



Building Global Teams from Palestine – A Guide for Employers and Investors

2026 Edition

A comprehensive guide for diaspora investors and
international tech companies

Foreword and Acknowledgments

A Message from Palestine Techno Park

Palestine's story is one of resilience, creativity, and boundless potential. Its digital transformation opens a new chapter for investors building a stronger, connected future. Across Ramallah, Gaza, Hebron, and Nablus, young innovators are turning ambition into enterprise, making Palestine a rising hub for technology and innovation.

For the Palestinian diaspora, this is more than an investment opportunity—it's a chance to reconnect with home and be part of a success story powered by determination, skill, and global vision. The ICT sector, supported by public institutions, private groups, and international organizations, is building the infrastructure and talent pipelines for sustained growth.

Palestine offers highly skilled professionals, competitive costs, and a strategic position bridging East and West, enabling efficient collaboration with regional and international companies. Time zone differences with the USA create an advantage: projects progress around the clock, with Palestinian teams advancing work while the U.S. rests, ensuring continuity.

Investing in Palestine means investing in its people—a generation that believes in innovation without borders. Whether outsourcing, co-creating, or building partnerships, Palestine welcomes you to be part of a digital economy rooted in excellence and resilience.

This report is authored by the Momentum Labs Consulting team led by Mr. Sari Taha. We extend our sincere gratitude to the peer reviewers, technology sector development practitioners Mr. Saad Khatib, Mr. Omar Sahili, and Mr. Feras Nasr, for their valuable insights and contributions.

Executive Summary

The Palestinian Information and Communication Technology (ICT) sector is a robust and rapidly growing engine of the national economy, contributing over \$500 million in annual value-added and demonstrating a consistent growth rate of 6% per year¹. With a talent pool of over 13,500 skilled professionals and a steady pipeline of new graduates, Palestine offers a compelling and proven opportunity for strategic technology offshoring.

However, the true story of Palestine's tech sector is not told in numbers alone. It is a story of unmatched talent, exceptional work ethics, and a proven track record of reliability. This guide provides a comprehensive overview for investors, particularly Palestinian diaspora professionals, on why partnering with Palestine is a strategic decision that delivers exceptional value.

Key Highlights:

Metric	Value
ICT Professionals	13,500+
Annual Value-Added	\$500+ million
Sector Growth Rate	6% CAGR
STEM Graduates Annually	8,000+
ICT Graduates Annually	2,260+
Active ICT Companies	500+ firms
Strategic Time Zone	UTC+2 (UTC +3 during summer months; strong overlap with Europe and partial overlap with U.S. working hours)
Population	5.6 million (2025)
Diaspora	7.8 million globally

This guide will walk you through the key advantages, the supportive ecosystem, the success stories of companies like ITG, iConnect, and Xngage, and the practical steps for building your own team in Palestine.

¹ Palestinian Central Bureau of Statistics. (2025). ICT Sector Statistics. <https://www.pcbs.gov.ps>

List of Abbreviations

ABRS – Automated Business Registration System
AI – Artificial Intelligence
AML – Anti-Money Laundering
API – Application Programming Interface
BOT – Build-Operate-Transfer
BPO – Business Process Outsourcing
CAGR – Compound Annual Growth Rate
CSR – Corporate Social Responsibility
CTO – Chief Technology Officer
DevOps – Development and Operations
DSL – Digital Subscriber Line
EPFL – Swiss Federal Institute of Technology Lausanne
EU – European Union
FPCCIA – Federation of Palestinian Chambers of Commerce, Industry and Agriculture
FTTH – Fiber-to-the-Home
GDP – Gross Domestic Product
GDPR – General Data Protection Regulation
GIZ – German Corporation for International Cooperation
HCIE – Higher Council of Innovation & Excellence
HR – Human Resources
ICT – Information and Communication Technology
ILS – Israeli Shekel
IP – Intellectual Property
ITG – Infinite Tiers Group
JD – Jordanian Dinar
KYC – Know Your Customer
LLC – Limited Liability Company
MENA – Middle East and North Africa
MoNE – Ministry of National Economy
MSME – Micro, Small, and Medium Enterprises
MTDE – Ministry of Telecommunications and Digital Economy
NDA – Non-Disclosure Agreement
NLP – Natural Language Processing
PA – Palestinian Authority
PALTRADE – Palestine Trade Center
PFI – Palestinian Federation of Industries
PICTI – Palestine ICT Incubator
PIPA – Palestinian Investment Promotion Agency
PITA – Palestinian Information Technology Association
PTP – Palestine Techno Park
QA – Quality Assurance

R&D – Research and Development
RFP – Request for Proposal
SaaS – Software as a Service
SDC – Swiss Agency for Development and Cooperation
SLA – Service Level Agreement
SOC – Security Operations Center
STEM – Science, Technology, Engineering, and Mathematics
TAP – Talent Acceleration Program
TVET – Technical Vocational Education and Training
UNDP – United Nations Development Programme
USAID – United States Agency for International Development
USD – US Dollar
UTC – Coordinated Universal Time
VC – Venture Capital

Introduction

Palestine is not just a location; it is a strategic partner in the global digital economy. Our vision is to be recognized worldwide as a premier destination for technology offshoring, celebrated not for low costs, but for the exceptional quality, unwavering reliability, and profound work ethic of our talent.

A Partnership in Excellence

Palestine's technology sector is not just an emerging market; it is a proven ecosystem of world-class talent, unwavering work ethics, and a track record of delivering excellence to global leaders, including Fortune 500 companies. **This guide is written for Palestinian diaspora professionals and international tech leaders considering offshoring, outsourcing, or direct investment in Palestine**—an invitation to partner with a generation of Palestinian engineers who are not only as talented as their counterparts anywhere in the world but are distinguished by their profound sense of responsibility, client-centricity, and an unyielding commitment to success.

For too long, the conversation about offshoring has been dominated by cost savings. While partnering with Palestinian talent does offer significant economic advantages, this is not the core of our value proposition. The true competitive advantage lies in the character of our workforce.

"Palestinian ICT teams embody a client-first mindset: reliability, flexibility, and dedication are built into the culture."
— Husam Barqawi, Founder, ITG

This commitment is not just professional; it is personal. For Palestinian engineers, the opportunity to work on cutting-edge technology for international clients is a chance to build a prosperous future for their families while remaining on their land. This deep connection to home and community fuels a powerful drive to excel and a profound sense of ownership over their work.

The majority of Palestine's offshoring success stories have been championed by Palestinian diaspora professionals. Whether you are part of this diaspora or an international tech leader exploring new opportunities, this guide aims to show you what these pioneers already know: that the talent, dedication, and resilience of Palestinian engineers are a winning formula. They understood the immense, untapped potential of their homeland and built the bridges to international markets.

Despite the headlines and the complex political realities, Palestinian engineers working for international companies have maintained an exceptional record of meeting client deadlines, even under challenging conditions. This is a testament to their professionalism and the robust, remote-first infrastructure that underpins the sector. This is the beauty of tech in Palestine: it transcends borders and challenges, delivering consistent, high-quality results, no matter the circumstances.

Palestine Techno Park: The Engine of Innovation

The Palestine Techno Park (PTP), established in 2016, stands as a research and innovation technology park registered as a non-profit organization and a cornerstone of Palestine's innovation ecosystem. It emerged from a partnership between Birzeit University and the Tech Forum, with support from the Government of India, and was inaugurated by H.E. President Mahmoud Abbas and H.E. Mr. M.J Akbar.

As a member of the International Association of Science Parks and Areas of Innovation (IASP), PTP is home to innovation labs, research hubs, and programs empowering thousands of Palestinian entrepreneurs.

Vision and Mission

Vision: To serve as the driving force behind growth and clustering within the technology sector, inspiring innovation and collaboration for a brighter future.

Mission: To establish Techno Park as a national hub for technology and innovation, empowering Palestinian youth, women, and entrepreneurs to create impactful solutions and thrive in a global digital economy.

Five Focus Areas

The Palestine Techno Park operates across five strategic pillars designed to strengthen the entire technology ecosystem:

- 1. Entrepreneurship:** Driving Palestine's digital economy with startups, jobs, and innovation. PTP provides incubation services, mentorship, and access to funding for early-stage technology ventures.
- 2. Research & Commercialization:** Transforming ideas into impactful ventures through R&D. The park facilitates partnerships between academia and industry, helping researchers bring innovations to market.
- 3. Workforce Development:** Building skills and connecting talent with opportunities. PTP offers training programs, workshops, and certification courses to ensure Palestinian professionals remain competitive in the global market.
- 4. Foreign Direct Investment:** Supporting global IT companies to enter Palestine. The park serves as a landing pad for international investors, providing infrastructure, local partnerships, and market intelligence.
- 5. ICT for Development:** Leveraging technology to improve education, health, and more. PTP champions the use of technology for social impact, working with government and NGOs to deploy digital solutions for public services.

