



هيئة تشجيع الاستثمار الفلسطينية
Palestinian Investment Promotion Agency



مؤتمر فلسطين للاستثمار
Palestine Investment Conference



INSPIRING BUSINESS



ICT Sector

Project Number:	PIC-2010-IO-039
Project Name:	Mishwar
Sponsor Company:	Speedtech Investment Company
Contact Details:	Mr. Iyad Dweikat Tel: +970-9-2333111 Fax: +970-9-2336581 Mobile: +970-59-9579463 Email: iyad@speedtech.ps Website: www.speedtech.ps
Total Cost of the Project:	US\$ 64,470
Investment by Current Owners:	US\$ 5,420
Required Investment:	US\$ 59,050

Project Description:

The project consists of two interrelated components, Mishwar Channel and the web material part of the website, which is already under development.

Mishwar is a tourism portal proposed to gather a wide variety of tourist information in Palestine in one place. The portal covers different travel, tourism and entertainment data such as travel and transport, accommodation, food and dining, luna parks, swimming, gaming and playing, events and activities, banking and money change, phone and internet services information.

Under the Mishwar Channel, the website will function as a gateway for receiving proposed materials for publishing from different sources. A media and awareness campaign will be conducted to encourage tourism agencies to produce and broadcast their materials on the channel.

The project will run over the period of 24 weeks starting from the date of signing the agreement.

Project Development Time Table:

Define and hire project team	Week 1 and 2
Design the concept page (Mishwar)	Week 3
Prepare infrastructure, domains, hosting and servers	Week 3
Update programming of Mishwar	From week 3 to 5
Prepare Tourism Mishwar Channel / design	From week 4 to 5
Design and prepare media plan	From week 3 to 5
Media and newspaper ads, TVs, radios, bill inserts, SMS and events	From week 6 to 20
Conduct Awareness workshops in all major cities	From week 6 to 10
Receiving, rating and broadcasting entries	From week 6 to 24
Visits to major tourism sites / ventures	From week 10 to 16
Review and evaluation	Week 1, 8, 12 and 24
Final evaluation, reporting and project closure	From week 22 to 24

Current Owners' Profile:

Established in the city of Nablus in January 2007, Speedtech Investment Co. is a private shareholding company owned by a group of professionals in the fields of IT, finance, management, as well as commerce and strategy. The company is headquartered in Nablus with operations in all West Bank and Gaza, in addition to some activities conducted outside Palestine, mainly related to web services. Speedtech has a network of agents and dealers spread all over the West Bank, thus giving the company a comprehensive geographical coverage. This network provides support to the company's customers in ADSL and web services in addition to hardware maintenance when needed. In 2007, Speedtech established and managed an e-entertainment centre for youth in Nablus focused on providing a new gaming environment built on electronic games.

Speedtech has a reputable record of achievement in web services and has already initiated and developed tens of professional web sites in different sectors with emphasis on tourist facilities like hotels and restaurants.

Industry Highlights:

The Information and Communications Technology (ICT) sector has a significant influence on the development of Palestinian infrastructure and on general quality of life standards. The ICT sector plays a critical role in shaping the future of Palestine as it facilitates the ability for Palestinians to communicate with others locally and globally.

Economic experts gave high marks to the Palestinian ICT sector for its viability and ability to aid the development of the Palestinian economy. International outsourcing experts attested "that the Palestinian outsourcing industry is capable of sustaining multiple concurrent IT development projects at levels of quality, timeline and customer satisfaction as buyers would expect from a global IT outsourcing services provider." Experts stress that despite the current political situation and heavy-handed Israeli restrictions, the ICT sector stands on top of other economic sectors in terms of its readiness to boost the Palestinian economy and significantly penetrate regional and international markets.

Palestine is leaping forward in the ICT world as statistics show a huge increase in the number of households that use ICT technology. According to the Palestinian Central Bureau of Statistics, 32.1% of households have a computer at home and 15.6% have access to the internet; a 72.8% increase from 2004. Other significant statistics such as the number cell phone users indicate that the sector has more than doubled since 2004.

