



المؤتمر المصرفي الفلسطيني الدولي
Palestine International Banking Conference

2013



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Master of Ceremony



Irene Saadeh

Director- Public Relations and Communication/ PMA

Has more than 12 years of experience in communications, covering practical experience in several areas, as she provided ad hoc advisory services to international agencies operating in Palestine. Worked previously for PalTel Group for 9 years, occupied the position of Director of Investor Relations and Director of Marketing Communications where she developed strategic investor relations, in addition to building channels of communication with the financial community in the country and abroad. She was also responsible for the overall planning and implementation of the marketing communications and branding strategies in addition to media negotiations for PalTel Group and its entities. Holds a Master degree in Business Administration and Bachelor of Science in Business Management and Marketing from BirZeit University.

Session's Chairpersons



Ali Faroun

Joined Palestine Monetary Authority (PMA) in 1999, ruled various senior positions at Banks Supervision Dept. Lastly was appointed as Director of the Consumer's Relations and Market Conduct Dept in May 2011. Previously worked in senior positions at Saudi Automotive Services Company (SASCO) and Arab National Bank in Saudi Arabia before joining the PMA in 1999, He holds a Masters degree in Banking and Financial Sciences from Arab Academy for Banking and Financial Sciences in Jordan after completing his Bachelors degree in Banking from Gazi University in Turkey. During his work at PMA; he participated in several conferences and workshops related to the banking industry and supervisory issues, and presented the Palestinian experience in developing the credit registry in various international conferences and workshops. He also represented PMA as board member in some boards at Palestine, and nominated by PMA to be member in banking working groups assigned to put standards for some banking activities. He made significant achievements in developing the Credit Registry, Bounced Checks and the Credit scoring Systems.



Nabil Abu Diab

Director General of the Association of Banks in Palestine ABP, Board member of the Palestine Capital Market Authority, PCMA, Board member: National Payment System, Buraq, and Board member of the Municipal Development and Lending Fund, MDLF. He worked as Long-term consultant in IDB, Deputy Director in DEG, Credit Expert in DtA, Trainer in the Arab Academy for Banking and Financial Studies, AABFS, Coordinator of the Financial Intermediation Training Project, financed by the World Bank WB, Participated in Microfinance study for EIB and Founding member of the Arab Society for Training and Development, ASTD. He holds Masters Degree in Business Administration from Al-Quds University and Bachelor Degree in Business Administration and Economics from Birzeit University and four professional diplomas in Credit, Marketing Management, Human Resource Management and Board Member Certified Director.

(TDC) / Jerusalem, (1990 – 1996) as well as the G.M. Assistant, Andalus Company / Riyadh – Saudi Arabia, (1987- 1990). He also worked as Academic Assistant, at An-Najah National University (1982–1984).



Rushdi Ghalayini

Deputy General Manager- Bank of Palestine

Got his Bachelor Degree in Economics and Computer Science in 1986 in the American University in Cairo. Since Joining the Bank of Palestine; he occupied several positions such as Deputy Manager of Main Branch, Branch Manager, Assistant General Manager and Deputy General Manager – Chief Risk Office. He has been involved in Management of Retail and Corporate Banking, Risk Management, Credit Facilities Administration, Capital Adequacy, Trade Finance, Management of NPLs, Basel 2 and Human Resources.



Firas S. Najjab

Firas S. Najjab brings more than 17 years of experience in the area of banking, and currently the Deputy Regional manager Business Group at Cairo Amman Bank Palestine, where he oversees the Business related aspects, Branches, Corporate SME Facilities, Retail Banking, and Treasury.

Prior to Joining Cairo Amman Bank, Firas held various challenging positions at Arab Bank, where he served as a Branch Manager in several Cities, worked as an SME project Coordinator, Corporate and SME Head at the Branch level, and several banking positions within the Branch.

