

The Portland Trust COVID-19, the PA, and Israel Impact Responses and Cooperation - Yahya Shunnar and Douglas Krikler

- Good evening, everybody. Let me un- Good evening, Doug. Good evening, Yahya. So Doug Krikler, Portland Trust CEO, and Yahya Shunnar, Portland Trust Ramallah MD, will be focusing on the effects of COVID-19, on the PA and its relationship with Israel. In addition, given the recent developments around PA, Israel and US relations, Doug and Yahya will be happy to take questions on broader issues. The Portland Trust is a British nonprofit action tank whose mission is to promote peace and stability between Israelis and Palestinians through economic development.

They work with a range of partners to help develop the Palestinian private sector and relieve poverty through entrepreneurship in Israel. Douglas Krikler joined the Portland Trust as CEO in October, 2018, bringing with him nearly 30 years leadership experience in both the not-for-profit and commercial sectors. Most recently, Doug spent six years as Group Development Director and Advisor to the global MD of Investec Bank, working with private, corporate and institutional clients of the International Specialist Bank.

From 2005 to 2012, Doug was CEO of United Jewish Israel Appeal, UJIA, where he led the UK Jewish community's engagement with Israel, and, in particular, its strategic support for the regeneration of the educational and social infrastructure of the Galil. Prior, Doug led the UK task force on Arab citizens of Israel, Community Security Trust, that's CST, and the Mamonides Foundation. Doug has a Master's degree in Middle East area studies from SOAS. He spent a year at Ain Shams University in Cairo and speaks Arabic, Hebrew and French.

Yahya is the Managing Director of the Portland- Is the Managing Director of the Portland Trust in Ramallah. He has held various management positions in the public and private sectors. These include Chief Investment officer of Ibdar Investment Bank in the Kingdom of Bahrain; Head of Investment Office of Ibdar Investment Bank in the Kingdom of Bahrain; Head of Investment at Capinvest Investment Bank in the Kingdom of Bahrain; Chief Marketing Officer at Nassar Group in Palestine, Jordan, Oman, and UAE; Executive Director of Nassar Stone Dubai; Assistant General Manager of the Palestinian Securities Exchange; and Investment Director at PADICO. In 2003, he worked as Director General of the Cabinet Secretariat, Palestinian government. He's the founder of YJS Strategy & Business Consulting in the Kingdom of Bahrain. He holds an MBA from the University of Kansas, USA, and a BA in Business Administration and Economics from Yarmouk University in Jordan. Thank you very much, gentlemen, for joining us. I now hand it over to the two of you. Thank you, Doug. You take the floor.

- Wendy, thank you very, very much indeed. We're delighted to be with you this evening. Thank you so much for inviting us. We can't see the world we're talking to, but we hope that everyone is well and safe and enjoying a pleasant Sunday. Perhaps I should start by just spending a few minutes to give a little bit of an overview of the Portland Trust, just to expand slightly on Wendy's kind introductions. And then I'll hand over to Yahya to talk to tonight's brief around the impact of

the Coronavirus on the Palestinian Authority and its interaction with Israel in dealing with the pandemic.

So to talk briefly about the Portland Trust, we were founded in 2003, so just over 17 years ago, by our chairman, Sir Ronald Cohen, together with Sir Harry Solomon, and a small group of others who took the view that any peace agreement between Israel and the Palestinians would be based on three strands of the DNA of such an agreement or what they called the Triple Helix of the solution, namely politics, security, and economics.

And they took the view at the time that other people were worrying about politics, others were focused on security, but no one else had really identified the economy as a fundamental element and prerequisite to a solution. So they established the Portland Trust really to do just that, to focus on economic development. Now, we're not a political organisation, however, we do make one statement, which is that, lasting and sustainable peace between Israelis and Palestinians will only be achieved through a negotiated political settlement.

So economic development is not an alternative to a political resolution to the conflict, but it is essential in helping to create an environment that makes that outcome more, rather than less, likely. And there is consistent evidence which shows through the research that we've done and others have done, looking at all sorts of different conflicts throughout the world and across history that increased employment, greater economic inclusion, access to opportunity, creates stability, reduces violence, and attracts greater inward investment.

It demonstrates the potential and the practical benefits that peace can bring both to individuals and at the collective level. And, you know, it mitigates against perhaps some of the more radical alternatives that others propose. So as Wendy said in her introduction, we're a UK-based not-for-profit action tank, which means that we do the thinking of a think tank, but always with a view to practical interventions on the ground to achieve specific outcomes.

