New ICT exportmarkets – cost reduction – innovation

Impression of the ICT-missions to Palestine and Dubai

1. Mission to Palestine

The first Dutch economic mission to Palestine took place from 6 – 8 December 2013. Prime-Minister Rutte, Minister Timmermans (Foreign Affairs), Minister Ploumen (Foreign Trade and Development) and Wientjes (chairman of the employers federation VNO-NCW) took part. The interest for this mission, with more than 70 company participants, was larger than expected, and included an ICT-delegation as well.

There are various ICT-related business opportunities in Palestine:

- it is a new exportmarket for foreign companies. In order to stimulate trade and investments, a new fund can be used: the Dutch Good Growth Fund. 700 million Euro is available, especially to be used by Small and Mediumsized companies
- it is an upcoming *nearshore* outsourcing destination. Using local specialized ICT-skills can increase innovation, and also gives the possibility to reduce costs. Well-known users of Palestinian ICT-services are Alcatel-Lucent, Volvo, HP, Intel and Cisco. Localization of software into Arabic can also be done
- the Palestinian linkages can be used as a gateway to the Gulf region. Countries such as Saudi-Arabia or the Emirates are interesting markets for the European producers of software packages.

Participation at this mission gave an overview of these opportunities. The Palestinian ICT-companies can offer a broad range of services, such as software programming, testing, system conversion and migration, smartphone development, e-commerce and localization into Arabic. Expertise is available in Oracle, SaaS, Ajax, SQL, Java, J2EE, .NET, PHP, C#, etc.
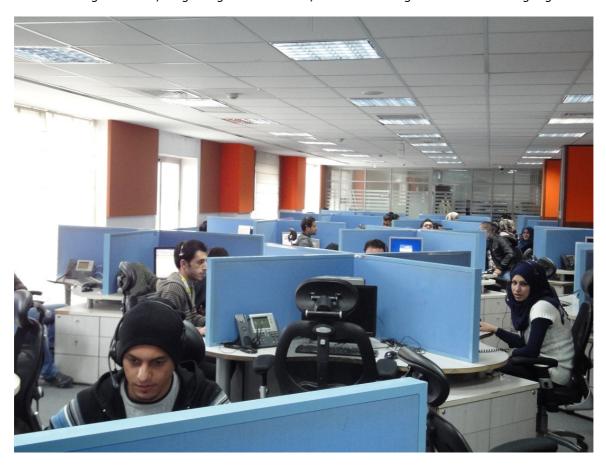
A specific advantage of Palestine is the loyality within companies, resulting in a low turnover of staff. Several Dutch software organizations are already outsourcing to Palestine and their experiences are positive. Interestingly, no cultural differences are encountered.

On the first day of the trade mission, 6 December, the Dutch ICT-delegation visited local service providers. They started at ASAL Technologies in Ramallah (www.asaltech.com). This company is working for several American high-tech customers, such as Intel and Cisco:

A visit to callcenter Reach (http://www.reach.ps). This contactcenter can be used 24x7 for telemarketing activities, targetting Arab markets, in both the English and Arabic language:

Excursion to Rawabi, the first new city to be built in Palestine (http://rawabi.ps). It will house thousands of inhabitants, but should also become a new high-tech centre:
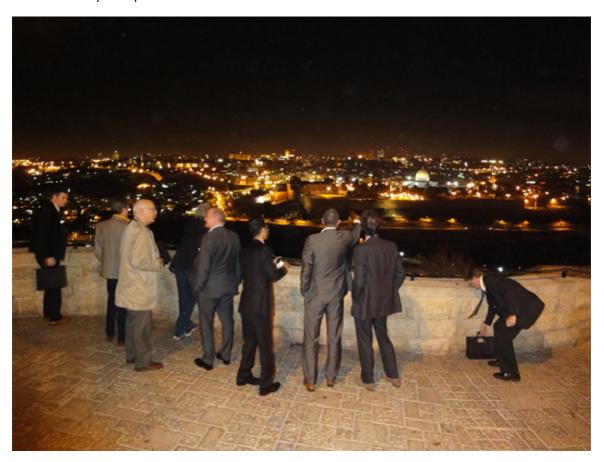
Lunch, offered by PITA (Palestinian Information Technology Association of companies), www.pita.ps. A nice and informal way to meet a number of their members:

Because of the busy schedule, there was no time left for a citytour in Jerusalem; only a quick view on the Old City was possible:

The next day, on 7 December, the Bilateral Forum took place in the Intercontinental Hotel in Bethlehem. It was opened by the Prime Minsters Rutte and Hamdallah and attracted more than 450 participants.

