



**Palestinian National Authority  
Palestinian Central Bureau of Statistics**

**ICT Business Survey, 2009  
Press Release on the Main Findings**

**October, 2010**

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## **Preface**

In line with the policy of the PCBS with regard to publishing Palestinian statistics, the ICT Business survey was implemented in 2010 to provide statistical information for decision makers. This activity contributes strongly toward enriching the database of Information and Communications Technology (ICT) by providing a set of indicators important for meeting local needs, and consistent with the international recommendations. The ICT indicators help to determine the extent of progress and economic growth of the Palestinian economy through the revolutionary impact of information and communication technologies that have become a feature of this era.

This survey studied the mechanisms and characteristics of use and access for the basic tools of ICT such as telephone, mobile phone, computer, internet, intranet, extranet, and e-commerce transactions on technology by the economic establishments in the Palestinian Territory. The survey aims mainly to provide comprehensive statistical data on the availability of the means, access and use of ICT tools in the establishments by the major economic activities, employment size, places and different goals as well as main features for the use of ICT.

This press release reviews the most important key findings that emerged in the survey. In addition, PCBS will disseminate the survey's data as a Public Use Data File (PUF) in digital format to enable researchers and those concerned with ICT data to conduct further analysis

PCBS hopes that this press release contributes to the efforts of planners and decision makers engaged in the comprehensive national development process in the country in promoting the ICT sector in the Palestinian Territory.

**October, 2010**

**Ola Awad**

**Acting President**

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## **Preliminary Results on ICT Business Survey, 2009**

### **Noticeable increase of both access and use of ICT among economic establishments during the past two years.**

#### **Use of Computer**

According to the results of the ICT Business Survey, 29.6% of the total number of establishments used computers in the Palestinian Territory in the year 2009, compared with 21.3% of establishments in the Palestinian Territory in 2007. The use of computers by establishments in the West Bank in 2009 reached 32.7% compared with 22.4% in Gaza Strip. Noticeably, the highest rate for computer use in the West Bank was 88.5% for establishments that have ten employees and over. On the other hand, the rate for establishments with (0-4) employees reached 28.9% and for establishments with (5-9) employees was 59.7%.

#### **Use of Internet**

Moreover, 20.4% of the total number of establishments accessed the internet in 2009, compared with 12.7% of establishments in the Palestinian Territory in 2007. The access to internet by establishments in the West Bank reached 21.3% compared with 18.5% in Gaza Strip.

#### **E-commerce**

The survey findings showed that the rate of establishments, which carried e-commerce transactions was 4.2% in 2009, compared with 2.3% of establishments in the Palestinian Territory in 2007. The percentage of establishments that have a website was 4.0% of the total number of establishments in the Palestinian Territory in 2009 compared with 2.6% of establishments in 2007. Establishments that own a web site in the West Bank amounted to 4.9% compared with 2.0% for establishments in Gaza Strip.

#### **Human Resources**

The findings of the survey revealed that the rate of ICT specialists, employed by economic establishments in 2009 was 7 employees per 100 employees, compared with 4 employees per 100 employees of establishments in the Palestinian Territory in 2007. The results also showed that the number of employees who know how to use a computer in 2009 was 54 per 100 employees compared with 43 per 100 employees of establishments in the Palestinian Territory in 2007. The number of employees who know how to use a computer in 2009 reached 54 per 100 employees in the West Bank, and 56 in Gaza Strip. The number of employees who use a computer, employed by economic establishments in 2009, was 29 per 100 employees compared with 22 employees of establishments in the Palestinian Territory in 2007. The number of employees who use a computer in the West Bank reached 32 per 100 employees compared with 21 employees in Gaza Strip.

#### **Research & Development (R&D)**

Data showed that the percentage of establishments that performed R&D activities related to ICT increased to 1.6% of the total establishments in the Palestinian Territory for the year 2009 compared with 1.2% of establishments in the Palestinian Territory in 2007.



## Concepts and Definitions

### **Computer Use:**

It is defined for this survey's purposes as the basic uses of the computer (during the last twelve months) such as: opening the computer and files as well, create, copy, paste, and saving files.

### **Domain Name:**

It is the unique name by which a network-attached device. It is used to identify a particular host in various forms of electronic communication such as the World Wide Web, e-mail.

### **E-mail:**

It is a mean for exchange messages, texts and attached files among internet or intranet users.

### **Economic Activity:**

Referring to a process, that is to say, to the combination of actions carried out by a certain entity that uses labour, capital, goods and services to produce specific products (goods and services).