We are headquartered in London, so we're a UK organisation, but with offices in Ramallah, represented by Yahya, and in Tel Aviv, led by our colleague on the ground, Rami Schwartz. It's a unique structure, that triangular relationship, London, Ramallah and Tel Aviv, which means that we're either Israeli nor Palestinian. And as a British organisation, we can navigate the sensitivities of the region and the conflict, able to maintain strong relationships with the leadership on both sides of the conflict, both political and business leaders.

But we're not just sitting on the outside looking in, we're authentically represented on the ground by our teams of Palestinians and Israelis who deliver our programme. We act as a catalyst. Our modus operandi really, and our small team of 15 people across our three offices, are out in the field looking for opportunities, interventions that can make a real change. And we, over the 17 years that we've been operational, we've delivered a number of very significant interventions, particularly on our Palestinian programme.

Just to give a couple of examples, we conceived and helped launch a \$230 million loan guarantee scheme, helping to support and develop the SME sector. We prepared a framework for the launch of a private sector pension fund, which is still waiting to be implemented, but which would create a significant framework for social security for Palestinian workers. And perhaps our greatest landmark achievement was the planning and development of Rawabi, which some of you may have visited, which is the first planned city in the West Bank, the largest private sector undertaking in the Palestinian economy.

Which has led to the construction of a new town with \$1 billion of inward investment, the creation of nearly 5,000 jobs in the construction sector. Alongside our Palestinian programme over the last few years, we've also been developing and delivering a set of projects in Israel led by our Tel Aviv office, which are designed to promote economic inclusion, to remove the barriers to economic participation amongst the historically more marginalised communities of Israel, primarily, of course, the Arab citizens of the state, and to really try and drive productivity and employment within that sector.

And we see our work on the Palestinian side and amongst the Arab communities of Israel as a wholistic approach to addressing the overall conflict. So we run two distinct programmes, the Palestinian and the Israeli programmes, but if you put the two circles together, you get that nice shaded area of the Venn diagram, which is where there's real potential for collaboration across the two geographies. Perhaps we can touch on some of our programmes in a little bit more detail, and we'll be very happy in the Q&A to answer any specific questions on that.

But hopefully that gives you a little bit of a sense of an overview of our approach and how we operate. And I'd like now to turn over to Yahya and invite him to really talk us through tonight's topic, which is the impact of COVID-19 on the PA and its relationship with Israel. Yahya, over to you.

- Thank you so much, Doug, for that introduction. Thank you, Wendy, so much and good morning to you and to our audience in the United States of America. Good morning to our audience from Europe and the Middle East. Tonight we are going to focus on the COVID-19 impact, economic impact and socioeconomic impact on the Palestinian economy and the Palestinians. And we going to touch upon the cooperation with Israel on the COVID-19 responses, both by the health joint committee, and both by the two governments.

As you may expect, the Palestinians, as any other government facing this Coronavirus impact, were left with two choices. So either they will go and face it with the Spanish and the Italian model and go just herd immunity, or will take a more robust health focus, which what Mohammad Shtayyeh, the Prime Minister of the Palestinian government, was decided to go for it for obvious reasons. The health system in Palestine is not as good as Europe or the United States of America. We have only for 5 million people from West Bank and Gaza, we have 67 hospitals and health centres serving 5 million people, and that's almost 6,100 for each health centre, citizens for health centre. We have only 20,000 beds, and we have almost 120 artificial

respirators or ventilators. So you cannot really take a gamble here and go herd immunity.

Although, if we can just fast-forward and we look what happened just last Wednesday, right after Eid, the announcement after the death of only five people by Coronavirus during the last three months, and with only almost 617 cases, the government has made the decision to start opening gradually and we are now actually almost business as usual. So that's the good news, I want to start even before sharing the other side of the bad news. We started opening up and we and Israel alternatively are coordinating to see what will the opening strategy will bring us. So we'll see how it goes and hopefully we'll bring some good news in the coming era. But at this point of time, I will share my screen. There are some slides, we will go through it. I hope you can see my screen. Carly, are we okay? Can you see the screen? Just to make sure that the audience is seeing?

- [Carly] Yeah, we're great. Thank you, Yahya.

Slides are visually shared on screen

- Great, thank you so much. So in the coming few minutes, we'll be talking about the statistics and the cases of the COVID-19 in Palestine; economic impact of the COVID-19 pandemic in Palestine for the year 2020; severely impacted economic sectors. As you have heard from Doug, we actually focused on the economic impact. Mainly, we're not political institution. The impact of the Palestinian Authority and the other agencies. The COVID-19 coordination between the government of Israel and the PA. Going forward and the New Era. And then the annexation analysis.