Impact and Facilities

Located next to Birzeit University in Ramallah, Palestine Techno Park provides state-of-the-art coworking spaces, innovation labs, high-speed internet connectivity, and meeting facilities. While affiliated with the university, Palestine Techno Park services are open to the entire Palestinian tech ecosystem, not exclusive to Birzeit University. It has become the physical and symbolic center of Palestine's tech community, hosting events, hackathons, and international delegations.

For investors, Palestine Techno Park represents a one-stop shop for ecosystem engagement—offering introductions to talent, partners, and support services that can accelerate market entry.

Palestine at a Glance

Understanding the broader context of Palestine provides essential background for investment decisions. Palestine is a territory with a rich history, strategic location, and a young, dynamic population driving economic transformation.

Geography and Location

Palestine comprises two main territories: the West Bank (5,655 sq km) and the Gaza Strip (365 sq km), with a combined area smaller than many metropolitan regions but strategically positioned at the crossroads of Europe, Asia, and Africa.² Major cities include:

- Ramallah - Administrative and commercial center, hub of the ICT sector
- Gaza City - Largest city in Gaza, strong software development and freelancing community
- Hebron - Major commercial center in the southern West Bank
- Nablus - Northern industrial and tech hub
- Bethlehem - Tourism and services center

This strategic location provides natural connectivity to regional markets in the Middle East, North Africa, and Europe, with trade agreements facilitating access to Jordan, Egypt, and EU markets.

Population and Demographics

Palestine has a population of approximately 5.6 million people as of 2025, with about 3.2 million in the West Bank and 2.4 million in Gaza.³ The population is growing at a rate of 2.4% per year, one of the highest in the region.

The Palestinian diaspora is even larger, with an estimated 7.8 million Palestinians living abroad, including 6.5 million in Arab countries.⁴ This diaspora represents a vast network of professionals, entrepreneurs, and investors who maintain strong ties to their homeland.

Key demographic characteristics:

- Youngest population in the region: Approximately 65% of Palestinians are under 30 years old
- High education rates: Strong emphasis on education with 14 universities and numerous technical colleges
- Multilingual workforce: Proficiency in Arabic, English, and often Hebrew, French, or other languages

² Britannica. (2024). *West Bank: History, Population, Map, Settlements, & Facts*. <https://www.britannica.com/place/West-Bank>

³ Worldometers. (2025). *State of Palestine Population*. <https://www.worldometers.info/world-population/state-of-palestine-population/>

⁴ Palestinian Central Bureau of Statistics. (2025). *World Population Day 2025*. https://www.pcbs.gov.ps/portals/_pcbs/PressRelease/Press_En_WPD2025E.pdf

- Gender diversity: Growing female participation in the tech sector (27% of ICT workforce)

Economy and Governance

The Palestinian economy is governed by the Palestinian Authority (PA), which exercises partial civil control over areas of the West Bank.⁵ The economy has shown resilience despite challenges, with the ICT sector emerging as a key growth driver. The sector contributes approximately 3.5-4% of GDP and generates more than \$500 million in annual value-added.⁶ Economic forecasts for 2025 project growth of 1.8-3.9%, with the technology sector continuing to outpace overall economic performance.⁷

The Palestinian Authority has prioritized digital transformation through its National Digital Strategy (2025-2030), positioning ICT as a cornerstone of economic development and job creation.

⁵ Council on Foreign Relations. (2024). *Who Governs the Palestinians?* <https://www.cfr.org/background/who-governs-palestinians>

⁶ Palestinian Central Bureau of Statistics. (2025). *ICT Sector Statistics*. <https://www.pcbs.gov.ps>

⁷ Palestine Monetary Authority. (2025). *Economic Forecasts Report 2025*. <https://www.pma.ps>

ICT Sector Overview

The Palestinian ICT sector encompasses a diverse range of activities, from custom software development and IT services to business process outsourcing (BPO), digital platforms, and a thriving freelance community. This ecosystem provides technological solutions both locally and internationally, with an increasing focus on export markets.

Sector Definition and Scope

The ICT sector in Palestine covers the following key areas:

- **Software Development:** Custom application development, enterprise software, mobile apps, web platforms, and full-stack engineering
- **IT Services:** System integration, cloud architecture, infrastructure management, DevOps, and advanced technical support
- **Business Process Outsourcing (BPO):** Technical customer success, financial operations, business intelligence, analytics, and strategic back-office operations
- **Quality Assurance and Testing:** Test automation engineering, QA strategy, performance testing, and quality control architecture
- **Cybersecurity:** Security audits, penetration testing, security operations centers (SOCs), and threat intelligence
- **Digital Platforms and E-commerce:** Platform architecture, payment system integration, API development, and digital marketplace solutions
- **Freelancing and Gig Economy:** Independent senior engineers and consultants providing specialized services globally
- **AI and Data Services:** Machine learning engineering, AI model development, natural language processing (NLP), Arabic language AI models, and data science

Market Size and Growth Trends

The Palestinian ICT sector has demonstrated remarkable resilience and consistent growth over the past decade. The sector employs approximately 13,500 professionals across more than 500 active companies⁸. The concentration of activity is primarily in Ramallah and the West Bank, with a significant presence in Gaza despite infrastructure challenges.

Growth indicators:

- Annual growth rate: 6% CAGR, significantly outpacing overall economic growth
- Value-added contribution: Over \$500 million annually to the Palestinian economy
- Export orientation: Increasing share of revenue from international clients
- Startup ecosystem: Approximately 200 tech startups receiving support from incubators and accelerators⁹

The sector benefits from a growing network of incubators, innovation hubs, and international partnerships that continue to enhance skills, innovation, and employability.

⁸ Palestinian Central Bureau of Statistics. (2025). ICT Sector Statistics. <https://www.pcbs.gov.ps>

⁹ U.S. International Trade Administration. (2024). West Bank's Palestinian Tech Sector. <https://www.trade.gov/market-intelligence/west-banks-palestinian-tech-sector>

ICT Ecosystem Map

Palestine's technology ecosystem is a complex network of universities, companies, innovation hubs, industry associations, and international partners. Understanding this ecosystem is essential for investors seeking to navigate the market and identify the right entry points.

Industry Associations

Palestinian Information Technology Association (PITA)

Established in 1999 by Palestinian entrepreneurs, PITA is the voice of the information, communication, technology, and startup companies in Palestine. The association represents more than 150 major ICT companies and serves as the primary advocacy body for the sector. PITA provides:

- Industry representation and policy advocacy
- Networking and business development opportunities
- Training and certification programs via third party implementation
- International partnerships and market access support
- Research and market intelligence

Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA)

Established in 1989 in Jerusalem, FPCCIA is the umbrella organization representing all chambers of commerce, industry, and agriculture in the West Bank and Gaza Strip. The federation comprises 18 chambers (13 in the West Bank and 5 in Gaza) with a membership of more than 70,000 registered businesses. FPCCIA provides:

- Business development services and traditional chamber services
- Policy advocacy and participation in economic legislation
- Technical vocational education and training (TVET) programs
- Networking and coordination among national, regional, and international chambers
- Employment generation programs for youth
- Support for small and medium enterprises (SMEs)

Palestinian Federation of Industries (PFI)

Established in 1999, PFI is the national institution representing the Palestinian industrial sector through specialized industrial unions. The federation operates under Law No. (2) of 2006 and represents approximately 20,000 registered industrial companies across 15 specialized industrial unions including food, construction, stone and marble, pharmaceuticals, textiles, and renewable energy sectors. PFI provides:

- Industrial policy development and advocacy
- Member representation at local and international levels
- Capacity building and training programs
- Support for business-enabling environment development
- Industrial information collection and classification
- Partnerships with Arab and international industry associations

Palestine Trade Center (PALTRADE)

Established in 1998, PALTRADE is a non-profit, membership-based organization serving as Palestine's National Trade Development Organization with a mandate to lead the development of exports as a driving force for sustainable economic growth. The organization represents more than 327 Palestinian leading businesses. PALTRADE provides:

- Market intelligence and research services
- Export development and promotion support
- Trade policy formulation and advocacy
- Coordination of Palestinian participation in international trade exhibitions
- Business capacity building and training
- Support for Palestine's National Export Strategy implementation
- Market access facilitation for Palestinian businesses globally

Entrepreneurship, Innovation Hubs, and Incubators

Palestine hosts approximately 60 innovation hubs, incubators, and accelerators that serve as vital nodes for entrepreneurship and digital innovation. These centers provide coworking spaces, training, mentorship, and R&D support for startups in areas like AgriTech, FinTech, EdTech, Green ICT, and Cybersecurity. They offer reliable connectivity, professional workspaces, and a collaborative environment that keeps the workforce at the cutting edge of global trends. Leading examples include:

Higher Council of Innovation & Excellence (HCIE) - HCIE serves as the main government umbrella organization in Palestine for incubating innovation and inventors.