Firas holds an Executive Master degree in Business Administration from Northwestern University, Chicago - USA, and a Bachelor degree in Banking and Finance form Al-Yarmouk University, Irbid – Jordan. He also holds a Professional Diplomas in Small & Medium Enterprise Credit from the Arab Academy for Banking and Financial Sciences and a Professional Diploma in Credit from Arab Bank.

Panelists:



Ahmad Alhajhasan

He is the General Manager of the National Bank, he worked as a General Manager at The Palestine Capital Markets Authority. He has worked for several years in PMA as Reserve Management Division Chief and the Macro-Prudential Analysis Division- Acting Division Chief, Prior to that he has been an Instructor of finance and accounting at the American University. He holds a masters degree in Finance and Accounting from Bradford School of Management, UK. A Post Graduate Diploma in financial markets from the Arab Academy for Banking and Financial Science and B.A. in Business Administration from Birzeit University. He also holds certificates in the fields of bank risk management and FOREX dealing.



Johnny Zeidan

Regional Manager- Bank of Jordan - Palestine. He got his B.A in Business Administration, Bethlehem University in 1990. He was the General Manager of Palestine Mortgage and Housing Corporation from 2006 - 2008, Private Sector Officer - the United States Agency for International Development for West Bank & Gaza, from 1996 - 2006, Head of Financial Control Department - Jordan National Bank- Palestine, from 1996 -1996, and Income Generation Officer - United Nations Relief and Works Agency- Palestine, from 1992 -1996. He is Board Member in the Association of Banks in Palestine, The Palestine Institute for Financial and Banking Studies and the Palestine Industrial Estate Development Company (PIEDCO).



Sami Saedi

He got his Master Degree in Public Administration from the American University – Cairo, (1987) and his bachelor degree in Accounting from An-Najah National University (1981). He is the G.M. Arab Islamic Bank, Ramallah, and was the G.M. Al-Rafah Bank, Ramallah, (2005–2010), and Deputy Regional Manager, Cairo Amman Bank, Ramallah, (2003 –2005), Banking Operations Manager in Palestinian Banking Corporation (PBC), Jerusalem, (1996 – 2003), and the General Manager, Technical Development Corporation

Huda El Jack's Abstract: The Private Equity Business Model

El Jack will discuss the Private Equity business model, the role of such funds in the economy, opportunities and challenges. She will also touch on the significant upsides that are created when Private Equity and the Banking Sector collaborate and synergize.



Andrew McCartney

Andrew McCartney is IFC's Global Banking Specialist for SME Banking Advisory. He has over 19 years professional experience advising banks on capacity building programs in emerging markets. He is currently advising a global portfolio of engagements across Colombia, Brazil, Mexico, Pakistan, Afghanistan, Oman, Yemen, Armenia, Azerbaijan, Russia and Nigeria.

Before joining IFC, Andrew was responsible for helping set-up an SME focused Bank in Central Asia. Prior to this he was an Advisory Partner with Ernst & Young Europe, and worked extensively for both EBRD and IFC in an implementation capacity, as well as with a number of leading players including Standard Chartered Bank and DBS.

Andrew holds a degree in Economics from Cambridge University (MA), as well as a Masters in Information Technology. He is also a qualified chartered Accountant.

Andrew McCartney's Abstract: Customer Management for SME Banking

The SME market is very diverse with different needs. Clearly specified client segmentation and targeted product development leverages existing operational structures and augments revenue opportunities for banks. This session explores experiences and opportunities in selected client segments in MENA and discusses sector specific requirements.

Amrie Botha's Abstract: Segmentation Strategies in SME Banking

Either driven by market conditions or for pursuing new growth opportunities and new segment, banks across the region are looking for innovative solutions to serve SMEs. This session will take a look at global best practices and how banks in the region can adapt them to increase outreach to this important sector of the economy.