We'll touch upon the annexation analysis, it's the talk of the town these days. We'll leave it to the Q&A if you have any questions when it comes to economic impact. If you can see with me, there are 627 confirmed cases so far in the PA. About 387 comes in the West Bank, 61 in Gaza, and 179 from East Jerusalem. The good news is 523 cases have since been recovered already, only five death recorded so far. And what does that mean to the economic sectors? We look at the different indicators here. So if you look at the GDP, which is a small economy, it's just a \$16 billion economy. However, in the last three months, it has been severely impacted with the loss of almost \$2.5 billion, and that's equals to 13.5%.

And that's only for March, April and May. So if it goes, if the second wave would hit in October, numbers, of course, will be severely worse than that. And then if you look at the private and the public, private consumption, it was declined by 5.2%, which is equal to almost 1.3 billion, and we'll classify that sector by sector in the coming slide. If you look at the investment level, which is the gross capital formation, the investment level has declined in the last three months by almost 43.4%. And that's equals to almost \$2.1 billion in investments.

The most sectors impacted, severely impacted negatively, of course, was services. And that includes hotels and hospitality, which is almost accounts for 10% of that. It has lost almost

11.4%, which is almost 1.2 billion. So if you'll factor the 10% of the hospitality and hotels, obviously it started by a group of Greek tourists who came and visited Bethlehem last February, and that how it was found in an Angel's hotel in Bethlehem. So basically it started tourists but then soon after, 79% of the Coronavirus cases in Palestine was identified to be labourers from Israel. So that's why the Palestinian government along with the Israeli government decided to minimise the mobility of the Palestinian workers.

And we'll touch upon that in a minute. If you look at the industrial sector and impact of the industrial sector, almost \$362 million loss, which is account for 18.4%. And that's obvious, most of the industries during the lockdown, most of the factories were closed down. If you look at the construction, it's almost \$220 million losses, which accounts for 20.6%. And the agriculture was severely affected, almost \$200 million, and that's almost 15%. Of course, looking into the impact on the government and the other agencies, there has been a severe impact on the government, the PA, the Palestinian government. It is expected that the losses will be accounting for a budget deficit of almost \$2 billion. It used to be 800 million before the Coronavirus.

So now the revenues has declined to almost 40% and the increase of expenditure, of course, in order to cope up with the pandemic. As the UN Special Coordinator to the peace process have said, if the current trend continue, the damage to the Palestinian economy is expected to jeopardise the existence of the PA itself. And the UN itself has announced, and its affiliate agencies, that have estimated that the inter-agency response plan require almost \$43 million to address the crisis caused by the Coronavirus. And that's only the inter-agency response, so it's not the overall needs for the UN agency.

The overall needs for the UN agency to address the impact of the Coronavirus for the Palestinian in its report is almost \$390 million. Now, the cooperation between Israel and the Palestinian Authority during the Coronavirus the last three months was at its highest in its health joint committee. As you may understand, there is almost 133,000 workers that commute on daily basis to Israel. And that accounts for almost 15% of our GDP, the income that comes from the 133,000 Palestinian.

Of course, these workers during the pandemic had limited mobility and that was actually due to the coordination between the Palestinians and the Israeli government. During the Passover, almost 25,000 have stayed in Israel. And in Eid Al Fitr, our holiday last week, they of course were allowed to come and it was coordinated between the Palestinians and the Israelis to enter through an identified checkpoints to be able to give the Palestinian Authority the ability to test them. And they took random sampling for almost the 25,000, about 5,000 random samples. And they were tested negative.

And that was the reason why the Palestinian government decided to open up right after Eid which was right after Tuesday. So Wednesday was business as normal. Another means of cooperation that took place between the Palestinian government and the Israeli government, to channel the aid that arrived whether through the Israeli ports or the Israeli airport, Ben Gurion

Airport, by the Chinese or others who donated some medical supplies or some economic supplies. And the Israelis have channelled that to the PA through their joint channels. Now that was great and we, as Portland Trust, was happy, and we're thinking that we need to capitalise and to leverage this good relationship between Israel and the Palestinian Authority because it was at its highest, especially in healthcare.