### **E-Commerce:**

It is the conducting of business communication and transactions over computer networks and through individual computers linked to the Word Wide Web. Strictly defined, e-commerce is the buying and selling of goods and services, and the transfer of funds, through digital communications.

### **Establishment:**

It is an enterprise, or part of an enterprise, which mainly produces a single group of goods (with the possibility of production from secondary activities) in which the principal productive activity accounts for most of the value added. Breaking down institutional units into establishments serves in creating more consistent statistical units in the productive sense.

### **Extranet:**

It is a private network that uses Internet protocols, network connectivity, and possibly the public telecommunication system to securely share part of an organization's information or operations with suppliers, vendors, partners, customers or other businesses. An extranet can be viewed as part of a company's Intranet that is extended to users outside the company (e.g.: normally over the Internet).

### **ICT:**

It is used to describe the tools and the process to access, retrieve, store, organize manipulate, produce present and exchange information by electronic and other manual automated means.

### **Intranet:**

It is a private computer network that uses Internet protocols and network connectivity to securely share part of an organization's information or operations with its employees. Sometimes the term refers only to the most visible service, the internal website.

### **Internet:**

It is a worldwide public computer network. Organizations and persons can connect their

computers to this network and exchange information across a country and/or across the world. The Internet provides access to a number of communication services including the World Wide Web and carries email, news, entertainment and data files.

**Internet Use:**

It is defined for this survey purposes as the basic uses of the Internet (during the last twelve months) like: access to certain sites, reading newsletters, and download files or programs from the web.

**Local Area Network (LAN):**

It is a computer network covering a small geographic area, like a home, office or group of buildings, e.g., a school. The defining characteristics of LANs, in contrast to wide-area networks (WANs), include their much higher data-transfer rates, smaller geographic range, and lack of a need for leased telecommunication lines.

**Reference Date:**

The date referred to in calculating all set of indicators in this survey is between 01/01/2009 to 31/12/2009.

**Website:**

Location on the World Wide Web identified by a web address. Collection of web files on a particular subject that includes a beginning file called a home page. Information is encoded with specific languages (Hypertext mark-up language (HTML), XML, Java) readable with a Web browser, like Netscape's Navigator or Microsoft's Internet Explorer.

**Wide Area Network (WAN):**

A computer network that covers a broad area (i.e., any network whose communications links cross metropolitan, regional, or national boundaries. The largest and most well-known example of a WAN is the Internet

**Wireless:**

Includes fixed wireless, mobile wireless and satellite Internet connections.

**Wireless Network:**

Type of computer network that is wireless, and is commonly associated with a telecommunications network whose interconnections between nodes is implemented without the use of wires, such as a computer network (a type of communications network). Wireless telecommunications networks are generally implemented with some type of remote information transmission system that uses electromagnetic waves, such as radio waves, for the carrier and this implementation usually takes place at the physical level or "layer" of the network.

**Virtual Private Network (VPN):**

A computer network in which some of the links between nodes are carried by open connections or virtual circuits in some larger network (e.g., the Internet) instead of by physical wires.

2009-2007

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**Table 1: List of Selected Indicators, 2007-2009**

Indicator	2009	2007	
Percentage of Establishments Using Computer	29.6	21.3	
Percentage of Establishments Using Internet	20.4	12.7	
Percentage of Establishments Using Electronic transactions	4.2	2.3	
Percentage of Establishments Using transactions via Networks	0.5	0.4	
Percentage of Establishments having Website	4.0	2.6	
Percentage of Establishments Engaged Research and Development in (IT)	1.6	1.2	( )
Number of Computers in Establishments Per 100 Employees	26.0	24.0	100
Number of Telephones Per 100 Employees	20.0	28.0	100
Number of Mobile Phones Per 100 Employees	52.0	40.0	100
Number of Employees Who Know How to Use Computer Per 100 Employees	54.0	43.0	100
Number of Employees Who Are Using Computer Per 100 Employees	29.0	22.0	100
Number of Employees Who Are Using the Internet Per 100 Employees	23.0	15.0	100
Number of (IT) Specialist Per 100 Employees	7.0	4.0	100

2009

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**Table2: List of Selected Indicators by Region, 2009**

