



صندوق الاستثمار الفلسطيني
Palestine Investment Fund

Investing for Impact



Impact Investment Portfolio

June 2019



The Palestine Investment Fund (PIF)– Impact Investment Portfolio

As Palestine's sovereign development fund, the PIF has successfully implemented a double bottom line program by investing in strategic projects in Palestinian vital sectors while achieving sustainable returns.

This investment philosophy has enabled the PIF to facilitate economic development through improving socioeconomic indicators, providing job opportunities to advance living standards, and supporting small medium enterprises (SMEs) in Palestine.

The PIF's impact investment program serves as an economic and a national pathway to build a resilient, independent, and vibrant economy that enables the Palestinian people to thrive.

PIF's Investment Portfolio Performance (2006-2018):



Size of the investment



Job opportunities



Of small and medium-sized enterprises

Together with its 5 subsidiaries, the PIF has mobilized over 60 investment projects and initiatives:



(\$2.2 billion investment program): manages PIF's portfolio in the development of the energy sector through focusing on Palestine's natural resources, infrastructure, as well as traditional and renewable energy sources



(\$125 million investment program): manages PIF's portfolio in the real estate and tourism sectors in Palestine as well as in East Jerusalem through its new subsidiary – Amaar Jerusalem.



(\$80 million investment program): manages PIF's portfolio in various sectors including agriculture, education, manufacturing, SMEs and particularly tech enterprises.



(\$650 million investment program): manages PIF's portfolio in financial markets and invests in local and international high-growth companies that specializes in healthcare, telecommunications, industrial, and banking sectors.



(\$15 million investment program): manages PIF's social investment arm and its Corporate Social Responsibility (CSR) initiatives through supporting SMEs in marginalized areas, providing grants for youth and entrepreneurs, as well as offering lending services and facilities to Palestinians and its diaspora.

Through collaborative partnerships, the PIF's investment portfolio has achieved remarkable milestones and scalability across its 0 subsidiaries:



First: Investment Portfolio of Massader



1. Jenin Power Plant: The first large scale conventional power plant in the West Bank with an investment size of \$620 million and a generation capacity of 480-Megawatt (MW) to meet 50% of energy demand. The plant is developed through a collaborative effort between the PIF, the Palestine Power Generation Company (PPGC), the Palestine Development and Investment Company (PADICO), the Palestine Telecommunications Company (PALTEL), the Arab Bank Group, the Palestine Electric Company, and the Arab Palestinian Investment Company (APIC), as well as other local investors.

2. Gaza Power Plant: Having the sole power plant in Gaza operating below its original capacity of 140 MW diesel at around 70 MW today, the PIF alongside various partners and entities are converting the plant from operating on diesel to run on natural gas instead.

3. Noor Palestine Solar Program: Aims to develop 200 MW renewable energy through solar parks & rooftop solar panels. With an investment size of \$200 million, this program is launching solar parks across various locations in the West Bank:

4. Jericho Solar PV Plant: Operating at a capacity of 7.5 MW and is geared toward the water energy nexus and boosting the agricultural sector.

5. Tubas Solar PV Plant: Operating at a capacity of 9 MW and is geared toward the commercial and public sector.

6. Jenin Solar PV Plant: Operating at a capacity of 5 MW and is geared toward the industrial sector.

7. Schools solar Rooftops Program:

This program has installed rooftop PV systems in 500 public schools with an aggregate supply of 35 MW of clean energy in the West Bank and East Jerusalem.

8. Gaza Marine: Led by Massader with an investment size of \$1billion, This project seeks developing a 1.4 Trillion cubic feet (TCF) gas field offshore Gaza to enable power generation, water desalination, and industrial development. This project is considered as a central pillar of Palestine's energy security towards the path of self-sufficiency and economic disengagement with Israel.

9. West Bank Oil: (project in review): Massader has prepared an investment program for the development of the West Bank Oil Field. The development cost is estimated at \$390 million, and will be carried out in accordance with a production sharing agreement with the Government of Palestine. An Initial pre-exploration work program is currently underway in preparation for designing an exploration plan for approval that would precede full-fledged field development.