In the afternoon, an ICT-session took place, attended by representatives of Dutch and Palestinian businesses. The opening speech was be done by Mrs. Safa Nasser Eddin, Minister of Telecom and IT. A speaker from PITA (Palestinian Information Technology Association of companies) gave an overview of the ICT-sector, in both Westbank and Gaza. Paul Tjia, on behalf of CBI (Dutch Ministry of Foreign Affairs), presented some activities in order to promote ICT-cooperation between the Netherlands and Palestine.

The bilateral forum will be held every two years, and the second edition will be in Holland in 2015.

2. ICT-mission to Dubai

From 21 to 24 October 2013, the first Dutch ICT-mission to Dubai took place, intended for producers of software and for ICT service providers. This mission was also open for participants from other countries. The Gulf region offers interesting opportunities for entrepreneurs, and Dubai is an attractive gateway to the region.

Countries such as in Saudi Arabia or the United Arab Emirates, including Dubai, are huge ICT-markets. They are already recovering from the economic recession. The local ICT investments in the period from 2010 to 2013 are estimated at $ 180 billion. There are opportunities for European companies in various fields, including corporate solutions, mobile applications, security, education and health care and gaming.

During this trip, the Gitex was visited, the largest ICT-fair in the Middle-East and Gulfregion. The Gitex in 2013 was the largest ever, and saw more than 142.000 visitors from 150 countries. There were European country pavilions from the UK, Germany, Switzerland, Italy, Belgium, France, Hungary and Turkey. In all, Gitex included some 3,500 exhibitors from 61 countries. First-timers from Europe included Finland, Ireland, Lithuania, Serbia and Slovenia. For GITEX information: www.gitex.com.

A number of Dutch companies exhibited at Gitex, including TomTom and Philips:

A large presence of Microsoft: and of local government agencies:

No shortage of money: a Lamborghini, in use by the Dubai police:

During this Dutch ICT-mission, networking events took place, such as a meeting at the Dutch Consulate in Dubai, in cooperation with the Netherlands Business Council Dubai (NBCD):

For information

Interested to start an outsourcing project or to explore new export opportunities? By utilising the capabilities and skills of our network of ICT service providers in Palestine, you can:

- Focus on your core business competencies
- Reduce your ICT costs
- Expand your business more rapidly with faster time-to-market cycles
- Increase flexibility and scalability of your ICT processes
- Have access to a large pool of highly educated and skilled personnel
- Explore new export opportunities in the Middle-East & Gulfregion.

GPI Consultancy is an independent Dutch consultancy firm in the field of global ICT sourcing. We can provide you with additional information, assist you with formulating a successful outsourcing strategy, and with partner selection and the setting-up a (trial) outsourcing-project. This support is free of charge!

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Paul Tjia wrote a book on international ICT collaboration, together with Professor Erran Carmel (American University, USA). "Offshoring Information Technology - Sourcing and Outsourcing to a Global Workforce" contains more than 300 pages and is one of the most detailed publications available on the subject (now in its fifth print). Published by Cambridge University Press, the book is available at Amazon: www.amzn.to/xegoU9.

Expotech: Building Connections (Jericho, 2 March 2014)

The Palestinian ICT Association of companies (PITA), in cooperation with its partners, think-tanks and ICT players in Palestine and abroad, orchestrates a technology-week event in West Bank and Gaza every year. Expotech is not just a technology event, but a phenomenon of innovation and an experience of building connections. This year, the Palestinian economy will be celebrating the 10th anniversary of Expotech to showcase an array of achievements and foster local and worldwide connections. Palestine, after years of development and hard work, has become a strategic Open-cloud that is ready to host startups, grow business and penetrate new markets. Palestine is open for investment, outsourcing and international outreach, and is highlighted on the global ICT map. In coherence with PITA's main pillars, Expotech's main goals are:

- Creating business opportunities between Palestinian and foreign companies.
- Portraying Palestine as an open investment environment.
- Presenting the latest worldwide technology initiatives to the Palestinian ICT community to enhance innovation and create a stimulating business environment for startups.
- Branding the Palestinian ICT sector as a way of revealing achievements.
- Focusing on education as the heart of growth of the Palestinian ICT sector
- Emphasizing the role of the internet in creating value to Palestine.

For information about this event: www.expotech.ps.