So we thought we will capitalise on that in other areas, until the announcement of the annexation by the newly formed Israeli government, which will put us really at a level where we have concern that would probably jeopardise the relationship going forward. And for that, we have actually analysed the impact of the COVID-19 in our monthly bulletin. And I'm just showing that on the screen. It's on our website, PortlandTrust.org, and you can sign up for our free newsletter and you will find details about sector by sector COVID-19 impact on the Palestinian economy. And in the upcoming bulletin end of June, we will dedicate that bulletin for the impact of the annexation on the Palestinian economy sector by sector and we'll get into more details of the impact of the annexation.

Of course, we remain focused on our programmes that is already ongoing for the different sectors. And mainly the IT outsourcing. And I will just talk a bit about the IT . As you understand, we have about 3,000 graduates here in the Palestinian universities, of which 17% only of the engineers do find jobs here in the Palestinian Territories. Whereas in Israel, on the other side, as per Jerusalem Post on the 25th of February, it was posted that there is a demand for almost 18,500 engineers in the Israeli market for the multinational corporations in Israel and the Israeli startups for engineers in IT in particular.

Portland Trust has actually pioneered this outsourcing IT business back in 2016 when we piloted design verification with international companies, both American companies, Intel and Cadence. And we put together a pilot with five local IT companies and it actually work perfectly. And now we have live contracts between multinational corporations and local IT companies. And we are scaling that up with the universities and through dedicated training programmes and boot camps. For that, it is still ongoing. And I will turn it actually to Doug to maybe talk a little bit about that and then we'll leave it to the Q&A session for you. So I'll stop right here and turn it back to Doug.

- Thank you, Yahya. I think perhaps as well, you know, maybe in the Q&A it would be interesting for people to understand some of the relief efforts that have been taking place within the PA in terms of responding to some of the economic impact that you've identified and the role that we've been playing in advising the relief funds. I don't know, perhaps you want to pick that up briefly now before we then move on.

- Yes, thank you. Thank you, Doug, for- That's really a very important one. I just noted that down. During the interim, of course, COVID-19, Portland Trust has played a vital role with the government and the leaders of the private sector by establishing two funds. One is established with \$100 million dollar fund that is established by is Ibtikar Fund, it's called Palestinian Relief

Fund, PRF. And we have advised them to start that fund to attack actually the COVID-19 by both supporting the healthcare system and the startups and the small businesses in Palestine, subsidise them for that matter. And then another fund that has been established by the private sector and it was announced by the Prime Minister, and it is called the Stand of Pride.

And Portland Trust was involved at the very beginning in both structuring the fund and also in contributing to the different mechanisms of the displacement of the fund and collecting the fund. The fund has already collected the \$28 million, almost 60 million shekels actually. They were aiming to get to \$28 million but they managed to collect from the local Palestinian businesses and the Palestinian diaspora almost 60 million shekels. And it has been all spent to the needy families. There is more than 100,000 new needy family that has been registered at the Ministry of Social Affairs, the Palestinian Ministry of Social Affairs.

And \$200 was dispersed for each family. 13 million shekels were actually paid to the Ministry of Health. Portland Trust was all along with the Prime Minister office and the private sector in that mechanism. And we're still actually do involved. That's in the interim. However, we still remain focused on our strategic programmes, as Doug will probably touch upon in a minute. Thank you, Doug.

- Everything we're discussing hopefully will stimulate- Oops! I think I was muted then. So just as- Thank you, Yahya. Obviously everything we're touching on, in brief, you know, people should feel free and welcome to ask questions and we can go into a little bit more detail in the Q&A. Just to pick up, to finish our opening remarks, as Yahya said, you know, obviously in the short term, we've had to focus very much on the impact of the Coronavirus on many of our stakeholders that we work with, partners in economic development, many small businesses who have been particularly badly hit.

So working with them to help them manage their way through the process and to access the relief that is available. But at the same time, what's key to us is not to take our foot off the pedal with regard to our longer term strategic programme, which is all about focusing very much at the moment on large scale employment creation, as Yahya touched on, through the IT outsourcing sector. And, you know, our belief really is that as and when the economy is able to start to pick itself up and return to some sense of normality, the need for employment and meaningful opportunity is going to be greater than ever.

So the work we're doing now in preparing that platform is absolutely critical. And our efforts really are about creating a local capability within the Palestinian IT sector to present a compelling alternative to other more traditional outsourcing geographies like India or Ukraine, for example. And as Yahya touched on as well, we recognise that there is a huge demand in Israel within the tech sector for engineers, which they are unable to meet from their own domestic market. I should say in brackets, I touched on our Israel programme earlier, and much of the work we're doing with the Arab citizens of Israel is also about helping them access the demand from the tech sector within Israel. And we can talk on that in the Q&A perhaps.

