: 12,584 (2010/2011); Universities Graduates:201,389 (2010/2011) ; Graduates of High Education & Vocational Training among 15 yrs old and over (End 2005): 14.5% (End 2005)(skilled labor force)
- Strong private sector partners and business leaders
- Liberal laws and regulations that allow investors to easily get started and register the type of company that suits there business, this is mainly reflected in the company registration law
- Palestine has also supported the creation of a very organized and active financial systems that allows many banks to operate under PMA. And allow for the creation of effective capital market authority.
- Foreign trade, Palestine has signed various trade treaties with EU, EFTA, US, CANADA and many bilateral treaties with the Arab world

Role of the Palestinian Investment Promotion Agency "PIPA"

- PIPA cam from a law in Palestine and its primary function is to assist in the development of a healthy Palestinian investment climate

- Representation of the private sector on PIPA's BoD ensures that private sector considerations and the full support of partnership kept at the forefront

Associated tasks include:

- Providing incentives and income tax exemptions to local and foreign investors
- Enhance investment environments
- Develop the Palestinian economy
- Public Private Partnership is fully supported by the BoD
- No discrimination between Local and Foreign investors
- Facilitate investment establishment in Palestine
- Provide the One-Stop-Shop services to investors
- After care services

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For more Information on investing in Palestine please do not hesitate to contact us

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