Indicator	Region		
	Gaza Strip	West Bank	
Percentage of Establishments Using Computer	<b>22.4</b>	<b>32.7</b>	
Percentage of Establishments Using Internet	<b>18.5</b>	<b>21.3</b>	
Percentage of Establishments Using Electronic transactions	<b>2.2</b>	<b>5.1</b>	
Percentage of Establishments Using transactions via Networks	<b>0.1</b>	<b>0.6</b>	
Percentage of Establishments having Website	<b>2.0</b>	<b>4.9</b>	
Percentage of Establishments Engaged Research and Development in (IT)	<b>2.6</b>	<b>1.2</b>	( )
Number of Computers in Establishments Per 100 Employees	<b>20.0</b>	<b>29.0</b>	100
Number of Telephones Per 100 Employees	<b>18.0</b>	<b>25.0</b>	100
Number of Mobile Phones Per 100 Employees	<b>46.0</b>	<b>78.0</b>	100
Number of Employees Who Know How to Use Computer Per 100 Employees	<b>56.0</b>	<b>54.0</b>	100
Number of Employees Who Are Using Computer Per 100 Employees	<b>21.0</b>	<b>32.0</b>	100
Number of Employees Who Are Using the Internet Per 100 Employees	<b>19.0</b>	<b>24.0</b>	100
Number of (IT) Specialist Per 100 Employees	<b>4.0</b>	<b>8.0</b>	100

2009

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**Table 3: Percentage of Establishments with ICT Tools by Region, 2009**

ICT Tools	Region			
	Palestinian Territory	Gaza Strip	West Bank	
Office Computer\ Laptop	<b>28.8</b>	21.0	32.1	/
Computer Linked to Internet	<b>20.4</b>	17.8	21.5	
Telephone	<b>54.6</b>	39.5	61.0	
Palestinian Cell Phone	<b>81.8</b>	88.0	79.2	
Israeli Cell Phone	<b>18.3</b>	1.0	25.7	

2009

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**Table 4: Percentage of Establishments with ICT Tools in the West Bank by Employment Size, 2009**

ICT Tools	Employment Size			
	+10	9-5	4-0	
Office Computer\ Laptop	88.8	59.8	28.2	/
Computer Linked to Internet	70.9	38.4	18.6	
Telephone	95.7	80.7	58.4	
Palestinian Cell Phone	88.1	79.1	78.9	
Israeli Cell Phone	45.5	34.5	24.4	

**Table 5: Percentage Distribution of Establishments in the West Bank by Use of Computer and Selected Variables, 2009**

Selected Variables	Total	Use of Computer		
		No	Yes	
<b>Employment Size</b>				
0-4	100	71.1	28.9	4-0
5-9	100	40.3	59.7	9-5
10+	100	11.5	88.5	+10
<b>Economic Activity</b>				
Industrial	100	75.0	25.0	
Constructions	100	23.4	76.6	
Wholesale and Retail Trade*	100	74.7	25.3	*
Transportation and Communication*	100	43.2	56.8	*
Financial Intermediation	100	16.4	83.6	
Services	100	46.8	53.2	
<b>Grand Total</b>	<b>100</b>	<b>67.3</b>	<b>32.7</b>	<b>المجموع الكلي</b>

\*There is a noticeable high variation for this item.

\*

2009

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**Table 6: Percentage Distribution of Establishments in the West Bank that Using Computer by Using Internet and Selected Variables, 2009**

Selected Variables	Total	Using the Internet استخدام الإنترنت		
		No	Yes	
<b>Employment Size</b>				
0-4	100	36.2	63.8	4-0
5-9	100	37.9	62.1	9-5
10+	100	20.8	79.2	+10
<b>Economic Activity</b>				
Industrial	100	32.2	67.8	
Constructions	100	44.8	55.2	
Wholesale and Retail Trade	100	38.3	61.7	
Transportation and Communication	100	13.4	86.6	
Financial Intermediation	100	10.3	89.7	
Services	100	34.2	65.8	
<b>Grand Total</b>	<b>100</b>	<b>35.1</b>	<b>64.9</b>	المجموع الكلي

2009

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**Table 7: Percentage Distribution of Establishments in the West Bank by Reason for Not Connecting with Internet, 2009**

Reason	Percentage	
Cost of Internet	6.4	
No Need	77.4	
Security Concerns	5.4	( )
Other*	10.8	*
<b>Total</b>	<b>100</b>	

\* Other includes " no skilled persons available".

