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ICT: THE SHACKLED ENGINE OF PALESTINE'S DEVELOPMENT

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Key Points

- Israel has violated international law by seriously impeding the development of the Palestinian ICT sector in the Occupied Palestinian Territory (OPT), with severe impacts for Palestinian economic activity.
- Palestinians suffer from restricted cellular services, unavailability of vital equipment, and Israeli capture of Internet services and control of international gateways.
- Israeli telecommunications operators capitalize on Israel's superior force as an occupying power and the captive state of the Palestinian market at the expense of Palestinian operators.
- The development of Palestine's ICT sector must be supported by the international community via international forums and targeted private investment, as well as an improved regulatory framework and strategic management by municipalities.

ICT's Critical Role and its Legal Framework

The ICT sector is a pillar of all other economic sectors, and thus enables and enhances various dimensions of social and economic development. Indeed, the ICT sector has helped drive the limited development possible in Palestine under prolonged military occupation, accounting for roughly 5.6% of GDP. However, the ICT sector in the Occupied Palestinian Territory (OPT) has faced severe constraints due to Israeli restrictions.

According to the Hague Regulations and the Fourth Geneva Convention, Israel has an obligation to [allow the development](#) of the territory under occupation – and under no circumstances can it benefit from the occupation. At the present time, communications technology is so vital to human development [it has been defined](#) as a human right.

Restricting Access to the Electromagnetic Spectrum

Despite its obligations under international law, Israel has seriously constrained access to the electromagnetic spectrum. The Palestinian mobile company, Jawwal, serves more than 2.5 million customers with a spectrum nearly one eighth the spectrum [Cellcom Israel Ltd](#) uses for some 3 million subscribers.

Hitherto, Israel withheld additional frequencies in the Second Generation (2G) band from Jawwal and Wataniya Palestinian mobile operators, and has not released those required for Third and Fourth Generations systems and services (3G and 4G). By contrast, it [released 4G](#) mobile broadband radio frequencies (including those covering the West Bank and Gaza Strip) to six Israeli companies back in January 2015.

For decades, the prohibited access to these services has resulted in severe technological barriers to Palestinian companies. GPS, Paypal, and other mobile applications that users in other countries take for granted are not available through Palestinian providers.



Israeli Operators Reap What Palestinians Sow

Israeli operators have been able to offer Palestinian customers better quality services at the expense of Palestinian operators. For example, Israeli operators have built 3G towers in the illegal Israeli settlements while Palestinian operators are broadly excluded from building service towers in Area C.

Moreover, Israeli operators sell 3G and 4G SIM cards in the West Bank, and have siphoned off a share of the Palestinian Internet market. [It is estimated](#) that 20% to 40% of the Palestinian telecommunication market share is seized by Israeli operators. A 2008 World Bank report estimates loss in PA revenue due to unauthorized Israeli operators to be [\\$60 million annually](#).

Tightly Controlling the Infrastructure

Palestinians have been denied the right to build a Palestine-based international gateway in contravention of resolutions 12, 18 and 125 of the International Telecommunication Union (ITU). Israel has allowed for three fiber optic cables and two microwave links between the West Bank and the Gaza Strip, making it difficult to create an independent Palestinian telecommunication network.

The infrastructure in Gaza itself is completely dependent on Israel. The only fiber optic cable that connects Gaza with the world is placed in Israel. All calls must be routed through Israel, thus rendering Gaza [a space of control and surveillance](#), as seen during Israel's assault on Gaza in the summer of 2014.

Restricting Access to Essential Equipment

The lengthy process of testing standards compliance and security checks imposed on Palestinian importers of ICT equipment has been a major obstacle to ICT development. Moreover, Palestinian importers are bound by an Israeli-defined "dual-use items" list, prohibiting or placing obstacles to the import of equipment used for communications or network infrastructure.

Severe Israeli [restrictions on the freedom of movement of people](#) in the OPT through a hermetic system of physical, institutional, and administrative barriers are another major obstacle to ICT development. These restrictions affect the ICT sector simply by making it harder for those working in it to travel within the OPT and between the OPT and the rest of the world, affecting access to universities and exchanges with experts overseas, among other constraints.

The Way Ahead for Palestine's ICT Sector

- The PLO/PA should use Palestine's observer state status and ITU resolutions to lobby for free access to its full frequency spectrum and a Palestinian international gateway that is independent of the Israeli one. Members of the international community could use reciprocity as a tool to further support Palestine in securing its rights through the ITU and in other international forums.
- Companies worldwide can play a vital role in developing the Palestinian ICT sector through direct outsourcing projects to Palestine, supporting innovators and start-ups, and investing in Palestinian skills and knowledge in nanotechnology, IT security techniques, and 3D printing.
- In order to provide more effective regulation and governance of the ICT sector, a Palestinian Telecom Regulation Authority should be established. There is also an urgent need to update the main law governing the ICT sector since it dates from 1996 and does not take into account the global evolution in technology.
- Initiatives at the municipal level are possible without waiting for external actors, including installing fiber backbone and microwave links, solar power panels on street lighting poles, and citywide wireless networks. In addition, [mesh wireless networks](#) are a promising new avenue for municipalities because they are not dependent on centrally-located towers.



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