As of 2007 year-end, the ICT sector contributed about 10-12% of GDP with a market size of around \$500 million. There are approximately 250 ICT companies, 150 small computer stores, more than 150 internet cafés and over 5,300 individuals working in the sector in the West Bank and Gaza. Palestinian ICT companies cover a wide spectrum of the ICT market including hardware distributors, software development firms, office automation vendors, internet service providers, telecommunication companies, as well as ICT consulting and training companies.

Broadband penetration is mainly dominated by Paltel presently and by having other companies that provide the service with quality emphasis, this will lead to higher internet penetration while lowering the cost. Indeed, due to its heavy cross-sectoral impact, a competitive broadband service industry has the potential to become a main economic driver for future economic, social and democratic change.

SWOT Analysis

Internal Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Speedtech has extensive experience in website development The website will form the first reference of information for internet users who browse the net for information on Palestine Speedtech has a well defined and solid media plan 	<ul style="list-style-type: none"> Lack of additional financial resources from the current owner

External Analysis

Opportunities	Threats
<ul style="list-style-type: none"> There is no direct competitor for the same service 	<ul style="list-style-type: none"> Low barrier entries due to ease of imitation

Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
Income statement Accounts					
Revenues	100,200	108,300	108,300	108,300	108,300
Gross Profit	66,200	77,300	75,300	73,300	71,300
Net Income	16,500	27,600	25,600	23,600	21,600
Cash Flow Accounts					
Operating Cash Flow	17,325	28,980	26,880	27,780	22,600
Investing Cash Flow	(30,000)	(34,470)	-	-	-
Financing Cash Flow	64,470	-	(30,000)	(50,000)	(80,000)
Balance Sheet Accounts					
Total Assets	46,500	108,570	104,170	107,770	99,370
Total Liabilities	-	-	-	-	-
Total Equity	46,500	108,570	104,170	107,770	99,370
Profitability Indicators					
Return on Assets	35%	25%	25%	22%	22%
Return on Equity	35%	25%	25%	22%	22%

Courts.Net – A Case and Court Management System and e-Justice Portal

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Project Number:	PIC-2010-IO-043
Project Name:	Courts.Net – A Case and Court Management System and e-Justice Portal
Sponsor Company:	JAFFA.NET Computer Systems
Contact Details:	Dr. Yahya Al-Salqan Al-Mobaadin St. P.O. Box 2435, Ramallah, West Bank, Palestine Tel: +970-2-241-2020 Fax: +970-2-241-3030 Email: alsalqan@i-jaffa.net Website: http://www.i-jaffa.net
Total Cost of the Project:	US\$ 2,200,000.00
Investment by Current Owners:	US\$ 1,100,000.00
Required Investment:	US\$ 1,100,000.00 equity investment

Project Description:

Jaffa.Net is seeking a strategic/financing partner that can help Jaffa.Net extend its market share and reach to become a worldwide offering. In addition, the strategic partner can also help Courts.Net position itself vis-à-vis international software companies such as Oracle or Microsoft with the long term goal of having them adopt Courts.Net as a vertically integrated e-Justice application.

The Courts.Net court & case management system is a one-of-a-kind planning, tracking, organizational, execution, and archiving platform that systematically tracks court workflow. Because Palestinian and Jordanian courts have highly complex structures and tracking procedures, they adopted Courts.Net in their respective judicial systems. Aside from nearly eliminating all paperwork, and the associated nuisance of tracking documents and clauses, it acts as a self-monitoring and legal reference tool for the court's daily planning, operations and tasks.

With its user friendly interface and settings, Jaffa.Net's judicial innovation eliminates the need for real programmers to make any changes or updates to its numerous workflow modules. The multi-step case life cycle and request management includes numerous judicial processes, including the registration book of operations, the case life cycle management, case accounting, case types and fees, case workflow, case archiving, hearing and minutes, scheduling, and reporting.