Palestine Techno Park (PTP) - The flagship research and innovation park, providing state-of-the-art coworking spaces, innovation labs, R&D support, and ecosystem coordination.

Intersect Innovation Hub - Operating in 5 Palestinian cities with a mission of enhancing the entrepreneurial ecosystem at all levels. In 2024, Intersect announced the first close of a \$5 million bridge financing facility named SAFE Palestine.

Gaza Sky Geeks - The first major startup hub in Gaza, backed by global partners like Google and Mercy Corps, focusing on developer training and startup support.

Flow Accelerator - Supports Palestinian ecosystem stakeholders—entrepreneurs and investors simultaneously—aiming to develop a viable innovation ecosystem.

Rawabi Tech Hub - Part of the planned city of Rawabi, augmenting a national strategy to advance the Palestinian technology sector as a significant driver of economic growth.

PICTI (Palestine ICT Incubator) - The first non-profit ICT incubator in Palestine, founded in 2004, providing sustainable channeling between startups, accelerators, and investors.

Other Notable Hubs:

- Station J
- Factory-X
- Flat6Labs Palestine (Nawah Pre-Accelerator Program supported by Google for Startups)

Universities and Talent Pipeline

Palestine's 14 universities produce over 8,000 STEM graduates and 2,260 ICT graduates annually, creating a sustainable talent pipeline. Key institutions include:

- **Birzeit University** - Partner in Palestine Techno Park, strong engineering and computer science programs
- **An-Najah National University** - Largest university in Palestine, comprehensive ICT programs
- **Islamic University of Gaza** - Leading institution in Gaza with strong tech focus
- **Palestine Polytechnic University** - Engineering and applied sciences specialization
- **Al-Quds University** - Prominent research university with advanced ICT and engineering programs
- **Arab American University** - Modern institution with strong emphasis on technology and business programs
- **Bethlehem University, Hebron University**, and others across the West Bank and Gaza

These institutions have forged partnerships with global technology leaders like Microsoft, Intel, Google, and Cisco, strengthening their training programs and research and development capabilities.

International Partners and Supporters

The Palestinian tech ecosystem benefits from strong international partnerships that provide funding, training, mentorship, and market access:

- **Government of India** - Major supporter of Palestine Techno Park infrastructure, providing grant funding (for the construction of the flagship Palestine-India Techno Park building and infrastructure development on 20,000 square meters at Birzeit University. The partnership, established in 2016, aims to create a national business environment supporting knowledge-based enterprises, technology clusters, and job opportunities for Palestinian entrepreneurs with connections to local, regional, and global markets.
- **Microsoft** - Technology partnerships and R&D collaborations with Palestinian companies, outsourcing work to Palestinian engineers in Ramallah, support for Gaza Sky Geeks accelerator program, and partnerships providing research and development services including software development, technology partnerships, project management, and staff augmentation to Palestinian firms working with multinational clients
- **Intel** - University partnerships including internship programs for Palestinian computer engineering graduates, R&D collaboration and outsourcing arrangements with Palestinian tech companies, and participation in capacity-building initiatives that provide Palestinian youth with valuable professional development experience in sizable tech companies to support their integration into the ICT sector.
- **Google** - Major founding supporter of Gaza Sky Geeks (initially as Arab Developer Network Initiative) with an initial seed grant of \$900,000 in 2011 after Google executives led by Megan Smith visited Gaza, enabling the creation of the first tech hub and startup accelerator in Gaza that provides training, mentorship, technology resources, and pre-seed investments to Palestinian entrepreneurs

- **Cisco** - \$15 million Palestine Investment Commitment including outsourcing projects, venture capital funding, Networking Academy programs established at Palestinian universities and Palestine Techno Park, Tamkeen.net capacity building program providing 100 days of training for Palestinian entrepreneurs and CEOs, and support that created a ripple effect bringing other American tech giants to work with Palestinian companies, resulting in 64% increase in international client work from 2009-2012.
- **Mercy Corps** - Humanitarian and economic development support, founding and operation of Gaza Sky Geeks accelerator since 2011, providing comprehensive programs including Code Academy (six-month web development bootcamp), GeeXelerator (16-week pre-seed accelerator), Skylancer Academy for freelancers, startup grants, co-working space access, and support that has helped create over 100 jobs and enabled freelancing graduates to earn more than \$400,000
- **World Bank** - Digital economy development initiatives including \$20 million Digital West Bank & Gaza Project for broadband infrastructure and e-government services, TechStart project mobilizing over \$30 million in private investment and creating 800 IT sector jobs, IPSD II (Innovation for Palestinian Start-ups and Digital Economy) program supporting digital entrepreneurship and innovation ecosystem, Finance for Jobs program supporting early-stage financing and entrepreneurship ecosystem development, Palestinian Digital Economy Assessment and policy recommendations, support for National Payment Systems reforms, and technical assistance for digital financial services and MSME development
- **USAID** - Historically foundational in building Palestine's ICT sector through capacity-building and economic growth initiatives, support for entrepreneurship programs and business incubators, partnerships with Palestinian tech organizations, and digital skills development. While USAID's programming has undergone significant changes in recent years, its past interventions played a critical role in establishing the infrastructure and capabilities that underpin the sector today.
- **UNDP (United Nations Development Programme)** - Startup incubation programs including SEEDS (Start-Up Economic Empowerment and Development) in Gaza providing \$7,000 grants plus training and mentorship, Creative Cluster Campus project at Palestine Techno Park funded by Islamic Development Bank, Transformative Entrepreneurship Support through partnerships with Flow Accelerator and the Shabab+ incubation program, and youth employment initiatives through the Shababeek (Youth Empowerment, Engagement and Knowledge)
- **GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit)** - German development agency supporting financial inclusion initiatives through partnership with Seedstars launching programs for digital finance and fintech startups, backing for Fast Forward acceleration program run by Leaders Organization, technical vocational education and training (TVET) programs in partnership with chambers of commerce, and entrepreneurship ecosystem development focusing on innovation and SME competitiveness
- **Swiss Representative Office/SDC (Swiss Agency for Development and Cooperation)** - Digital business transformation programs in partnership with Birzeit and Al Najah Universities and Swiss Federal Institute of Technology Lausanne (EPFL) offering courses in Leadership, Data Analytics, Product Management, User Experience, Customer Success, and Digital Marketing, innovation and entrepreneurship ecosystem support, and economic development initiatives contributing to Palestinian resilience and employment opportunities for youth since the establishment of the Swiss Cooperation Office in 1994
- **Government of the Kingdom of the Netherlands** - Netherlands Ministry of Foreign Affairs flagship initiative providing 4-month business support programs implemented

through Flow Accelerator for young entrepreneurs aged 18-35 in both West Bank and Gaza, offering training, mentorship, networking, funding and facilities to 15-20 startups per cohort, access to the Orange Corners Innovation Fund providing Track I funding (up to €5,000) and Track II funding for investment readiness, masterclasses with international experts, and connections to the global Orange Corners network across Africa and the Middle East

Investment Opportunities

Palestine's ICT sector offers diverse investment opportunities across multiple models and service verticals. The combination of talent availability, cost efficiency, supportive policies, and diaspora connections creates a compelling value proposition for strategic investors.

Service Verticals Ready for Investment

Custom Software Development and Quality Assurance

Palestinian firms deliver full-cycle development, maintenance, and quality assurance for enterprise and startup clients abroad. This is the most mature and export-ready segment of the sector, with proven track records serving international clients.

Outsourced Digital Services and BPO

Longstanding experience in helpdesk, back-office operations, data labeling, content moderation, and multilingual customer support. PITA describes outsourcing and digital services as a core pillar of Palestine's ICT story.

Cybersecurity and Infrastructure

New joint programs between Palestine TechnoPark and Gaza Sky Geeks are training specialized cybersecurity talent to meet global demand. The sector already features established players like CYSTACK, providing comprehensive cybersecurity solutions, and Hauberk Tech, delivering advanced security services to international clients. This emerging vertical offers opportunities for early-stage investment and partnership with both existing companies and new ventures.

AI, Data, and Product Localization for Arabic Markets

Palestinian engineers and linguists provide AI data work, speech analysis, and localization for Arabic-speaking users—a niche, high-demand capability in MENA. With over 400 million Arabic speakers globally, this represents a significant market opportunity.