10. Zahrat Al-Finjan



(project in review): Through a collaborative effort with Ministry of Local Government, Palestinian Energy and Natural Resources Authority, Palestinian Electricity Transmission Ltd. and Zahret Al Finjan Service Council, Massader seeks to launch the extraction of gas from the landfill and utilized it to generate electric power.



11. Jericho Agro-Industrial Park

A top-tier industrial city meeting international standards and covering an area of 615 thousand square meters (SQM). With an investment size of \$9 million, this project was launched through partnerships between the PIF, PRICO, and Sanabil Investments. This project predicts to improve trading facilities and provide about 5 thousand direct jobs and over 10 thousand indirect jobs.



12. Tarqumia Industrial Park

With an investment size of \$160 million, Massader is currently developing the Tarqumia Industrial Park and Bonded Area (TIP). This project seeks to become Palestine's main export gateway and to facilitate an easier movement of goods to regional and international markets.

Second: Investment Portfolio of Amaar Group and Amaar Jerusalem

1. Vertical Real Estate Development Projects

13. Al-Reehan Neighborhood



\$150 million investment program to develop a residential neighborhood near Ramallah. The neighborhood includes 17 high-rise apartment buildings, 42 villas, two prestigious executive towers, a commercial center. The project successfully attracted investments such as the Arab Istishari Hospital, Lacasa Mall, and a housing project for Jawwal employees provident fund.

14. Al-Jinan Neighborhood



\$6.4 million investment program to develop a residential neighborhood in Jenin covering an area of 77 Donums and includes 54 villas, 3 high-rise buildings that offers 28 apartments, as well as a commercial center.

15. Al-Ersal Center



With the goal to expand commercial real estate in Palestine, Amaar Group has allocated \$100 million in its first phase of the investment program to build 11 commercial centers. This includes:

- Amaar Tower: A 13-floor building featuring the headquarters of PIF and its subsidiaries, as well as other commercial and corporate offices.
- Consolidated Contractors Company (CCC) Tower: Featuring offices for the CCC, Bank of Palestine, and other commercial and corporate offices.
- Another two projects are currently in the works to be integrated in Al-Ersal Center project.

2. Horizontal Real Estate Development Projects

16. Moon City located in Jericho governate

17. Surda Heights and Berzeit Heights located in Ramallah and Al-Bereh governate

18. Al-Worood Neighborhood and Al-Saru Neighborhood located in Jenin governate

3. Amaar Jerusalem's Residential, Commercial, and Tourism Projects



19. New Capitol Hotel:

\$12 million investment program for a 70-room hotel. This hotel provides religious tourism with a new offering located just steps away from the holy sites of Jerusalem.



20. Golden Gate Hotel:

\$41 million investment program for 4-star, 208-room hotel. The hotel offers local and international tourists with luxury services in one of East Jerusalem's most vibrant areas.



21. Jerusalem Commercial Center:

\$50 million investment program for the development of a 13-storey facility featuring retail shops and a 70-room boutique hotel with easy walking access to the Old City. This commercial project serves as a commercial hub and offering localized Palestinian retail options.



22. Beit Hanina Heights:

\$17 million investment for the development of a 2-tower, 56-housing units in one of East Jerusalem's premier residential districts. This residential project offsets chronic housing shortage in East Jerusalem to provide Palestinians with quality, affordable housing.

4. Tourism Projects in the West Bank

23. Grand Park hotels in Ramallah, Jerusalem, and Bethlehem

24. Millennium Hotel in Ramallah

25. Convention Palace in Bethlehem

26. Jasser Palace in Bethlehem

27. Mashtal Hotel in Gaza

Third: Investment Portfolio of Sharakat



Agriculture Sector



28. Al Dalya Seedless Grape Farm: Through a collaborative partnership with Sawafta family on 128 donums of leased land in area C of Ein Al-Beida in Tubas, this farm was established in an effort to strengthen the agricultural sector in Palestine as well as to improve the resilience and livelihood of Palestinians living in the Jordan Valley and Area C in the West Bank.

29. Pal Farm Company for Milk Production: A spin-off of Al-Jibrini Dairy Company that supplies Al-Jebrini Dairy Company with fresh milk to allow the company produce different dairy products. Pal Farm offers one of Palestine's most modern farming facilities with a production capacity of 6 million liters of fresh milk each year (1,000+ cows).