We've had some very significant successes in employment creation amongst Israeli, Arabs, within the Israeli tech sector. But there remains still an unmet need that we think the Palestinian IT sector will be able to service and support. And in a sense that's the shaded area of the Venn diagram that I mentioned earlier, the kind of what you might call the win-win; answering the demand on the one hand in Israel, and at the same time using that to really kickstart and accelerate large scale employment on the Palestinian side.

And our objective strategically is that that Palestinian IT sector should be able to start to compete on a global basis. So whilst the short-term opportunity is in relation to the Israeli sector, actually once there is a proficient and sustainable Palestinian offering, there's no reason why Palestinian IT companies shouldn't be able to compete for outsourcing contracts in Europe and America. And so that's something that really is a longer term vision for us.

To finish, I'll just say, to give you some of the numbers in that, we're hoping to launch a pilot programme in the next couple of months that will start with training 50 engineering graduates across two communities, in Nablus and Hebron. And then assuming that we can demonstrate the success of the pilot, the aim is that then over the next 2 and a 1/2 years or so to recruit and place 300 engineering graduates into IT employment. And that really should then start to create momentum around it with the objective ultimately over the next number of years of creating thousands of new jobs in the sector.

So we have big ambition and hopefully we'll launch that in the next couple of months with the pilot. And I mentioned that really just to say that whilst this conversation has been about the short-term impact of the Coronavirus, our objective remains the establishment of a sustainable self-sustaining Palestinian private sector that is able to move beyond the reliance on international donor aid, and that can provide the framework alongside our work in Israel for some sort of sustainable solution, ultimately leading to Israeli Palestinian peace. It's not the most optimistic of times at the moment, but we remain committed and focused on a future which is different from that of today. So perhaps we'll end our opening remarks there and turn over to you, Carly, to handle the next step.

Q&A and Comments:

Q: Thank you both very much. So Doug, I'm going to pick up where you left off, where you were just touching on the PA's reliance on donor aid. Looking beyond COVID, a lot of the countries that the PA may traditionally rely on to help support them, be it Saudi Arabia, others in the Gulf or even, you know, through the UN programmes, are themselves going to be struggling economically, what do you see the effects on the donor community doing to the PA and its economic resilience?

A: Look, it's a good question and obviously we'll have to see how things pan out but what I would say is that our approach at the Portland Trust has very much been about a private

sector-led economic development programme. We recognise that that has been and remains in partnership with other agencies, including international donors, but our real objective is to try to get to a situation where that reliance on international donor aid is significantly reduced. And that's why we believe that the interventions like the one we're trying to drive now and to catalyse around the IT sector are so important.

We're very encouraged by what we've seen, you know, even over the last few weeks and months during the Coronavirus period in terms of the progress we've been able to make. So just for example, we have identified and secured a local private sector investor from within, in fact, within Hebron. It's a private investment fund called Istehar, established by a group of leading Palestinian industrialists from the Hebron area aiming to raise \$100 million of private investment. And a group of 30 of these business leaders have already invested from their own funds \$25 million.

They're looking to leverage that with additional investments from others, but they have already committed to fund the pilot programme that I talked about. And assuming that that's successful, there's no reason why they won't then continue to go on and fund future phases of this development. And our hope is that that will encourage others from within the private sector also to make that kind of investment. So, you know, we don't underestimate the value of donor aid and often it's the partnership between the private sector and the donor community that can create coalitions for impact. But our aim is to really rely less on the donor community and more on the private sector.

And I would just say that, you know, research that we've done, analysis of other conflicts as I mentioned, you know, we published a report in 2013/14, looking at the role of business in conflicts from Northern Ireland to Bosnia to South Africa to the South Caucasus, and the role of business in addressing conflict situations through identifying what you might call a peace dividend and creating coalitions to enable progress, you know, really shouldn't be underestimated. So we hope that the donor community will be in a position to continue to support, but we're really looking to try and drive private sector-led development.

Q: So following on from that, you could describe Rawabi as really one of the signature examples of a public-private partnership really led by the business community. You know, I know Rawabi has struggled with its timelines over the last few years. You know, I'm sure a lot of people on the call have either visited Rawabi themselves or at least are aware of Bashar Masri's, you know, hopes with what he's looking to create on the ground. Is Rawabi turning into the city that Masri dreamed it would?