E-Government and Digital Transformation

The Palestinian government's National Digital Strategy 2025-2030 and e-government platforms create internal demand for secure platforms, cloud services, data governance tools, and integration work, which can be jointly delivered with international partners.

Investment Models

Investors can engage with the Palestinian ICT sector through several proven models, each offering different levels of control, risk, and return:

1. Portfolio Investment in Local Startups

Invest in Palestinian tech startups through local or international venture funds. The growing ecosystem of accelerators and incubators provides deal flow and due diligence support.

2. Strategic Partnership with Existing Companies

Partner with established Palestinian ICT firms to expand their service offerings, enter new markets, or scale operations. This model leverages existing infrastructure and client relationships.

3. Captive Development Center (Wholly Owned Subsidiary)

Establish your own wholly owned tech center (LLC or branch) in the West Bank, leveraging incentives tied to local hiring. This model provides maximum control and IP protection.

4. Build-Operate-Transfer (BOT)

Work with a local partner to build and operate a team, then transfer ownership after a defined period. This accelerates market entry while reducing initial risk.

5. Joint Venture

Co-ownership with a local partner where strategic alignment or regulatory context favors shared control and risk.

Offshoring and Remote Employment Models

Understanding the practical models for engaging Palestinian talent is essential for successful market entry. Palestine's ICT sector has evolved sophisticated approaches to remote work and international collaboration, refined over years of serving global clients.

Project-Based Outsourcing

This is the most common entry model and carries the lowest risk for first-time engagements. You hire Palestinian ICT firms to deliver defined software modules, applications, integrations, QA cycles, cybersecurity audits, or support services under contract.

Advantages:

- Low commitment and easy to pilot
- No need to establish local legal presence
- Access to established firms with proven delivery track records
- Clear scope, timeline, and budget
- Immediate access to specialized skills

Best for: Companies testing the Palestinian market, projects with well-defined requirements, or organizations seeking to supplement internal capacity for specific initiatives.

Dedicated Remote Teams (Staff Augmentation)

Build a long-term remote development, testing, or support team hosted locally by a Palestinian partner. The local partner handles facilities, HR, payroll, and administrative management, while the team works as a direct extension of your company. Palestinian firms openly market this model to international clients.

Advantages:

- Team members work exclusively for your company
- Full integration with your processes, tools, and culture
- Long-term stability and knowledge retention
- Scalable as your needs grow
- Local partner handles compliance and HR complexity

Best for: Companies seeking to build long-term offshore capacity, scale development teams cost-effectively, or establish a dedicated support function.

"Palestinian teams deliver U.S.-level expertise at a fraction of the cost—not as low-cost labor, but as high-value partners."

— **Mohammad Asseede, Xngage Offshore Operations Manager**

Direct Offshoring (Captive Development Center)

Set up your own wholly owned tech center in the West Bank, leveraging incentives tied to local hiring. Multinational tech companies (including NVIDIA and others) have used this model to tap Palestinian engineering talent and scale teams. These models have been backed by tailored incentives from PIPA, including reduced corporate tax and customs benefits.

Advantages:

- Complete control over operations, culture, and IP
- Direct employment relationships
- Maximum benefit from tax incentives and hiring subsidies
- Ability to build proprietary processes and tools
- Long-term strategic asset

Best for: Larger companies with long-term commitment, organizations requiring strict IP control, or businesses planning significant scale (50+ employees).

Impact Investment and Talent Incubation

Partner with accelerators like Gaza Sky Geeks or Palestine TechnoPark to co-fund training, sponsor cohorts, or seed startups, gaining early access to talent and deal flow while creating visible social impact.

Advantages:

- Alignment with corporate social responsibility goals
- Early access to emerging talent and innovations
- Brand building in the Palestinian market
- Potential for financial returns from startup investments
- Contribution to ecosystem development

Best for: Companies with CSR mandates, organizations seeking to build long-term talent pipelines, or investors interested in impact-driven returns.

"Our operations channel over \$20 million annually into the Palestinian economy—real income that reaches families directly and fuels local growth."

— Husam Bargawi, Founder, ITG

Time Zone Advantage

Palestine's UTC+2 (+3 during summer) time zone creates a significant overlap with working hours in both Europe and the US East Coast, facilitating real-time collaboration. As one offshore operations manager notes:

"Palestine's time zone allows seamless overlap with both European and U.S. markets, a key enabler for real-time collaboration. Our teams work U.S. and European schedules with ease. The time zone gap becomes an advantage for 24-hour project continuity."

— Mohammad Assedeh, Xngage

Investment Incentives and Legal Framework

Palestine has cultivated an investment-friendly legal framework designed to protect and encourage foreign investment, particularly in the strategic ICT sector. The combination of modern company law, attractive tax incentives, and streamlined registration processes creates a supportive environment for international investors.

Legal Foundation

The legal framework is built around the Law on the Encouragement of Investment (No. 1 of 1998, amended in 2011 and 2014) and the work of the Palestinian Investment Promotion Agency (PIPA).¹⁰ Key provisions include:

- **Equal Treatment:** The law grants non-Palestinian investors the same treatment as Palestinian investors, ensuring a level playing field.
- **100% Foreign Ownership:** Permitted in most sectors of the economy, including ICT, without requiring local partners.
- **Capital Movement:** Protects the right to move capital in and out of Palestine, addressing a key concern for international investors.
- **Protection Against Expropriation:** Investments are safeguarded against expropriation or nationalization except for public purpose, with due process and fair compensation as stipulated in the investment legislation.
- **Dispute Settlement:** Investors have access to Palestinian courts for dispute resolution, with the option to include arbitration clauses in investment contracts for alternative dispute settlement mechanisms.
- **Facilitation and aftercare:** PIPA can support investors by coordinating with relevant authorities and helping address procedural delays during registration, licensing, and incentives applications.
- **Priority Sectors:** ICT, tourism, industry, and services are designated as priority sectors eligible for enhanced incentives.

Company Formation

Palestine's Companies Law (approved October 2, 2021, published December 30, 2021) modernizes and unifies the company regime for the West Bank and Gaza, replacing old Jordanian (1964) and Egyptian (1930) laws.¹¹ Key improvements include:

- Electronic company registration through the unified e-services portal (palbusiness.gov.ps)
- No minimum capital requirement for private companies (public shareholding companies excluded)
- One-person companies permitted, facilitating sole proprietorships
- Home-based business registration allowed
- Strengthened corporate governance and shareholder protections

¹⁰ Palestinian Investment Promotion Agency (PIPA). (2025). *Investment Law*. <https://www.pipa.ps>

¹¹ Palestinian Companies Law. (2021). *Law approved October 2, 2021*.

- Clearer provisions on mergers, spin-offs, and liquidation
- Branch and subsidiary registration for multinational companies

Operating Structures Available:

- Limited Liability Company (LLC) - most common for captive centers
- Branch of foreign company - for direct presence
- Representative office - for market exploration
- Joint venture - for strategic partnerships

Registration Process

Registering a company is handled by the Ministry of National Economy through the Automated Business Registration System (ABRS) at <https://palbusiness.gov.ps>, which was developed following the new companies law approved in October 2021. This digital platform has streamlined the registration process significantly. With complete documentation, investors report that registration can usually be completed in about two weeks. The typical steps are:

1. Secure approval of the company name
2. Submit the memorandum of association and bylaws
3. Provide identification for founders
4. Show proof of paid-in share capital (for certain company types)
5. File a power of attorney for the lawyer handling the process
6. Register for income tax and VAT after incorporation

If procedures stall, investors can request facilitation support through PIPA to help coordinate with the relevant authorities.

Tax Incentives for ICT Sector

Corporate income tax rates vary by sector. As a general reference point, many entities are taxed at 15%, while certain regulated sectors may face higher rates. Investors should confirm the applicable rate for their activity with tax advisors and the Palestinian tax authorities. ICT is considered a strategic sector, and approved ICT projects can access significant tax incentives through PIPA, typically structured in tiers over multiple years of operation, with substantially reduced rates during initial profitability periods before gradually transitioning to standard corporate rates.

Specific details on tax rates, eligibility criteria, and incentive periods should be verified directly with the Ministry of National Economy (MoNE) and PIPA during your investment planning process. These authorities can provide current information on available tax holidays, reduction schedules, and the application process for ICT sector incentives.

Job Creation Incentives:

Approved projects may benefit from phased tax incentives and customs exemptions subject to PIPA approval and the applicable investment framework. Incentives are commonly linked to development criteria (e.g., job creation, exports, and local value addition) and should be confirmed with PIPA during application.