30. Animal Feed Plant (under construction): \$22 million investment for the development of a planned animal feed plant in Hebron, operating at a capacity of 230 thousand tons.

31. Potato Chips Factory (under construction): Together with different partners, Sharakat will establish the first planned and integrated potato chips plant in Palestine. The factory will offer naturally cultivated potato chips that meets international standards.



Education Sector

32. Al-Jinan International School: The first educational institution in Palestine to offer coding program as a mandatory second language module in its curriculum. Through a collaborative partnership between Sharakat and Al-Jinan Investment company, the school was established in Jenin governate and has 470 students.



SMEs Financing Sector



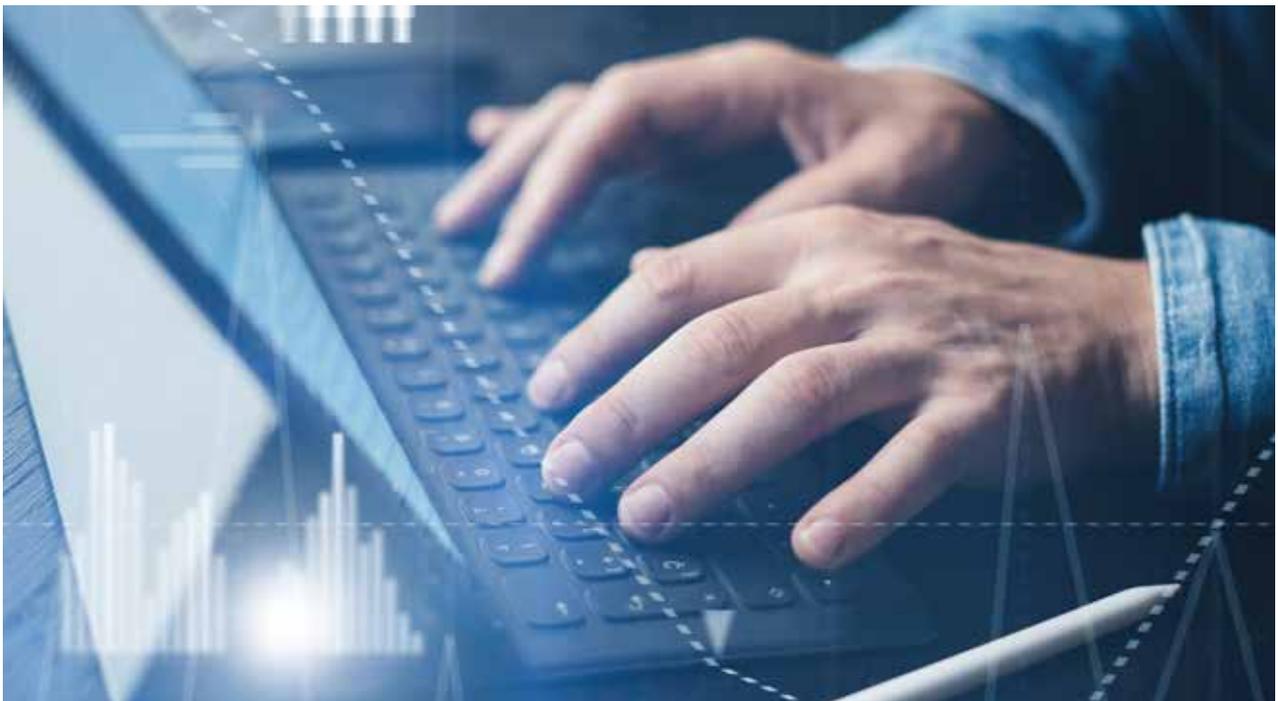
33. Asala: A microfinancing company that implements women empowerment programs for female entrepreneurs having limited resources. Asala has provided \$66 million in loans and supported over 1,038 female-led SMEs through non-financial services.

34. Ijara: The first specialized Islamic leasing company in Palestine that offers Islamic leasing solutions to SMEs. Ijara has supported more than 595 SMEs since its inception.

35. Ibtikar Fund: \$10.4 million fund that provides funding for tech enterprises and Palestinian entrepreneurs.

36. Play 3arabi: A game publisher that focuses on developing and releasing social mobile games in Arabic promoting and celebrating the Arab culture across the MENA region.

