



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
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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%

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