Additional Incentives:

- Customs and duties exemptions for machinery, equipment, and certain spare parts
- Waived registration fees for entrepreneurial projects
- R&D tax abatements for approved research and development activities in ICT
- Training subsidies for employee development programs
- TechStart project support (<https://techstart.ps/en>): World Bank-funded program offering employment subsidies including salary support for hiring and training Palestinian tech talent, and stipends to bring back Palestinian diaspora professionals with senior technical expertise and leadership experience to work with local IT firms in strategic roles such as CTO, technical team lead, or product manager.

Intellectual Property Protection

Intellectual property protection exists and is enforceable in Palestine, though based on a mix of legacy laws. The Palestinian Authority continues to work on modernizing IP law, but the current system provides meaningful protection through multiple mechanisms:

- **Legal Framework:**
 - **Trademarks:** Registrable through local filings with competent Palestinian authorities; infringement is subject to fines or imprisonment.
 - **Patents and Industrial Designs:** Governed by laws dating back to the 1940s-1950s in Gaza and the West Bank.
 - **Copyright:** Protections generally extend 50 years after the author's death.
- **Practical IP Protection Strategy:**

Investors should implement a multi-layered approach to safeguard their intellectual property:

- Registration:** File trademarks, patents, and trade names with the competent Palestinian authorities to establish formal legal protection for brands and innovations.
- Contractual Protections:** Incorporate robust IP assignment clauses and confidentiality provisions in all employment and contractor agreements to ensure ownership rights and prevent unauthorized disclosure.
- Technical Controls:** Implement practical safeguards including restricted repository access, audit trails for sensitive information, and non-disclosure agreements (NDAs) with all relevant parties.
- Judicial Enforcement:** Palestinian courts provide avenues for enforcement of IP rights when violations occur.

For software and digital IP, combining formal registration with strong contractual frameworks and technical controls offers the most comprehensive protection in the Palestinian market.

Data Protection and Privacy

Palestine does not yet have a single comprehensive personal data protection law aligned with EU-style GDPR, although a 2019 Council of Ministers decision restricts companies from using customer personal data for commercial purposes without prior consent, and a full data protection bill has been drafted and circulated for approval.

The Ministry of Telecommunications and Digital Economy has stated that building a unified data protection regime is a national priority, especially as the government rolls out e-government services and implements its national digital strategy.

Current Framework:

- Consent required for commercial use of personal data
- Sector-specific regulations for telecommunications and financial services
- Draft comprehensive data protection law under review
- Alignment with international standards (GDPR) as policy goal

Doing Business in Palestine

Understanding the practical aspects of establishing and operating a business in Palestine is essential for successful market entry. This section provides a step-by-step guide to navigating the business environment, from initial exploration to full operations.

Geographic Hubs and Entry Points

The core Palestinian ICT ecosystem is concentrated in key hubs, each offering distinct advantages:

Ramallah / Al-Bireh & Birzeit (West Bank)

The administrative and commercial center of the tech sector, home to many software and outsourcing companies, the Palestine TechnoPark next to Birzeit University, and most investor-facing support services. Ramallah offers:

- Highest concentration of ICT companies and talent
- Best infrastructure and connectivity
- Access to government agencies and PIPA
- Vibrant startup ecosystem and coworking spaces
- International NGO and development organization presence

Gaza

Historically a strong hub for software development, freelancing, QA, and remote service delivery, Gaza's tech sector has been severely impacted by the ongoing conflict. However, the talent and expertise remain. Many Gaza-based engineers have relocated within Palestine or abroad, bringing their specialized skills and longstanding experience in remote international collaboration. For investors and diaspora professionals, opportunities exist to:

- Support displaced Gaza tech talent now working from the West Bank or internationally
- Invest in recovery and reconstruction efforts when conditions stabilize
- Partner with Gaza Sky Geeks and other organizations working to maintain connections with Gaza's tech community
- Provide remote work opportunities to Gaza engineers wherever they currently operate

Other Cities (Nablus, Hebron, Bethlehem, Tulkarm, Jenin)

Growing ICT clusters, outsourcing firms, and training programs feeding skilled developers and support staff into local and international contracts.

- Lower operating costs than Ramallah
- Access to regional talent pools
- Emerging innovation hubs and coworking spaces
- Opportunities for geographic diversification

For investors, these hubs offer immediate entry points: staffed workspaces, access to curated talent, and support from ecosystem anchors like PITA, Palestine TechnoPark, and Gaza Sky Geeks.

Step-by-Step Engagement Model

Entering Palestine's ICT sector doesn't have to be complex. **Momentum Labs, in partnership with Palestine Techno Park** acts as your strategic concierge—filtering opportunities, qualifying partners, and guiding international investors and diaspora professionals through the right channels to achieve their objectives.

Whether you're looking to outsource projects, build a captive center, or invest in Palestinian startups, Momentum Labs provides a structured pathway from discovery to successful launch.

How It Works: Three Phases, Three Routes

Phase 1: Discovery & Diagnosis (The Consultation)

Your First Step: The Strategic Session

Before committing significant resources, start with a 1-hour virtual strategy session with Momentum Labs. This consultation is designed to:

- Assess your specific needs and objectives
- Present Palestine's unique value proposition
- Determine which engagement route best fits your goals
- Provide you with a customized Market Entry Roadmap

Who's Involved:

- Momentum Labs - Strategic consultation and roadmap development
- Palestine Techno Park - Ecosystem context and facility information
- PITA - Sector insights and member company introductions

Deliverable: A clear, actionable Market Entry Roadmap outlining your optimal path forward

Phase 2: Execution - Choose Your Route

Based on your consultation, you'll be guided into one of three proven execution pathways:

Route A: The Partner Route (Outsourcing & Staff Augmentation)

Best For: Companies wanting to extend teams or outsource projects without establishing a legal entity in Palestine.

Advisory Support:

- **RFP Management & Vendor Selection:** Define your requirements, distribute RFPs to qualified PITA member companies, evaluate proposals, and shortlist vendors
- **Contract Negotiation Facilitation:** Advise on pricing models, service level agreements (SLAs), and legal terms based on local context
- **Team Onboarding & Integration Support:** Coordinate with selected vendor for smooth knowledge transfer and process alignment
- **Ongoing Performance Monitoring:** Act as neutral party for quarterly reviews and issue resolution
- **Payment & Compliance Guidance:** Facilitate international payments and ensure local tax compliance

Key Partners:

- PITA member companies (established IT service providers)
- Palestine Techno Park (for vendor access and ecosystem connections)

Sample engagement timeline:

- **Month 1:** Consultation & strategy (Phase 1). Momentum Labs advises on 'Staff Augmentation' model and drafts RFP
- **Month 2:** RFP sent to 5 PITA firms. 3 proposals received. Momentum Labs helps shortlist to 2, finalizes contract
- **Month 3:** Onboarding. Team members begin working as extension of your organization
- **Month 6+:** Ongoing success. Quarterly reviews ensure alignment. Team expansion as needed

Route B: The Builder Route (Captive Center / Build-Operate-Transfer)

Best For: Companies like technology leaders wanting a wholly owned subsidiary or dedicated R&D center in Palestine.

Advisory Support:

- **Legal Entity Registration & PIPA Incentives:** Coordinate with lawyers for company registration through the Ministry of National Economy's Automated Business Registration System (<https://palbusiness.gov.ps>) and apply for PIPA tax benefits
- **Real Estate Scouting & Office Setup:** Identify spaces at Palestine Techno Park or Rawabi Tech Hub, negotiate leases, and manage office fit-out
- **Direct Recruitment & Talent Acquisition:** Lead recruitment drives, partner with universities (Birzeit, An-Najah, Al-Quds), and manage initial hiring process
- **Local Vendor & Service Procurement:** Source and manage local providers for IT infrastructure, internet, legal, and accounting services
- **"Landing Pad" Project Management:** Act as interim local management until your country manager is hired and operational

Key Partners:

- PIPA - Investment registration and tax incentive application
- Palestine Techno Park - Premium office space and innovation facilities
- Ministry of National Economy - Company registration
- Universities and talent networks - Recruitment pipeline

Sample engagement timeline:

- **Month 1-2:** Strategy & legal setup (Phase 1 & Route B start). The firm wants a 20-person R&D center. Momentum Labs advises on Captive model. Legal registration & PIPA application initiated
- **Month 3-4:** Infrastructure & recruitment. Office space secured at Palestine Techno Park. Momentum Labs manages fit-out and launches recruitment drive at local universities
- **Month 5-6:** Launch & handoff. First 10 engineers hired and onboarded. Office operational. Momentum Labs hands over to newly hired local Country Manager
- **Month 7+:** Operational stabilization. Center is self-sufficient. Momentum Labs transitions to advisory retainer for strategic growth

Route C: The Investor Route (Venture & Impact Investment)

Best For: Diaspora investors or venture capital firms looking to invest in Palestinian startups and high-growth companies.