The Courts.Net architecture allows the customer to have major flexibility on the type of database, application server, workflow engine, portal server, they wish to use. It has been tested in multiple environments on state-of-the-art model-driven architecture utilizing the best practices in the industry. Currently the system is implemented in Palestinian and Jordanian courts.

Project Development Time Table:

	Palestine	International
Infrastructure Development	N/A	N/A
Building and Construction Date	N/A	N/A
Building and Construction Completion Date	N/A	N/A
Furniture & Equipment Purchase	N/A	Upon opening of new branches
Operations Start Date	June 2008	Upon opening of new branches

Current Owners' Profile:

Jaffa.Net Computer Systems (www.i-jaffa.net) is a software company established in 1998 with an emphasis on quality IT solutions. Jaffa.Net's portfolio of products include: The Courts.Net, Check Clearing System for Commercial Banks, Human Resources Management System; Financial Management, ERP, and CRM solutions, School.Net, Archiving.Net and Document Management System, as well as MoneyEx.Net.

Jaffa.Net was ranked by the CBI, an independent IT evaluation company based in The Netherlands, as "the most advanced IT company in Palestine." Jaffa.Net is an Oracle Certified Solution Partner, and a Microsoft Partner.

After almost seven years of working in the judicial market, very few companies have Jaffa.Net's experience in terms of comprehensive justice and case management solutions, not just in the Middle East but internationally as well. Jaffa.Net has proven expertise to build courts and case management systems on state-of-the-art IT architecture and tools from n-tier architecture, to database dependency, to web interface, and workflow engine powers. Jaffa.Net sees a trend in emerging markets to reform judicial systems, and the company believes it can play a significant role in achieving this noble goal.

Jaffa.net is lead and co-owned by Dr. Yahya Al-Salqan, who has extensive management and technical experience acquired in the Middle East and in the Silicon Valley, where he worked as a senior engineer at Sun Microsystems. Dr. Al-Salqan has a Ph.D. from the University of Illinois and 9 patents registered in his name internationally.

Finally, Jaffa.Net is a World Bank Registered Vendor. A Dun Bradstreet evaluated the company as "Excellent and Stable" standing under number 53-208-5669. Jaffa.Net is a founding Member of PITA (www.pita.ps), as well as of PICTI (www.picti.ps), and a member of Paltrade (www.paltrade.org).

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SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> CourtsNet has proven success following its deployment in Palestine and Jordan 	<ul style="list-style-type: none"> Needs considerable governmental engagement and approvals, which can prolong the sales process
<ul style="list-style-type: none"> Innovative approach that can suit civil and Sharia courts 	<ul style="list-style-type: none"> High initial capital requirements for targeting international markets
<ul style="list-style-type: none"> JaffaNet is a well established name, and is ranked by international IT evaluation companies as “No 1 IT Company in Palestine” 	

External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> Took the initiative and is currently pursuing opportunities in Ethiopia 	<ul style="list-style-type: none"> Competition from other multilingual international software providers
<ul style="list-style-type: none"> Wide range of potential client beneficiaries within each country including civil and Sharia courts 	
<ul style="list-style-type: none"> Being an independent database while still applicable on Oracle, Microsoft, and SQL servers makes it highly adaptable system 	

Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
Income statement Accounts					
Revenues	790,000	1,560,000	2,450,000	3,600,000	4,700,000
Expenses	300,000	570,000	590,000	750,000	1,200,000
Gross Profit	490,000	990,000	1,860,000	2,850,000	3,500,000
Taxes	88,200	178,200	334,800	513,000	630,000
Net Income after Tax	401,800	811,800	1,525,200	2,337,000	2,870,000
Cash Flow Accounts					
Operating Cash Flow	401,800	811,800	1,143,900	1,752,750	2,152,500
Investing Cash Flow	(1,100,000)	0	381,300	584,250	717,500
Financing Cash Flow	1,100,000	0	0	0	0
Balance Sheet Accounts					
Total Assets	2,601,800	3,413,600	4,557,500	6,310,250	8,462,750
Total Liabilities	650,450	853,400	1,139,375	1,577,563	2,115,688
Total Equity	1,951,350	2,560,200	3,418,125	4,732,688	6,347,063
Profitability Indicators					
Return on Assets	15%	24%	33%	37%	34%
Return on Equity	21%	32%	45%	49%	45%