Huda El Jack

Named by Forbes Middle East as one of the “Top 100 Most Powerful Arab Business Women in Listed Companies in 2012”; El Jack serves as Vice President of Investments in Siraj Fund Management Company, a Ramallah-based company owned by Massar International. Since coming to Palestine from the US in 2003, El Jack has held several senior positions in leading Palestinian companies, serving as General Manager of Hadara, a Paltel Group Company, COO of VTEL, a Dubai based \$1 Billion Telecom Holding Company and Senior Associate of Massar International, a holding company headquartered in Ramallah that manages a network of 15 subsidiaries. In 2008, while completing her International Executive MBA at Kellogg Recannati School of Management; she launched ZAMN premium coffee, Launched from Palestine, ZAMN is the 1st International Espresso Coffee Brand to be launched in the Arab world. Today it operates two highly successful stores with a plan to take it across the country and region. El Jack continues to be driven by her passion to impact market value creation through sustainable private sector development in Palestine.

El Jack serves as Vice President of Investments in Siraj Fund Management Company (SFMC), The Company made history in Private Equity in 2003 by launching the 1st Palestinian Fund Management Company and again in 2011 when its first fund became the 1st Private Equity Fund, dedicated to investing in companies operating in Palestine, to ever close. Siraj Palestine Fund 1, a 90 Million fund is designed to invest exclusively in enterprises operating in Palestine, focusing on those with the potential to become market leaders or expand their operations internationally. Since its launch, the Fund has committed over 25% of the total fund Size (or \$25 Million) in 11 Palestinian companies across multiple sectors including ICT, Energy, Distribution, Hospitality, Services, Agriculture and Agribusiness.



Hanna B. Sahhar

Hanna Sahhar is the General Manager of the European Palestinian Credit Guarantee Fund, initiated by the German Development Bank (KFW). His responsibilities include facilitation of credit to small and medium enterprises in the West Bank and Gaza Strip, through banks operating in Palestine, and providing support to SMEs Lenders. The credit guarantee fund is the first of its kind in Palestine. It was established in 2005 to help revitalize the Palestinian economy. Before joining the Guarantee Fund, he had 13 years of experience in corporate banking, both at local and international financial institutions, where his experience included credit, portfolio management, and management of impaired assets. Moreover, he had managed corporate restructuring departments, where he helped restructure debts for companies that had financial problems due to the political and economic situation in Palestine-where he also led the process to successful outcomes. He has offered training courses in the field of credit, financial restructuring, and bad loan management, through the Palestine Institute for Banking and Financial Sciences. Trainees came from banks operating in Palestine. He is a graduate of Kellogg Recanati, Executive program-Northwestern University. He has his Masters in Business Administration.

Rami Khoury & Hanna Sahhar's Abstract:

The experience and accomplishments of the guarantee schemes in Palestine, the presentation will contain recommendations on improvement of the SMEs sector.



Amrie Botha

Amrei Botha heads up Small and Medium Enterprise ("SME") Banking for Standard Bank Africa. She is responsible for the Pan African SME strategy for Standard Bank Africa as well as the development of competitive SME propositions across 14 geographies on the continent. She has held various positions within Standard Bank South Africa and Standard Bank Africa over the past 8 years, including Head of SME Banking for Standard Bank South Africa. She is equipped with a BA Management Accounting Degree (University of Stellenbosch) and specialized studies related to SME management, Small business and Entrepreneurship from leading institutions such as the Gordon Institute of Business, University of South Africa (UNISA), University of the Witwatersrand (WITS) and Harvard Business School.

Sessions' Presenters:



Dr. Roberto Rocha

Got his graduate studies in economics at the Vargas Foundation in Brazil and the Massachusetts Institute of Technology in Cambridge, Massachusetts. Earlier in his career, he worked in the research and strategy division of the Lochpe Financial Conglomerate in Brazil. He was a young professional at the IMF and transferred to the World Bank in 1985 where he has been involved in extensive research and operational work in financial sector development, bank and enterprise reforms, and pension reform. In the 1990s he was stationed in Budapest and led the World Bank's work in the areas of financial sector reform and pension reform in several transition countries. In the following decade he managed the private pensions unit and the financial and development unit and led a several FASPs in Central Europe and other regions.