A: Well, I'm happy to answer and Yahya, I'm sure, a regular visitor to Rawabi will also be able to add. Look, I mean this was a visionary undertaking that was actually quite revolutionary. I mean, for those who haven't been and visited, as I said earlier, Rawabi is the first planned Palestinian city ever built on the basis of an ecological vision of renewable energy, of reduced traffic, really trying to create a symbol of what's possible for the Palestinian private sector. And it is really

quite a remarkable undertaking.

You know, I went on my last visit and there are already five or six neighbourhoods that have been built. There's a commercial business district that houses a tech hub with one of the most successful tech companies, Palestinian tech companies, which is already successfully providing outsourcing contract, meeting outsourcing contracts from Israeli multinational companies, recreational areas, et cetera. So, you know, I think you're right, Carly, to say that perhaps it's slightly slower than had originally been intended. But I think with all of these types of initiatives, you know, I think about, you know, Milton Keynes and Canary Wharf in London, in the UK, you know, a lot of scepticism about these sorts of new towns or new developments until you reach the tipping point and you get the momentum going and the flywheel starts spinning.

And then, you know, once you've built it, people really do come. So I think even over the last, you know, couple of years, the momentum around Rawabi has started to pick up. But, you know, you're addressing also a kind of cultural shift. Again, Yahya, maybe I'll let you talk to this, but, you know, the traditional Palestinian cultural approach to remaining close to the family and building, you know, in the local towns and communities that, you know, you've grown up in, this is a shift, this is saying, you know, come move to a new town where you can live, work, play, I think is their, you know, their sort of strapline.

Encouraging young people to move and to establish a new presence in a new town is also something that takes time to achieve. But I think we're confident and certainly, you know, we take our collective hat off to Bashar Masri who, you know, following our kind of role as the catalyst to get things up and running, he really picked it up and ran with it and has achieved an outstanding result so far. But Yahya, I don't know if there's anything you want to add on Rawabi.

- Thank you and, I guess I'm going to touch upon also the first question of Carly about the international community response. So I would just say that the Prime Minister has identified 120 million urgent needs, and that was actually answered by the EU and 71 million euros was pledged on April 9th by the EU to address the immediate health needs. 5.8 million by the World Bank as well, as an urgent need. And, of course, we have received 10,000 swaps from the Chinese.

However, on the macro level, on the macro level, the government of Palestine has identified \$1.8 to \$2.4 billion in its budget deficit. And of course, yes, they address it to Saudi Arabia, the international community, and to Europe. Of course, in the meantime, they're also taking loans from the local banks, which now is at \$1.4 billion. They're expecting that this is going to be increased to almost \$2 billion.

And if this is not going to be addressed soon, I mean his request to Europe, to the international community, there will be a problem on the revenues, of course, of the banks that has loaned the government of Palestine almost \$2 billion. So that's another catch-22 that the PA is going to be facing in the coming period when things of, if the annexation takes, you know, takes place as

announced by the government of Israel, which will put the Palestinian economy at a huge distress as expected by the UN and the other international agencies. The US has promised a \$5 million urgent assistance, but we don't know if it was received or not. So that was for the first question.

For the second question, the fifth neighbourhood of Rawabi is in construction. It is ongoing, it is progressing. Bashar is an optimist. He's always thinking of Rawabi too. You know Bashar very well, he just had barbecue in my house two days ago. He's a very optimist man, he thinks of going to Rawabi too. He's a little bit concerned about the annexation plan. He's a bit concerned about the current situation of the PA. He has shown on TV, on the national TV more than one time interviewed and he has actually voiced out his concerns. However, we'll wait and see by July 1st if this happens or not. Thank you.

Q: Thank you, Yahya. The next question is also for you. When we visited Rawabi, as Doug touched on, we saw the fledgling tech sector, and that, you know, I know the Portland Trust has done a lot of important work to help the Palestinian Authority and the Palestinian population, you know, look to their neighbour of Israel and see how can they can learn from some of the kind of startup nation mentality. Israel, you know, today is warning that they feel a good number of their startups will not survive COVID, even with economic support that the Israeli government is able to provide. Are you seeing a similar effect on the startup ecosystem for the Palestinians?

A: Yes, in the short term we have seen actually many of the contracts that in the northern companies in Nablus and in southern companies in Hebron, the smaller companies have lost some of their contracts with either international outsourcing company or local companies in Israel, and whether it's postponed, whether it's was put on hold, or whether it was downsized or even cancelled totally.

However, we see that this is a sector where it will never die. It will get sick for probably a few months, but it will pick up again. This is actually what we are doing now with 107 audiences, is a live example of what technology can do to us, and it's going to pick up again. The large companies have not been affected and they have learned from the tech scene in Israel and they are actually scaling up. I was just in a conference call with one of the international companies in Israel a few days ago. It's an American company that is ready and waiting to scale up this year from 45 engineers to almost 80 engineers, only this year.