Advisory Support::

- **Investment Thesis & Strategy Definition:** Collaborate to define sector focus (e.g., FinTech, EdTech, Cybersecurity), investment stage, and impact goals
- **Deal Flow Curation & Scouting:** Proactively source startups from incubators (Gaza Sky Geeks, Flow Accelerator, Intersect Innovation Hub) and university programs
- **Due Diligence Support:** Conduct initial market, technical, and team assessments of potential investees
- **Deal Structuring & Negotiation Advisory:** Advise on term sheets, valuation, and local legal frameworks for investment
- **Post-Investment Portfolio Support:** Provide ongoing monitoring, mentorship connections, and reporting to investors

Key Partners:

- Gaza Sky Geeks - Leading startup hub and talent pipeline
- Flow Accelerator & Intersect Innovation Hub - Startup deal flow
- PITA - Ecosystem connections and validation
- Universities - Early-stage ventures and research commercialization

Sample engagement timeline:

- **Month 1:** Thesis & discovery (Phase 1 & Route C start). Diaspora angel investor wants to deploy \$200k in early-stage Palestinian tech. Momentum Labs refines thesis to focus on FinTech and EdTech
- **Month 2-3:** Deal flow & screening. Momentum Labs sources 15 startups from accelerators. Screens down to 3 high-potential candidates. Investor presented with deal memos
- **Month 4:** Due diligence & selection. Investor selects 1 startup for deep dive. Momentum Labs facilitates meetings and provides DD report.
- **Month 5+:** Investment & growth. Investment finalized. Momentum Labs provides quarterly performance reports and connects startup with mentors

Phase 3: Launch & Stabilization

Goal: Ensure your operation becomes self-sustaining and integrated into Palestine's tech ecosystem.

What Momentum Labs Provides:

- **Talent Onboarding Support:** Facilitate connections with Gaza Sky Geeks, university career centers, and training programs (TAP, Axsos Academy, Manara) for hiring pipeline
- **Logistics & Connectivity Setup:** Ensure reliable internet infrastructure, professional-grade broadband/fiber connections, and business continuity systems
- **Ecosystem Integration:** Plug you into PITA networking events, Diaspora Innovation Network connections, and Techno Park community activities
- **Ongoing Advisory:** Transition to maintenance retainer or strategic advisory as your operation matures

Who's Ready to Support You:

- Palestine Techno Park - Ongoing facility support and ecosystem engagement
- PITA - Tech community access and industry events

- Diaspora Innovation Network - Global mentorship and connections
- Local service providers - IT, legal, accounting, and HR support

Why This Model Works

For International Tech Leaders:	- Clear pathway from exploration to execution - De-risked entry through expert guidance - Access to pre-qualified partners and talent - Ongoing support ensures operational success
For Palestinian Diaspora Professionals:	- Structured way to give back and invest in homeland - Vetted opportunities aligned with your goals - Bridge between international expertise and local ecosystem - Sustainable impact through job creation and knowledge transfer
For the Palestinian Ecosystem:	- Quality investors and partners entering through proper channels - Knowledge transfer and capacity building - Long-term commitments rather than short-term experiments - Economic growth through strategic FDI and talent development

Employment Regulation

Employment is governed by Palestinian Labor Law (No. 7 of 2000, under ongoing amendment). Standard provisions include:

- Work week: Up to 48 hours (generally six days)
- Overtime: Compensation at 1.5x regular pay
- Annual leave: At least 14 working days paid
- Sick leave: Paid sick leave provisions
- Maternity leave: 90 days
- Weekly rest: Mandatory day off
- Public holidays: Paid public holidays

The Ministry of Labor is currently working on updates to cover modern forms of work like remote digital work, freelancing, and platform-based tech work—an important development for ICT and outsourcing operations that depend on distributed teams.

Banking and Financial Services

Palestine has a well-established and highly sophisticated banking sector that has turned political constraints into a competitive advantage. Palestinian banks are among the most compliance-oriented financial institutions in the region, maintaining rigorous international standards for anti-money laundering (AML), know-your-customer (KYC), and other regulatory frameworks.

International Transactions:

- Interviews with IT companies confirm smooth operations for international fund transfers and many ICT firms report being able to receive international payments through correspondent banking relationships; however, processing times and compliance checks can vary by bank, counterparty, and corridor.
- Palestinian banks maintain strong correspondent banking relationships facilitating seamless international wire transfers
- Multiple currency support: Israeli Shekel (ILS), Jordanian Dinar (JD), and US Dollar (USD) all in circulation
- Jordanian and Egyptian banks also operate branches in the West Bank, providing additional channels for international business

Digital Banking Capabilities:

- Palestinian banks offer robust e-banking platforms and mobile applications
- Citizens and businesses can handle most utility bills and governmental fees online through integrated digital payment systems
- Advanced e-payment infrastructure supports both consumer and business-to-business transactions
- Payment processors are readily available for e-commerce and digital services

The banking sector's high compliance standards, combined with modern digital infrastructure and reliable international transfer capabilities, make Palestine a dependable jurisdiction for tech companies and international business operations. Investors should consult with local financial advisors to select the most appropriate banking partner for their specific business needs.

Human Capital and Skills

The foundation of Palestine's tech ecosystem is its people. Palestinian universities produce over 8,000 STEM graduates annually, entering the market with strong technical fundamentals in the most in-demand fields. However, the advantage goes beyond qualifications—it lies in the quality, productivity, and character of the engineers themselves.

Workforce Overview

Palestine's ICT sector is powered by a young, educated, and highly motivated workforce. With strong technical foundations, adaptability, and rising female participation (27%), human capital stands as one of the country's greatest competitive assets. The sector employs about 13,500 professionals across 500+ companies, contributing around \$500 million to GDP.

Centered mainly in Ramallah, the workforce benefits from a growing network of incubators and innovation hubs supporting startups and digital projects. Collaborative efforts between government, academia, the private sector, and community organizations continue to enhance skills, innovation, and employability.

The Quality Advantage

Experienced managers consistently find that the level of talent is not just comparable to, but often exceeds, that of other global hubs:

"When we compared locations, Palestine stood out not for low costs but for unmatched quality. A single Palestinian engineer often delivers what takes two or three elsewhere."

— Husam Barqawi, Founder, ITG

This is the true measure of value. It means faster development cycles, higher quality code, and more innovative solutions. This level of talent is the direct result of:

- A rigorous education system with strong emphasis on STEM
- A passion for technology and continuous learning
- A relentless drive to be among the best in the world
- Personal motivation to build stable futures for families in their homeland

Work Ethics and Client-Centrism

The defining characteristic of the Palestinian technology sector is its professional culture. It is a culture built on a deep-seated work ethic, a profound sense of responsibility, and an unwavering focus on the client's success. This is not a learned behavior; it is an intrinsic part of the Palestinian character, forged by a history of resilience and a powerful drive to prove capabilities on a global stage.

This client-centric approach translates into a partnership where your remote team is as invested in your success as you are. They take ownership of projects, anticipate challenges, and consistently go the extra mile to deliver exceptional results.

Despite any external challenges, Palestinian technology professionals have a proven and unbroken track record of never missing a client deadline. This is a powerful testament to their commitment and the robust, distributed nature of the work environment.

Education and Talent Pipeline

Over 8,000 STEM and 2,260 ICT graduates enter the labor market annually from 14 universities. Partnerships with global firms like Microsoft and Intel strengthen training and R&D. Efforts to modernize curricula, expand ICT facilities, and foster entrepreneurship ensure a sustainable pipeline of digital talent for the future.

Key Educational Institutions:

- Birzeit University - Partner in Palestine Techno Park
- An-Najah National University - Largest university in Palestine
- Islamic University of Gaza - Leading Gaza institution
- Palestine Polytechnic University - Engineering focus
- Bethlehem University, Hebron University, and others

ICT Training:

Several intensive training initiatives bridge skill gaps and prepare graduates for global ICT markets, focusing on both technical excellence and professional readiness:

- **TAP (Talent Acceleration Program):** A Dutch-Palestinian initiative founded in 2021 that offers intensive 12-16 week full-time remote training programs in software development, business development, and digital marketing. The program combines cutting-edge technical curriculum with soft skills development, mentorship from international experts, and real work experience through live client-facing projects using Agile framework and SCRUM methodology. TAP operates as a career accelerator with an 80% job placement rate within six months, having trained and placed over 500 graduates in international startups across London, Berlin, New York, Dubai, and other major cities. The program is supported by partnerships with the Swiss Development and Cooperation Agency, Dutch Foreign Ministry, World Bank, Google, and Udacity
- **AXSOS Academy:** A Palestinian coding bootcamp born from an established IT company, offering intensive 4-month training programs (10 hours a day, six days a week) in full stack development, data science, software testing and quality analysis, MERN Stack, and Microsoft Power Platform. Launched in partnership with Coding Dojo and supported by the Palestinian government through the Ministry of Entrepreneurship and Empowerment (covering over 90% of tuition fees), the academy aims to train 6,000-7,000 young Palestinians over multiple years. With over 2,500 applicants to its first cohort, AXSOS focuses on practical coding skills and professional development, enabling graduates to work seamlessly in local and global IT companies from day one. Many graduates have secured positions at prestigious Palestinian tech companies like Asal Technologies and international employers

"Structured training and strong communication skills make Palestinian teams globally competitive from day one. Technical skills mean little without communication. Our training programs focus on both—producing developers who can work seamlessly with any global client."