Project Number:	PIC-2010-IO-045
Project Name:	Technology Educational Kits
Sponsor Company:	Palestine ICT Incubator (PICTI)
Contact Details:	Mr. Hasan Omar Ramallah-Jerusalem Street- Al Sheikh Tower, 4th Floor, Palestine Tel: 970-59-9225092 Email: hasan.omar@picti.ps Website: www.picti.ps
Total Cost of the Project:	US\$ 250,000
Investment by Current Owners:	US\$ 50,000
Contributions by Project's Revenues	US\$ 100,000
Required Investment:	US\$ 100,000

Project Description:

Palestine ICT Incubator (PICTI) is seeking a financing partner to support the establishment of a company that aims to provide the following products and services: Technology Educational Kits, training students and teachers on how to use their kits, and encouraging Palestinian youths to come up with innovative ideas using their kits.

The company aims to target the local Palestinian market which will include schools, universities, educational Institutions and vocational training centers. Additionally, the company's customers will include students, educators and technology hobbyists. The two types of kits available will be the Sysco Lab-MCU Kit Level 1 (priced under \$50) and the Sysco Lab-MCU Kit Level 2 (priced under \$60).

The company's kits are very competitive in international markets in terms of price and functionality. Their competitive advantage is that they will be the first company in Palestine to design these "Digital Kits". They will be designed in an affordable and easy-to-use way, which will allow those interested to better understand the technology curriculum. These kits will also stimulate Palestinian youth to invent technological solutions and applications that benefit the long-term development of Palestine.

Project Development Time Table:

	Expected number of months from finance availability
Phase 3 (Final prior to completion)	6 months

Current Owners' Profile:

Palestine Information & Communications Technology Incubator (PICTI) designs, develops and implements initiatives that lead to the creation of innovative entrepreneurial enterprises focused on Information and Communications Technology (ICT). PICTI's main competitive advantages include its management's strong network extending throughout the Palestinian private sector, its dedicated staff with incubation know-how, its clients (some close to graduation), and a pioneering initiative underway to create a seed fund for the benefit of pre-revenue start-up companies incubated at PICTI. PICTI aims to develop the Palestinian Micro, Small and Medium Enterprises (MSME) sector as a means to generate new jobs, attract foreign investment and improve the economic situation in the Palestinian territories.

Palestine is entering a new era. It faces a changing political environment which is constantly bringing about new economic, social and technological challenges. Access to finance, business advisory services, equipment and reliable telecommunications are all challenges for established businesses and entrepreneurs wishing to participate in the growing private sector.

PICTI's mission is to design, develop, implement, and promote initiatives that support entrepreneurial business ventures with high growth potential by providing them with an integrated package of world-class business development services that nurture and support the commercialization of their ideas while enhancing their development and growth.

PICTI has created many programs such as outreach (awareness campaign with the Palestinian universities and communities on issues related to entrepreneurship, innovation and PICTI services), pre-incubation programs, incubation programs, seed fund investment (fund under establishment and ongoing fundraising), marketing (annual participation in Expotech www.expotech.ps and regional marketing campaigns and fundraising), a matchmaking program to link start-ups with business and investment opportunities, industry-university linkage programs as well as training and policy work.

PICTI also provides entrepreneurs with office space and business development services to transform their commercially viable ideas into established products and businesses, provides job opportunities for talented Palestinians, develops the information and communications sector, helps establish new start-up companies, plays an important role in revitalizing an entrepreneurial culture and capacity building, links Palestinian entrepreneurs with investors, develops business plans and provides business development services for its clients.