And they're willing to outsource to Palestinian companies in you know, across the West Bank and Gaza. He's already having current contracts for 45 engineers and he is in talking now with our local outsourcing company to scale that up to 100. And Portland Trust is working on that now in Hebron and Nablus. So I see that smaller companies and smaller startups may suffer in the short term during COVID-19, but in the long term, there is a high demand on this sector specifically.

Q: In terms of corruption within the Palestinian Authority, we've had a question about whether

this affects the Portland Trust's ability to operate and achieve its aims.

A: We have been working since 2006 closely with the PA, whether the Prime Minister office or the present office or the respective ministries, and they have been always supportive to what Portland Trust's scope of work is all about and they have extended all the facilities and services needed. We never came across any problems when it comes to corruptions in the PA or the private sector. None of our programmes. Actually, on the contrary, they were very supportive and we never had our business interrupted or affected by the level of corruption registered in the PA.

Q: So I know we're focusing on the PA but to turn to Gaza for a few minutes, a few years ago, the Portland Trust produced a report on, you know, Gaza in the future and, you know, what could be done by the private sector, particularly to help build up Gaza. You know, obviously Hamas has still got an incredible stronghold on Gaza, and, you know, although behind the scenes during COVID, there may have been, you know, more cooperation than people would expect, that the day-to-day hasn't made any changes. You know, do you still believe that the private sector could help deliver the dream that the Portland Trust had of, you know, of this Gaza, Singapore opportunity?

A: I had no doubt that that plan, the Gaza, Global Palestine, Connected Gaza, is still good for any time and any place during any other government. This plan has identified more than 71 catalytic projects on different level, whether it's on the regional level or on the local level, and mainly infrastructure products, infrastructure projects. The only problem is the reconciliation. When there was a room for reconciliation about a year ago, the private sector led by the CCC has already discussed live projects in five different governments and they have identified projects with almost \$25 million cost.

We actually have worked heavily with them on that and they took it actually to the President office for implementation. The only interruption that happened is, you know, stopping the talk between Hamas and Portland at the time, which actually, you know, stood as a barrier to implementing such projects. However, this study and these projects identified in the study is important. There will be a time when the time is right for such projects to be implemented in Gaza by the private sector. We have our high hopes. CCC still has a liaison officer on the ground that still talking to the different municipalities to identify the priorities for the projects to be implemented when the time is right. So we still believe that our study, our plan, is a live plan when the time is right.

- Just to say, Yahya, CCC, for those who don't know, is one of the largest construction companies. It's actually a global company with operations around the world. And, you know, the report that Carly referenced, "Global Palestine, Connected Gaza," which again, you can see a summary of on our website, was led by a coordinating committee of senior Palestinian business leaders from right across the various different economic sectors. And it's they who effectively have ownership of that vision that we help to facilitate and catalyse. And it's they who are, you

know, waiting in the wings for the opportunity really to deliver it. So we think it remains completely relevant, and we hope at some stage that that- But I would also say that the, you know, a number of projects from within the report have already begun to be implemented. So some of the projects around solar energy, for example, that identified rooftop solar panels, have started, you know, quite successfully to be delivered across Gaza.

So, you know, there are certain things where, although we can't say as a whole, we've picked the report up and started to implement it from cover to cover. Certainly aspects that were identified within it, as Yahya said, have really, you know, led the way in terms of some of the economic development that has, albeit slowly, but has taken place.

Q: When the Trump Peace Plan, you know, was released with some fanfare, it had a strong economic bend to the way it looked to the future. What was the Portland Trust's opinion on the economic components of the plan?

A: Well look, yeah, as I said right at the beginning, our view is that economic development alone will not bring about ultimately a solution to the conflict. We see it as part of what our founders identified as this triple helix. You know, the economy alongside security and a political solution as well. So, you know, I think the shame of the Trump plan as was revealed is that whilst there is some, I think, you know, very sensible ideas on the economic side within what was put forward, unless it is in parallel with a meaningful political process, I'm afraid it's, you know, it's going to fail. So, you know, and it is very hard to answer the question about the economic element in isolation from the broader strategic framework of what's being proposed. And, you know, that brings us onto the question of annexation.

- Like, I didn't even have to ask it myself. There you go, Doug.