Dr. Roberto Rocha's Abstract: SMEs Sector in the Regional Context

Are there significant numbers of SMEs that could use funds productively if they were available, but cannot obtain finance from the formal financial system? This session analyzes the "financing gap", seeks to determine how prevalent and important such a gap may be in MENA and recommends measures to foster an improved flow of financing to MENA SMEs.



Rami Khoury

He is the Managing Director of the Middle East Investment Initiative (MEII) Loan Guarantee Facility in Palestine. He is a seasoned development finance and management professional with deep knowledge and experience in the Middle East. He also serves in the Board of Directors of the Affordable Mortgage and Loan Company (AMAL), a \$500 million project to provide long term mortgages for affordable housing in Palestine. Previously he worked as senior investment manager for the Danish Investment funds (IFU) in Copenhagen, and as Deputy Chief of Party on a USAID funded financial sector reform project in Palestine. He also worked as an Investment Officer for the International Finance Corporation (IFC), and as a Senior Auditor with KPMG in Bahrain and Palestine. He got an MBA with a specialization in Finance and a BS in Accountancy from DePaul University in addition to becoming a Certified Public Accountant in the US State of Illinois.

Deputy Chairman, Palestine Institute for Banking and Financial Studies

Member, World Union of Arab Bankers

Mr. Nesnas, joined Cairo Amman Bank to oversee the Palestine Branches of the bank on July 1, 2005. Before joining the Bank, he worked for around eleven years for the Arab Bank in Palestine and also most recently in Jordan. His last position with Arab Bank was Regional Manager for Retail Banking for Jordan and Palestine. Before moving to the banking sector, Mr. Nesnas worked for nine years on USAID funded projects that provided training, technical assistance and credit to SMEs in the West Bank and Gaza.

Mr. Nesnas holds a Masters of Science in Management from Boston University.



Youssef Habesch

Has more than 18 years of banking and investment experience. He is the IFC's Resident Representative in the West Bank and Gaza Strip, responsible for IFC's strategy, investment, and advisory programs, which aim to support the Palestinian economic development through private sector development. In the past four years, IFC's investment portfolio tripled to reach more than \$200 million. Prior to this appointment he was the Investment Officer in charge for IFC's Palestinian investment activities and portfolio. There he worked on financial restructurings and large investment deals in the banking, infrastructure and tourism sectors.

Prior to joining IFC, he worked in Investment Banking at Banque Paribas out of their Paris and London offices, with a main focus on the banking and infrastructure sectors in the Gulf region. He started his banking career with Cairo Amman Bank in Ramallah, where he helped advance the corporate banking and investment department. He has an MBA from the George Washington University.

Opening Session's Speakers:



Dr Jihad Khalil Al-Wazir

In early 2008, Dr. Jihad Khalil Al Wazir was appointed as the Governor and Chairman of the Board of Directors of the Palestine Monetary Authority which operates as a central bank in the Palestinian Authority territories, and he was re-appointed for another term in 2012, Dr. Al Wazir has a Ph.D in Business Administration, from Loughborough University in England. Besides, He holds an M.Sc in Engineering Management and a B.Sc in Electrical Engineering from Marquette University in the USA.

Dr. Al Wazir has occupied several senior positions in the private and public sectors; he was the Deputy Governor of the Palestine Monetary Authority, Undersecretary of the Ministry of Finance, Acting Minister of Finance, and a Secretary General of the Ministry of Planning. He is the founder of the Palestinian Domain (.ps) and also the Chairman of the first Board of Directors of the Palestinian National Internet Naming Authority (PNINA). And he is the founder of the Palestine Trade Centre (a member of World Trade Association), also, he was elected as a member of Board of Directors for the Palestinian Businessmen Association in Gaza Strip in 1991, and he serves as the Vice Chairman of the Board of Trustees of the Arab American University-Jenin city.