Industry Highlights:

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SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Benefits from PICTI's support services • PICTI's technical and managerial experience • Digital kits will stimulate Palestinian youths to invent and innovate technological solutions and applications 	<ul style="list-style-type: none"> • Lack of financial resources

External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> • Invented technological solutions will boost Palestine's ICT sector • Ability to sell products to all NGO's dealing with Palestinian youths • Schools and universities can encourage product as core requirement in their curricula • Increasing number of internet application users 	<ul style="list-style-type: none"> • ICT industry subject to quick changes • Competitors can easily duplicate

Financial Projections in US\$

Indicators	2010	2011	2012	2013	2014
Income statement Accounts					
Revenues	150,000	500,000	1,000,000	2,000,000	2,100,000
Gross Profit	140,000	350,000	680,000	1,260,000	1,323,000
Net Income	133,229	282,500	567,500	1,082,500	1,137,250
Cash Flow Accounts					
Operating Cash Flow	140,000	295,000	580,000	1,095,000	1,149,750
Investing Cash Flow	(250,000)	0	0	0	0
Financing Cash Flow	150,000	0	(500,000)	(1,000,000)	1,000,000
Balance Sheet Accounts					
Total Assets	283,229	565,729	633,229	715,729	852,979
Total Liabilities	0	0	0	0	0
Total Equity	283,229	565,729	633,229	715,729	852,979
Profitability Indicators					
Return on Assets	47%	50%	90%	151%	133%
Return on Equity	47%	50%	90%	151%	133%

Project Number:	PIC-2010-IO-046
Project Name:	Security and Surveillance Systems
Sponsor Company:	Palestine ICT Incubator (PICTI)
Contact Details:	Mr. Hasan Omar Ramallah-Jerusalem Street- Al Sheikh Tower, 4th Floor, Palestine Tel: 970-59-9225092 Email: hasan.omar@picti.ps Website: www.picti.ps
Total Cost of the Project:	US\$ 100,000
Investment by Current Owners:	US\$ 25,000
Required Investment:	US\$ 75,000

Project Description:

Palestine ICT Incubator (PICTI) is seeking a financing partner that can assist in the establishment of a company that will provide the following products and services: visual bell, security and surveillance systems, access systems and industrial machinery remote control systems.

The company will target the local Palestinian market including residential, private industrial institutions as well as governmental organizations. Its competitive advantage is that it will provide locally built, customized systems. The company will analyze clients' needs and design the system accordingly (custom made services).

Highly trained technicians will install the systems, which they have created. This is a major advantage because they will have a high degree of familiarity with the products and will therefore be able to provide the highest possible level service to clients. Additionally, all installed systems will be accessible remotely, so that clients are able to control them from multiple access points.

Project Development Time Table:

	Expected number of months from finance availability
Operations Start Date	2-3 months depending on needs of the client

Current Owners' Profile:

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SWOT Analysis

Internal Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> Extensive industry experience Major components needed are available in the local market PICTI's support services PICTI's technical and managerial experience 	<ul style="list-style-type: none"> Lack of financial resources Products may be slightly expensive, but effective
External Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> Growing demand for security & surveillance products 	<ul style="list-style-type: none"> Political instability Competition from Israeli and foreign imports (especially china)

Financial Projections in US\$

Indicators	2011	2012	2013	2014	2015
Income statement Accounts					
Revenues	90,000	150,000	200,000	260,000	273,000
Gross Profit	30,000	75,000	105,000	160,000	168,000
Net Income	1,832	333	46,500	101,500	106,825
Cash Flow Accounts					
Operating Cash Flow	6,832	5,333	51,500	106,500	111,825
Investing Cash Flow	(100,000)	0	0	0	0
Financing Cash Flow	100,000	0	(45,000)	(100,000)	(100,000)
Balance Sheet Accounts					
Total Assets	101,832	102,165	103,665	105,165	111,990
Total Liabilities	0	0	0	0	0
Total Equity	101,832	102,165	103,665	105,165	111,990
Profitability Indicators					
Return on Assets	2%	0%	45%	97%	95%
Return on Equity	2%	0%	45%	97%	95%

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