— Local ICT Training Manager

Cost and Productivity

Palestine offers a cost-efficient yet skilled workforce. ICT salaries range between \$1,000 and \$3,200 (€890 - €2,790) monthly, providing excellent value compared to regional markets and significantly lower than Western Europe or North America. However, the true value lies not in the absolute cost, but in the productivity per dollar spent.

In interviews with technology company CEOs who have built distributed teams across multiple markets, a consistent pattern emerges: Palestinian engineers frequently comprise the core senior technical leadership of their organizations. These CEOs report that their Palestinian team members consistently deliver outcomes that would require larger teams in other markets—not due to longer hours, but through a combination of technical depth, problem-solving capability, and strong sense of ownership. When productivity per engineer is factored into cost calculations, the effective ROI becomes even more compelling.

Language and Cultural Fit

Palestinian professionals offer strong multilingual capabilities:

- Arabic - Native language, enabling localization for 400+ million speakers
- English - High proficiency, standard business language
- Hebrew - Common second language due to geographic proximity
- French, German, other languages - Growing proficiency through education

Cultural adaptability and professional readiness for global projects make Palestinian teams easy to integrate into international workflows.

Infrastructure and Connectivity

A key factor in Palestine's proven reliability is its robust and modern infrastructure. Sustained investment in digital connectivity, innovation facilities, and a supportive regulatory environment has created an ecosystem where technology professionals can seamlessly collaborate with global clients, regardless of external circumstances.

ICT Infrastructure

Palestine's ICT backbone has expanded rapidly, with median fixed broadband speeds reaching 63.48 Mbps as of early 2024, with speeds increasing by 25.7% year-over-year. In major tech hubs like Ramallah and Nablus, fiber-to-the-home (FTTH) infrastructure now offers commercial packages up to 300 Mbps. Internet is supplied through multiple providers using backbones from Jordan, Egypt, and the UK, while local networks operate through fiber optics, DSL, and microwave links.

The centralized government IT center connects over 50 agencies, forming the foundation of Palestine's e-government strategy and digital services delivery. This infrastructure ensures business continuity and reliable connectivity for international collaboration.

Key Infrastructure Metrics:

- Median fixed broadband speed: 63.48 Mbps (professional fiber connections up to 300 Mbps in major cities)
- Fiber-to-the-home (FTTH): Expanding coverage in Ramallah, Nablus, and other urban centers
- Redundant international links: Multiple providers and routes
- Government digital infrastructure: 50+ connected agencies
- Mobile networks: 3G in West Bank; 4G deployment delayed due to regulatory constraints
- High smartphone adoption and internet penetration (89% of population)

Note on Mobile Networks: While 4G mobile services are not yet operational due to mainly Israeli restrictions, this does not impact software development and IT outsourcing operations, which rely primarily on fixed broadband and fiber connections. Palestinian ICT companies conducting international business operations use professional-grade wired internet infrastructure, ensuring consistent high-speed connectivity for remote collaboration, cloud services, and software development work.

Tech Hubs and Innovation Facilities

Palestine's approximately 60 innovation hubs, incubators, and accelerators—including Palestine Techno Park, Gaza Sky Geeks, Intersect Innovation Hub, and others detailed earlier in this guide—provide comprehensive support infrastructure for tech companies and startups. These facilities offer reliable connectivity, professional coworking spaces, training programs, mentorship, and R&D support across key sectors including AgriTech, FinTech, EdTech, Green ICT, and Cybersecurity, creating a collaborative environment that keeps Palestinian tech talent at the cutting edge of global trends.

Connectedness and Logistics

Despite geographic and political challenges, Palestine maintains a strong level of digital and business connectivity that enables smooth collaboration with international clients. Its strategic location between Europe and the Middle East, combined with the UTC+2/+3 time zone, allows for real-time communication and efficient project coordination with both EU and US time zones.

Ramallah serves as the country's main ICT hub, offering access to regional markets through trade agreements with Jordan, Egypt, and the EU, while also maintaining strong ties with Western partners. Ongoing advancements in logistics, broadband expansion, and digital platforms are strengthening cross-border cooperation and remote service delivery.

"Palestine's time zone allows seamless overlap with both European and U.S. markets, a key enabler for real-time collaboration. Our teams work U.S. and European schedules with ease. The time zone gap becomes an advantage for 24-hour project continuity."
— Mohammad Asseede, Xngage Offshore Operations Manager

Innovation Enablers and Digital Strategy

The Palestinian Authority's Digital Strategy (2025-2030) positions the ICT sector as a key driver of economic growth and innovation.¹² The strategy focuses on:

- Expanding digital infrastructure and connectivity
- Developing human capital and digital skills
- Fostering entrepreneurship and innovation
- Attracting foreign direct investment in ICT
- Deploying e-government services
- Strengthening cybersecurity capabilities

Supported by partnerships with global technology leaders such as Google, Microsoft, and Cisco, these initiatives create an enabling environment for startups, stimulate job creation, and further integrate Palestine into the global digital economy.

¹² Palestinian Authority. (2021-2023). *National Digital Strategy*.

Diaspora Engagement and Partnerships

A significant catalyst for the success of offshoring in Palestine has been the active involvement of the Palestinian diaspora. Accomplished Palestinian professionals working at leading technology companies in the US and Europe have been the champions of this movement, building bridges between international markets and local talent.

The Diaspora Advantage

The Palestinian diaspora numbers approximately 7.8 million people globally, including 6.5 million in Arab countries.¹³ This vast network includes thousands of technology professionals, entrepreneurs, and investors who maintain strong ties to their homeland.

These diaspora leaders understood the landscape, vouched for the quality of the engineers, and often established the first offshore teams for their own companies. This created a proven model for success, mitigating perceived risks and demonstrating the viability of Palestine as a premier technology partner.

Key contributions of the diaspora:

- **Market access:** Opening doors to US and European clients through personal networks
- **Cultural bridge:** Understanding both Western business practices and Palestinian context
- **Risk mitigation:** Providing credibility and trust for new market entrants
- **Mentorship:** Guiding local entrepreneurs and professionals
- **Investment capital:** Funding startups and infrastructure development
- **Talent development:** Supporting training programs and skill-building initiatives

Diaspora-Led Success Stories

The majority of Palestine's major offshoring success stories have been championed by Palestinian diaspora professionals.

These pioneers demonstrated that the combination of diaspora connections, local talent, and professional execution could deliver world-class results. Their continued involvement provides a unique layer of cultural understanding, mentorship, and assurance for new investors.

Diaspora Networks and Programs

- **Palestine Techno Park Diaspora Network:** PTP maintains an active diaspora engagement program, connecting Palestinian professionals abroad with opportunities to mentor, invest, and partner with local startups and companies.
- **Professional Associations:** Palestinian professional associations in the US, Europe, and Gulf countries organize networking events, investment missions, and knowledge-sharing initiatives.

¹³ *Palestine Central Bureau of Statistics. (2025). World Population Day 2025.*
https://www.pcbs.gov.ps/portals/_pcbs/PressRelease/Press_En_WPD2025E.pdf

- **Mentorship Programs:** Many diaspora professionals volunteer as mentors for Palestinian entrepreneurs and students, providing guidance on international business practices, technology trends, and career development.

A Personal Connection

For diaspora investors, engaging with Palestine's tech sector is more than a business decision—it is a chance to reconnect with home and be part of a success story powered by determination, skill, and global vision. It is an opportunity to create meaningful impact by:

- Creating high-quality jobs for talented Palestinians
- Enabling engineers to build careers without leaving their homeland
- Supporting families and communities economically
- Contributing to nation-building through economic development
- Demonstrating Palestinian capabilities on a global stage

Case Studies: Proven Success Stories

The most powerful proof of Palestine's capabilities is the success of the companies that have already built world-class teams here. These are not just stories of outsourcing; they are stories of strategic partnership, diaspora leadership, and unwavering performance.

