

## JENIN FREE ORGANIZED INDUSTRIAL ZONE

2022



## Framework

- Ankara Forum Process
- Gaza Tarquimia
- Jenin Free Organized Industrial Zone

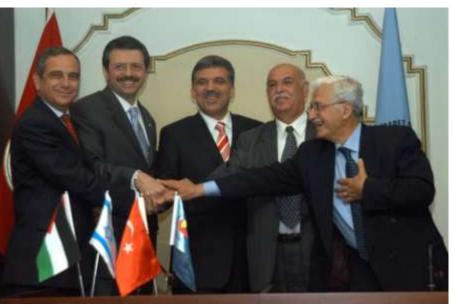
Jenin

- A brief history
- General framework of the project
- Developments in the last 2 years
- Our priorities and conclusion



## **Everything started with the Ankara Forum in** 2005

- The first mechanism of its kind
  - Private sector representative institutions of three countries came together for the first time
- TOBB-BIS is one of the results of this cooperation





## **TOBB's Initiative: Industry for Peace**

- Our three main objectives:
  - Privatizing the peace process and enabling Turkey to join the Peace Process as a third party
  - Administrative capacity building for industrialization and development in the Palestinian Authority
  - Introducing a model for creating value chains originating from Turkey in our region
- Main starting point:
  - Adaptation and implementation of Turkey's OIZ model to countries in the region
- Targeted primary outputs:
  - Youth employment and industrial-based economic development in Palestine



- It all started in Gaza...
- After 2007, the project moved from the Gaza to West Bank (Tarquimia)
  - The project stalled because of the land's status (Area C)





 We signed a concession agreement for JFOIZ with the Ministry of Economy in Palestine (2010)

Free Organized Industrial Zone project commenced on the ground...



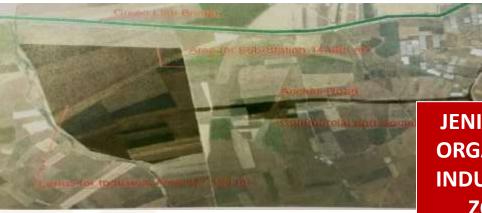




### FRAMEWORK OF THE JFOIZ PROJECT

- Transferring Turkey's experience in establishing and managing OIZs to Jenin
  - Not a 'charity' project but a sustainable business project
- Supporting the competitive integration of the Palestinian private sector into the global economy
- Enabling Turkish companies to establish regional and global value chains





JENIN FREE ORGANIZED INDUSTRIAL ZONE

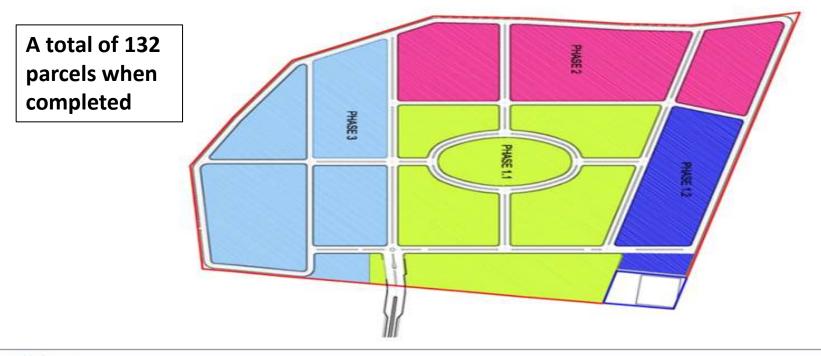
all of pieces, all for peace!

Francis Marine

- Approximately 1000 donum of land adjacent to the West Bank-Israel border
  - The concession agreement with the Palestinian Authority was signed in February 2010
- Land was allocated to TOBB-BIS
  - TOBB completed the expropriation process by paying 10 million USD to the Palestinian Authority.
- The German side will have invested 23.5 million Euros in total (off-site and partial on-site) for the completion of the project
  - Long-term loan for 14.5 million Euro for off-site; 9 million Euro grant for on-site and waterways infrastructure



#### JFOIZ WILL BE COMPLETED IN 3 PHASES

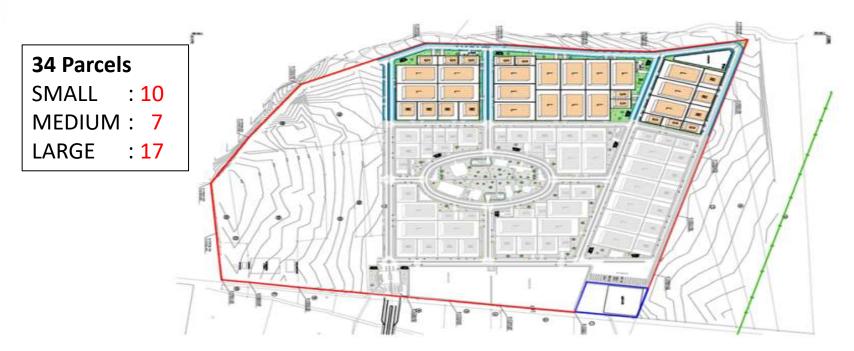








#### JFOIZ 2ND PHASE





#### **JFOIZ 3RD PHASE**





#### JFOIZ will provide direct employment to 5000 people





## We took steps in 2017, 2018 and 2019...

- In 2017, foreign OIZs were included in the scope of some OIZ supports and incentives by Turkey
- In 2018, amendments to budget items in the Memorandum of Understanding were made
  - 7.9 million USD additional infrastructure expenditure will be covered by TOBB-BiS
- In 2019, we made additions to the contract with our Palestinian partners
  - Exemption from all taxes (including VAT) except income tax
  - Palestinian authorities' recognition of the region's inviolability and internal security
  - Failure to confiscate goods in the area without informing the contractor
  - State of Palestine completed the construction tender and started off-site construction in January 2019



### It was an agricultural land



### **Development commenced**





# Main road connecting the Zone to the greater area has been completed...



www.tobb-bis.com



# JFOIZ water reservoir and waste water treatment facility has been completed...





www.tobb-bis.com



# We did not stop during the Pandemic...

- We became Turkey's first
  OIZ abroad through the
  Presidential Decree in
  2021
- Our registration number is '001'



T.C. SANAVÍ VE TEKNOLOJÍ BAKANLIČI

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# 2022-2023 Priorities

- Starting activities for TOBB-BiS' on-site construction
  - Starting the construction of the JFOIZ Administrative Building and Vocational School and opening the vocational school for education
- Signing a memorandum of understanding with the Israeli side on the transportation of people and goods to the JFOIZ
- Initiating the process of collecting requests from investors
  - Organizing an international investment conference in Jenin with high participation from Turkey
- Recognition of the special status of the JFOIZ by relevant parties



# Conclusion

- JFOIZ is Turkey's first industrial zone abroad
- On-site construction will commence in 2022
- Meetings with potential investors have already commenced