2009

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**Table 8: Percentage Distribution of Establishments in the West Bank by Speed of Internet Connecting and Employment Size, 2009**

Speed	المجموع الكلي Grand total	Employment Size			
		+10	9-5	4-0	
Less than 256 kbps	22.4	12.0	18.7	24.2	256
256 kbps and more	72.1	85.7	78.7	69.4	256
Don't Know Speed	5.5	2.3	2.6	6.4	
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	

2009

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**Table 9: Percentage Distribution of Establishments in the West Bank by the Main Purpose of Using Internet, 2009**

Main Purpose	Percentage	
Sending and Receiving e-mail and Communicating With Governmental Establishments	47.2	
Information Search and Getting Information About Goods and Services	38.6	
Purchasing Products and Providing Customer Services	11.5	
Other*	2.7	*
<b>Total</b>	<b>100</b>	

\* Other includes " Performing Internet Banking and Voice-Over Internet Protocol (VOIP) ".

2009

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**Table 10: Percentage of Establishments in the West Bank that Use Computer and Having Computer Network by Type, 2009**

Type of Network	Percentage	
Intranet*	53.4	*
Extranet	4.6	
Local Area Network (LAN)	23.8	
Virtual Private Network (VPN)	10.1	
Virtual Private Network (VPN)	1.2	
Wireless Network	32.7	

\*There is a noticeable high variation for this item.



2009

**Table 11: Percentage Distribution of Establishments in the West Bank Having Internet and Using Electronic Transactions by Selected Variables, 2009**

Selected Variables	Total	Using Electronic Transactions		
		No	Yes	
<b>Employment Size</b>				
0-4	100	78.3	21.7	4-0
5-9	100	69.8	30.2	9-5
10+	100	66.0	34.0	+10
<b>Economic Activity</b>				
Industrial	100	75.1	24.9	
Constructions	100	72.5	27.5	
Wholesale and Retail Trade	100	69.2	30.8	
Transportation and Communication	100	77.1	22.9	
Financial Intermediation	100	94.6	5.4	
Services	100	82.8	17.2	
<b>Grand Total</b>	<b>100</b>	<b>76.1</b>	<b>23.9</b>	المجموع الكلي

2009

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**Table 12: Percentage of Establishments in the West Bank Using Electronic Transactions by Method and Employment Size, 2009**

Selected Variables	Total	Employment Size			
		+10	9-5	4-0	
Internet*	81.8	91.3	79.8	80.3	*
Network	11.9	12.5	2.2	13.8	
Mobile	59.9	60.0	68.3	58.2	
Others	6.6	2.4	0.0	8.8	

\*There is a noticeable high variation for this item.

\*

**Table 13: Percentage of Establishments in the West Bank by the Main Purpose of Using Mobile and Economic Activity, 2009**

Main Purpose	Total	Economic Activity						
		Services	Financial Intermed-iation	Transportation and Communication	Wholesale and Retail- Trade	Construc-tions	Industrial	
Getting Information About Goods\Services	<b>84.9</b>	75.9	81.2	70.7	87.6	100	87.7	
Sending\Receiving e-mail	<b>5.3</b>	13.6	9.9	21.1	2.5	9.0	3.1	
Accessing the Internet	<b>7.0</b>	14.2	11.6	15.8	5.0	6.2	4.2	
Accessing Banking or other Financial Services	<b>32.8</b>	30.6	56.4	44.5	32.4	64.0	34.4	
Interacting with General Government Organizations	<b>29.5</b>	39.1	33.7	39.0	26.9	*64.4	23.9	
Providing Costumer Services	<b>77.2</b>	72.1	66.4	75.0	77.9	85.1	81.7	
Delivering Products over the Mobile Phone Line	<b>42.0</b>	*29.6	29.5	32.5	45.3	76.8	46.3	

\*There is a noticeable high variation for this item.

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**Table 14: Percentage Distribution of Establishments in the West Bank Engaged in Research and Development (R&D) and Selected Variables, 2009**

Selected Variables	Total	Doing (R&D)		
		No	Yes	
<b>Employment Size</b>				
0-4	100	98.1	1.9	4-0
5-9	100	92.8	7.2	9-5
10+	100	80.3	19.7	+10
<b>Economic Activity</b>				
Industrial	100	98.7	1.3	
Constructions	100	89.5	10.5	
Wholesale and Retail Trade	100	98.8	1.2	
Transportation and Communication	100	98.8	1.2	
Financial Intermediation	100	93.8	6.2	
Services	100	92.5	7.5	
<b>Grand Total</b>	<b>100</b>	<b>97.2</b>	<b>2.8</b>	المجموع الكلي