Across all the following success stories, several common factors emerge:

1. **Diaspora leadership** - Champions who understood both markets and vouched for local talent
2. **Quality focus** - Emphasis on talent quality over cost savings
3. **Long-term commitment** - Strategic partnerships rather than transactional relationships
4. **Perfect delivery record** - Never missed deadlines despite external challenges
5. **Economic impact** - Significant contributions to Palestinian economy and families
6. **Sustainable models** - Business-driven success without donor dependency

1. ITG (Infinite Tiers Group): Quality Over Cost, A Model of Excellence

When Palestinian-American Husam Barqawi founded Infinite Tiers Group (ITG) in Ohio, he needed to build a software development team that could serve Fortune 500 clients. He evaluated options globally, but the decision to establish his core engineering team in Nablus, Palestine, in 2006 was not based on cost. It was based on a conviction that he could build a team of unmatched quality. He was right.

Today, ITG employs over 250 engineers in Palestine, contributing approximately \$25 million annually to the local economy. The company is a testament to the principle of quality-first.

"When we compared locations, Palestine stood out not for low costs but for unmatched quality. A single Palestinian engineer often delivers what takes two or three elsewhere."

— Husam Barqawi, Founder, ITG

This focus on high-caliber talent has allowed ITG to deliver complex, mission-critical projects for some of the world's most demanding clients. Crucially, despite all external challenges, the Palestine team maintains a strong and well-documented record of on-time delivery, cementing their reputation for absolute reliability.

Key Achievements:

- 250+ engineers in Nablus
- \$25M annual contribution to Palestinian economy
- Fortune 500 client portfolio
- Perfect on-time delivery record
- Sustainable business model without donor dependency

Model:

Captive development center (wholly owned subsidiary)

2. Xngage: A Seamless US-Palestine E-Commerce Powerhouse

In 2016, the US-based e-commerce consultancy Xngage needed to scale its engineering backbone. Through a connection with Mohammad Asseede, a Palestinian tech lead, they decided to build their team in Nablus. What started with a single engineer grew into a force of over 70 professionals who form the core of Xngage's delivery engine.

The Xngage model, led on the ground by Asseede, proves that geography is irrelevant when talent and trust are aligned. The Ramallah team, composed of graduates from universities across Palestine, works seamlessly with the US-based architects. They are not a back-office team; they are fully integrated partners in developing enterprise-grade e-commerce solutions for major US manufacturers and distributors.

**"Palestinian teams deliver U.S.-level expertise at a fraction of the cost—not as low-cost labor, but as high-value partners."
— Mohammad Asseede, Xngage Offshore Operations Manager**

Key Achievements:

- 70+ engineers in Ramallah
- Core delivery engine for enterprise e-commerce
- Fully integrated with US-based architects
- Seamless collaboration across time zones
- Proven remote-first operational model

Model:

Dedicated remote team / staff augmentation

3. iConnect: A Dedicated Healthcare IT Arm Built on Trust

Founded in 2007, iConnect is a story of deep, strategic integration. Hatem Sahouri, a Palestinian-American tech leader, partnered with local co-founder Aref Hanaysheh to create a dedicated offshore development arm in Ramallah for Medcor, a US-based healthcare provider. This was not a project-based contract but a captive-center model built on a foundation of trust and a shared vision, championed by the diaspora connection.

iConnect grew to over 50 skilled engineers who became the core of Medcor's IT innovation, developing specialized healthcare solutions for the US market. The company thrived without any reliance on donor aid, proving the sustainability of a purely business-driven model.

Key Achievements:

- 50+ skilled engineers
- Core of Medcor's IT innovation
- Specialized healthcare IT solutions
- Sustainable business model without donor aid
- Diaspora-led partnership model

Model:

Captive center (dedicated offshore arm)

iConnect stands as a powerful example of how a dedicated, fully integrated Palestinian team can become an indispensable part of a US company's long-term success.

4. Harri: Scaling a Global SaaS with a Palestinian Backbone

Founded by Australian Entrepreneur Luke Fryer, Harri built its global workforce management platform with a large development base in Palestine. Starting in 2012, Harri grew to over 300 employees in Ramallah and Nablus, powering software used by 50,000+ restaurants worldwide.

With strong VC backing, modern offices, and a focus on employee growth, Harri demonstrates how a hybrid model—global headquarters paired with Palestinian R&D—can deliver world-class SaaS products and create hundreds of skilled jobs.

Key Achievements:

- 300+ employees in Ramallah and Nablus
- 50,000+ restaurant clients worldwide
- Strong VC backing and growth trajectory
- Modern facilities in Rawabi Tech Hub
- World-class SaaS platform development

Model:

Hybrid (global HQ + Palestinian R&D center)

5. NVIDIA: Global Confidence in Palestinian Talent

When NVIDIA acquired Mellanox in 2020, it made a significant decision: to directly hire the 150 Palestinian engineers who had been supporting Mellanox projects through Asal Technologies and Unit One. This was a landmark moment, marking the first time a Silicon Valley giant established a direct employment footprint in Palestine.

This move was a resounding endorsement of the engineers' skill and reliability. It elevated local expertise in advanced chip and networking technology and signaled to the world that Palestinian engineers can seamlessly integrate into top-tier global R&D operations.

Key Achievements:

- 150 engineers directly employed by NVIDIA
- First Silicon Valley giant with direct Palestine employment
- Advanced chip and networking technology expertise
- Global recognition of Palestinian talent
- Integration into top-tier R&D operations

Model:

Direct employment by multinational corporation

Contact Information

Your journey to partnering with Palestine's technology sector begins with a conversation. The ecosystem is ready to support you at every step, from initial exploration to full-scale operations.

Primary Ecosystem Contacts

Palestine Techno Park (PTP): For ecosystem introductions, site visits, innovation hub access, and startup engagement

Website: <https://www.technopark.ps>

Role: National hub for technology and innovation

Momentum Labs for Consulting Services Co.: For business strategy and market entry advisory services in partnership in coordination with PTP.

Website: <https://www.momentumlabs.me>

Role: Market Entry Facilitation

Palestinian Information Technology Association (PITA): For sector insights, company introductions, and industry networking

Website: <https://www.pita.ps>

Role: Voice of 150+ major ICT companies in Palestine

Palestinian Investment Promotion Agency (PIPA): For investment support, incentive programs, and legal guidance

Website: <https://www.pipa.ps>

Role: Government agency for investment promotion and facilitation

Innovation Hubs and Incubators

Intersect Innovation Hub: Multi-city presence, startup incubation, and funding access

Website: <https://www.intersecthub.org>

Gaza Sky Geeks: Developer network, training programs, and Gaza market access

Website: <https://gazaskygeeks.com>

PICTI (Palestine ICT Incubator): First non-profit ICT incubator, startup channeling

Website: <https://www.picti.ps>

Flow Accelerator: Entrepreneur and investor support

Website: <https://flow.ps>

Rawabi Tech Hub: Modern office spaces and facilities in Rawabi city

Website: <https://www.rawabi.ps/en/rawabi-tech-hub>

Government Agencies

Ministry of Telecommunications and Digital Economy (MTDE): For ICT policy guidance and digital strategy alignment

Role: Government ministry overseeing digital transformation

Ministry of National Economy: For company registration and business licensing

Role: Company registration authority

Ministry of Labor: For employment regulations and labor law guidance

Role: Labor law administration

Next Steps

Your journey to Palestine's tech ecosystem begins with a conversation:

1. **Schedule Your Discovery Consultation** - Connect with Momentum Labs for a 1-hour strategic session to explore your goals and receive a customized Market Entry Roadmap
2. **Choose Your Route** - Based on your needs, select the pathway that fits:
 - **Route A:** Outsourcing & Staff Augmentation
 - **Route B:** Captive Center / Build-Operate-Transfer
 - **Route C:** Venture & Impact Investment
3. **Engage with the Ecosystem** - Momentum Labs will facilitate introductions to PITA, Palestine Techno Park, PIPA, and other key partners aligned with your route
4. **Visit Palestine** - Schedule a site visit (virtual or in-person) to meet your prospective partners, tour facilities, and experience the ecosystem firsthand
5. **Launch and Grow** - Begin your operation with hands-on support from Momentum Labs and ecosystem partners, from first hire to full-scale operations

You're Not Alone

This journey is not one you walk alone. Momentum Labs, in partnership with Palestine Techno Park and the broader Palestinian tech ecosystem, is here to guide you at every step, from first consultation to successful launch and beyond.

Palestine is open, connected, and building its digital future. **You're invited to be part of it.**

Ready to begin? Contact Momentum Labs to schedule your Discovery & Diagnosis consultation and receive your Market Entry Roadmap.

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