37. Souktel: Designs and builds software solutions for big data analytics in developing and emerging markets.



38. Rasmala Palestine Equity Fund:

Established in 2011 through a collaborative effort between the PIF and other strategic partners to manage the investment portfolio for companies listed on the Palestine stock exchange market. With an investment size of over \$50 million, this fund seeks attracting local and international investments in the Palestinian stock exchange market.

39. Khazanah:

Serves as PIF's investment arm in regional and global markets that aims to achieve long-term capital appreciation, increase portfolio diversification and decrease risks, in addition to ensuring Aswaq's liquidity over the short to medium term.

A List of Aswaq's investment stakes in high-growth companies:

40. Oreedoo Palestine – formerly known as Wataniya Mobile
41. Palestine Telecommunications Company (PALTEL)
42. The Arab Islamic Bank (AIB)
43. Palestine Investment Bank (PIB)
44. Bank of Palestine (BoP)
45. Safa Bank
46. Palestine Islamic Bank
47. Arab Palestinian Investment Company (APIC)
48. Sanad Construction Industries Company
49. Jerusalem District Electricity Company (JDECO)
50. The National Aluminum and Profile Company (NAPCO)
51. Istishari Arab Hospital
52. Birzeit Pharmaceuticals Company
53. Siniora Food Industries Company
54. Ibn Sina Medical Center
55. Khaled Al-Hasan Cancer Center



56. Ibda' Program for Youth Employment:

\$30 million investment program that seeks youth empowerment through providing access to finance and training schemes for Palestinian youth and entrepreneurs. Through distributing its curriculum 'Get to Know about Business' as a course module in 36 technical university, Ibda' program was able to reach over 6,000 students and teachers, financing 1,240 projects and creating 2,500 jobs.

57. Tamkeen Economic program to support Palestinian Refugees in Lebanon:

\$5.5 million investment program that provides micro-financing loans (between \$500-\$5,000) for Palestinian entrepreneurs in Lebanon's refugee camps through microfinance institutions in Lebanon. Since its establishment, Tamkeen provided over 3,100 loans, created more than 4,500 jobs, and supported more than 12 thousand direct and indirect beneficiaries.

Jerusalem Lending and Financing Facilities:

58. Jerusalem Grant Facility:

With a \$4.6 million funding program from the European Union and the PIF, this program seeks supporting Jerusalem-based SMEs through grant provisions. Through executing the program in two stages, the first stage (between 2014-2017) supported 30 projects with a funding amount of \$2 million and created 110 jobs across different sectors in East Jerusalem. In the second stage (between 2018-2021), this project is injecting additional \$2.6 million to finance 25-30 projects.

59. Jerusalem Lending Facility:

A program for SMEs in Jerusalem that provides new and affordable finance options at low interest rates and flexible payment terms. This program is managed by PsDF, funded with an amount of \$4.5 million by the Arab Fund for Economic and Social Development, and executed by PsDF's field partner – MFI Palestine Development Foundation (PDF). In 2018, this program injected \$2.6 million and provided 53 loans for Palestinian Jerusalemites.

60. SMEs Grant Facility in Jerusalem:

Through a collaboration with Oxfam, Palestine for Development Foundation and a financial support from Sida (\$200K), PsDF launched a two-year program to support SMEs in the old city of Jerusalem. So far, this project has supported 9 projects in marginalized areas in Jerusalem, including the Old City, Silwan village, and Al-Issawiya village in Jerusalem. In the long term, this project aims to support 40 additional projects and create over 300 job opportunities.

61. PIF's CSR Program:

Through its commitment towards Palestine's economic development and welfare, the PIF continually allocates various resources to support vital sectors of the economy. In 2018, the PIF supported 40 non-profit organizations specializing in different areas including education, economic welfare and development, culture, healthcare, and entrepreneurship.

62. Development Impact Bond (DIB) Program:

Through a collaboration between the European Bank for Reconstruction and Development (EBRD), the Netherlands Development Finance Company (FMO), Invest Palestine and a funding from the World Bank, this program supports fresh university graduates by providing training programs and job opportunities to qualify them to the job market and thus reduce youth unemployment.