JOSEPH J. NESNAS

Deputy General Manager/Regional Manager

Cairo Amman Bank

Also,

Chairman, Banking Commission, International Chamber of Commerce (ICC), Palestine Chapter

Chairman, Al-Watanieh Securities Company

Deputy Chairman, Palestinian Association of Banks

Conference Program

09:00 – 09:25	Registration	
09:25-09:30	National Anthem	
09:30 – 09:50	Welcoming Remarks: PMA Governor	Dr. Jihad Al Wazir
9:50 – 10:05	Deputy Chairman of Association of Banks in Palestine	Joseph J. Nesnas
10:05 – 10:20	IFC Resident Representative	Youssef Habesch
10:20– 10:35	Key Note Speaker: Prime Minister	Dr. Salam Fayyad
10:35 – 10:45	Short film: SMEs in Palestine (Challenges and Success Stories)	
10:45 – 11:00	Coffee Break	
11:00 – 11:30	Palestinian SMEs Sector in the Regional Context	Dr. Roberto Rocha/ Senior Advisor-World Bank
11:30 – 12:10	Credit Guarantee Funds in Palestine (Case Study) Opportunities and Challenges	Rami Khoury/ General Manager- MEII Hanna Sahhar /General Manager- EPCGF
12:10 – 12:40	Segmentation Strategies in SMEs Banking Standard Bank Experience in across Africa	Amrie Botha/ Head of Small and Medium Enterprise (SMEs) Banking for Standard Bank/ South Africa
12:40 – 13:00	Q & A	Chairman: Ali Faroun/ Director of Consumer Relations and Market Conduct Dept. -PMA Dr. Roberto Rocha, Rami Khoury Hanna Sahar, Amrie Botha
13:00 – 13:15	Coffee Break	
13:15– 13:45	Role of Equity Funds in the Palestinian SMEs Sector Complementary Role between Banks and Equity Funds	Huda El Jack/ Vice President of Investments-Siraj Fund
13:45 – 14:15	Customer Management for SMEs Banking	Andrew McCartney/ IFC's Global Banking Specialist for SME Banking Advisory
14:15-14:35	Q&A	Chairman: Ali Faroun Huda El Jack Andrew McCartney
14:35 – 15:20	Panel Discussion: Banking System dealing with the SMEs (current situation, and future prospects) - Ahmad Haj Hasan/General Manager of The National Bank. - Johny Zeidan/ Regional Manager of Bank of Jordan - Rushdi Al Ghalayini/ Deputy General Manager of Bank of Palestine - Sami Saidi/General Manager of Arab Islamic Bank - Firas Najjab/ Deputy Regional Manager - Cairo Amman Bank	Moderator: Nabil Abu Diab/ Chairman of Board of Directors for Association of Banks in Palestine
15:20 – 15:55	Closing Remarks	Ali Faroun
16:00	Lunch	



المؤتمر المصرفي الفلسطيني الدولي
Palestine International Banking Conference

2013

**“Empowering SMEs in Palestine
through Enhancing Access to
Finance”**

Monday, February 4, 2013

Jericho

Conference Objectives:

The conference aims to achieve the following:

- Increase attention and enhance awareness of the importance of the SMEs sector, as the most important tributary of the economic and social development process for countries in general, and in developing countries in particular. Enable SMEs projects in Palestine as well as increase their readiness, through the provision of appropriate means of access to the lending and funding streams, from banking and financial institutions.
- Support dialogue and partnership between the private sector institutions; represented by SMEs on the one hand, and the public sector; represented by the Ministries of Economy and Finance on the other.
- Overcome obstacles and reduce banking conditions to facilitate lending to SMEs
- Rehabilitate, enhance and develop the capacity of SMEs management and workforce, to optimize leadership, in accordance with international best practices.
- Construe perceptions and suggestions for a suitable cooperation mechanism, leading to a crystallized vision and a comprehensive strategy for the development of the SMEs sector.