- Well, you know, it's not something, from a political perspective that we as the Portland Trust, you know, would have a view on per se, other than to say that the political proposals as they currently stand, I think make it very unlikely that the economic aspect of the plan have any chance of success. I mean and, you know, unless the Palestinian economy has the means to absorb and deploy the sort of levels of investment that are being talked about in the plan, the question is, you know, how would that money be used? What would it go towards, you know? And I just think that the way that the political element of the plan has been presented, it's really, you know, it's not going to succeed. But Yahya, I mean, again, I don't know if you want to add to that.

- I agree with you. I guess nothing to add here.

Q: You touched at the beginning on the COVID situation actually bringing some increased level of cooperation between the Israelis and the Palestinians, particularly around the joint, you know, the joint health sector. I know there's obviously been some tensions recently in Palestinian workers returning to Israel and what that's done. But could you give us some examples of

where, of good stories?

A: Yeah, I guess, the good stories is the early alarms by the Israeli government to the Palestinian government on the multiple cases that they have found out, and they have tested earlier and they have sent the warning to the PA so the PA could take the necessary measures on the checkpoints when they received the workers. They have also facilitated paying the dues of the collection on behalf of the PA. The settlement reviews of 800 million that was requested as a special request by the Minister of Finance to the minister, to the Israeli Minister of Finance, in order to meet the high demand since there's no tax collection in Palestine during the lockdown.

So we have requested Israel to pay the dues of the settlements, and they have actually responded positively. They have facilitated, as I mentioned, the passing of the medical supplies through their airports and their ports, and the swaps and the different medical supplies. So all in all, went fine and smooth, until this announcement of annexation, which puts everything on hold, so. But it started very good and it ended with this concern of annexation. We'll wait and see what's going to happen.

Q: You just touched on the allowance of medical equipment to pass through, pass through Ben Gurion. Obviously we all read the landmark case last week of the UAE flying aid into Ben Gurion with the idea that it would be passed through. Several firsts of their kinds in that story. Unfortunately publicly, the PA rejected the aid, although there's now kind of private musings that they are going to allow some in under less fanfare. Could you comment on, you know, that the rejection, but also if that the aid will still be used?

A: This is a private opinion and this is not really a representation of Portland Trust stand. We are no longer, we are not a political agency. But as person, I would tell you there has been some tension in the relationship between the PA and the United Arab Emirates for quite some time due to obvious reasons. And there have been also some, I guess, sort of a lovey-dovey relationship between Israel and the United Arab Emirates in the last few months or maybe even before that.

So I guess it was not coordinated with the PA before they sent it to Israel. And I think it was a kind of a surprise to the PA when the UAE Emirates flight landed in Ben Gurion. So for obvious reasons, I guess the PA decided not to get too political with the UAE at this point of time. And whoever drives the foreign policy in the UAE and they maybe decided just to take a rain check this time, but we'll see how that develops.

Q: Thank you, and just for the last question, one of our listeners was asking if you knew any more of a breakdown about the ages of the 631 people with COVID and any more detail about how it affected the population?

A: Yes. Mostly it was above 60. And those who died were also diagnosed with chronic diseases,

the five death cases. However, none of the 631 cases were admitted to ICU except for less than 10% of the cases who were discharged in less than two weeks. None of the cases, current cases is in the ICU unit. Most of the cases were above 60. They were just a few juvenile cases, I guess the three cases, two newborn and one child below five. So the breakdown, I would say it's all, I don't have the definite number, but it's mostly above 60. And the death cases were diagnosed with the chronic, you know, cases before the COVID-19.

- Thank you. Thank you. Hand over to Wendy's. Hand over to Wendy.

- Hello.

- We can hear.

- We can hear you.

- Can you- Doug? Um, let me just put this on. Doug, Yahya, thank you for that fascinating and detailed hour. It gave us a real insight into what is happening on the ground. It is heartening to hear of the increased cooperation. And despite the very challenging situation and the possibility of annexation, perhaps there is still room for hope. I am a great supporter and fan of the Portland Trust and I'd like to urge everybody when they are next in Israel to visit Ramallah and to see what the Portland Trust is up to. And most important of all, is to meet these two inspiring young men. Thank you both for a wonderful hour. Thank you, Doug. Thank you, Yahya.

- Thank you so much.

- Thank you very much, Wendy. Thanks-

- Thanks everybody. Be well.

- Thank you for your wonderful support. We really appreciate it.

- Oh, great pleasure. I'm a big fan. Thank you.

- Thank you. Thank you so much-

- Goodnight, everyone. Thanks. Bye-bye.

- Bye.