Small and Medium Enterprises Definition

SMEs

This concept is relative, and it differs from one country to another, depending on the criteria used for defining these enterprises, as such is number of manpower, capital, production and the overall financial position; amongst others. According to the Ministry of National Economy's definition of SMEs in Palestine, issued by the Council of Ministers on October 4th 2011; enterprises are classified by facility size according to the following standards: workforce, size of annual business, and registered capital. To include: Micro Enterprises, which employ between 1-4 workers, with an annual business volume of up to \$20,000, and a capital of up to \$5000. Small Enterprises employ between 5-9 workers, with an annual business volume of up to \$200,000, and a capital of up to \$50,000. Medium Enterprises employ between 10-19 workers, with an annual business volume of up to \$500,000, and a capital of up to \$100,000.



Finance Corporation (IFC) and the Association of Banks in Palestine- has taken the initiative to organize the Fourth International Palestinian Banking Conference, for which the theme is “ Empowering SMEs through Enhancing Access to Finance”. The conference has established itself as a key event to disseminate and strengthen the awareness of the significance of these institutions, and improving them and providing finance opportunities through banking and financial institutions.

I hope the work papers presented in this conference would contribute to the exchange of experience and insights, which –in turn- would enhance capacities of small and medium-sized institutions in the Palestinian territories. This could be done through overcoming impediments of credit access and create wider opportunities for these institutions to have the finance necessary for pilot projects, which would positively reflect on sustainable development and improvement of the economic situation, since this sector is the safety net for national economy.

Dr. Jihad Al-Wazir
Governor
Palestine Monetary Authority

Welcoming

It is our great pleasure to welcome you all today at the Palestine International Banking Conference of 2013. The Conference aims at enhancing the Palestinian economy and banking sector which, in turn, witnessed great development lately. The performance tells the story eloquently and growing confidence of depositors despite the hard living conditions.

Reports issued by international bodies praised the performance of the banking system and its supervisory body, as such are the World Bank and the International Monetary Fund. The Palestinian banking industry is an important pillar of the Palestinian financial system, a fundamental cornerstone to sustainable development and one of the economic sectors that produced positive outcomes, accredited by all stakeholders and observers.

Banking products and services have also improved, and PMA is attempting to encourage banks to offer their services nationwide. In this regard, the number of branches for banks operating in Palestine has surpassed 232, and the number of customers went up to almost one million and a half. A report issued by the World Bank denotes that the PMA is ready to turn into a fully-fledged central bank, and we work at all technical, professional, legislative, logistic and supervisory levels to make that happen. We have also taken precautionary measures to protect our banking system prior to the outbreak of the international financial crisis.

Driven by our social responsibility, and aware that medium-sized, small and macro businesses are significant to reinforcement of the Palestinian economy, PMA –in cooperation with the International

The PMA has organized a series of finance conferences in the past few years, among which are:

■ **The First Palestinian Banking Conference:**

'Role of the Banking and Financial Systems in Development and Reconstruction', Gaza – 02/12/1998

■ **The Second Palestinian Banking Conference:**

'Features of the Palestinian Monetary System', Cairo – 13-14/11/1999

■ **The Third Palestinian Banking Conference:**

'Basel II and Implementation Challenges', Jericho – 29-30/11/2008

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Under the Patronage of his Excellency

Dr. Salam Fayyad
Prime Minister

Palestine International Banking Conference 2013

**“Empowering Small and Medium Enterprises (SMEs) in Palestine
through Enhancing Access to Finance”**

Intercontinental Hotel/Jericho
Monday, February 4, 2013



جمعية البنوك في فلسطين
Association of Banks in Palestine