



7amleh – Arab Center for the Advancement of Social Media

Palestine & PayPal

Towards
Financial
Equality

Ubai AlAboudi

12/2018

www.7amleh.org

حملة - المركز العربي
لتطوير الإعلام الاجتماعي
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» Executive Summary

PayPal is the most globally recognized digital platform for transferring money in the world today. around the globe. Most major online merchants offer Mastercard, Visa or PayPal payment options. Since its founding in 1998, PayPal has established itself as a trusted platform for receiving and sending money. Operating in over 200 countries, the company stated that it is commitment to “democratizing financial services and empowering people and businesses to join and thrive in the global economy.”¹ PayPal provides Israel’s 8.4 million inhabitants with this opportunity, as well as several other states that have challenging political situations and low participation in electronic payments, however it does not provide services to Palestinians with bank accounts in Gaza and the West Bank. This policy of exclusion appears to be determined by identity rather than location, as Israelis living in illegal settlements the West Bank are able to use PayPal while Palestinians in the same area are not.² As a result of this inequality in access to financial services, is particularly difficult for many Palestinian businesses and freelancers to conduct international business and for Palestinians to participate in the global market.

As a result of the Israeli occupation of Palestine, which restricts imports, exports and movement in the West Bank, and to an even more extreme extent in the Gaza Strip, Palestinians continue to have stagnant economic growth and a combined unemployment rate of 25.9 per cent.³ Nearly 50 per cent of the population age 15 and above are employed in the labor force, which is mainly comprised of services, hospitality and construction related work. While Palestinians have high rates of school enrolment and one of the highest percentages of literacy in the world,⁴ only 12.1 per cent have completed a bachelor degree or above.⁵ The consequence of this, coupled with Israeli restrictions, is that Palestinians have less prospects of working in tertiary-educated sectors and are limited to employment in the primary and secondary sectors of the economy.

In this climate of highly restricted movement and trade, access to participation in the global information and communication technologies (ICT) sector has the potential to improve the Palestinian economy and lives of Palestinians and generate income and employment opportunities. However, without access to PayPal, Palestinian businesses, entrepreneurs, startups and freelancers are at

a great disadvantage. While there are other payment portals, none are as widely recognized or trusted as PayPal. As a result, to continue business many Palestinian businesses, entrepreneurs and freelancers must relocate their businesses overseas and as a result often do not contribute to Palestine's economy and must endure an additional 'tax' for conducting business that includes the additional costs associated with establishing a business in a foreign country.

This report was undertaken by 7amleh - The Arab Centre for the Advancement of Social Media and the lead researcher, Ubai AlAboudi, in order to better understand the impact that lack of access to PayPal has on Palestinians in the West Bank and Gaza and to shed light on how the policies of electronic payment service companies impact digital rights. The report is based on desk research and interviews conducted in Palestine with the Ministry of Finance, Palestinian Monetary Authority and details the local efforts of governmental institutions and civil society organizations to change PayPal's policy towards Palestine. The report provides an evidence base for stakeholders to develop joint advocacy efforts towards protecting digital rights and increasing access to financial services for populations globally.

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1. PayPal, [Who we are](#) (last accessed 18th October 2018)
 2. Mob Outlook, [No PayPal Equality](#) (2016) (last accessed 25th October 2017)
 3. State of Palestine: Palestinian Central Bureau of Statistics, [Unemployment Rate of Persons Aged 15 Years and Above in Palestine by Governorate and Sex](#) (2015) (last accessed 18th October 2018)
 4. UNICEF, [Statistics: Education](#) (2013) (last accessed 24th October 2018)
 5. UNDP, [Development for Empowerment: The 2014 Palestine Human Development Report](#) (2014) (last accessed 24th October 2018)

» The Global Economy and Electronic Payment Systems

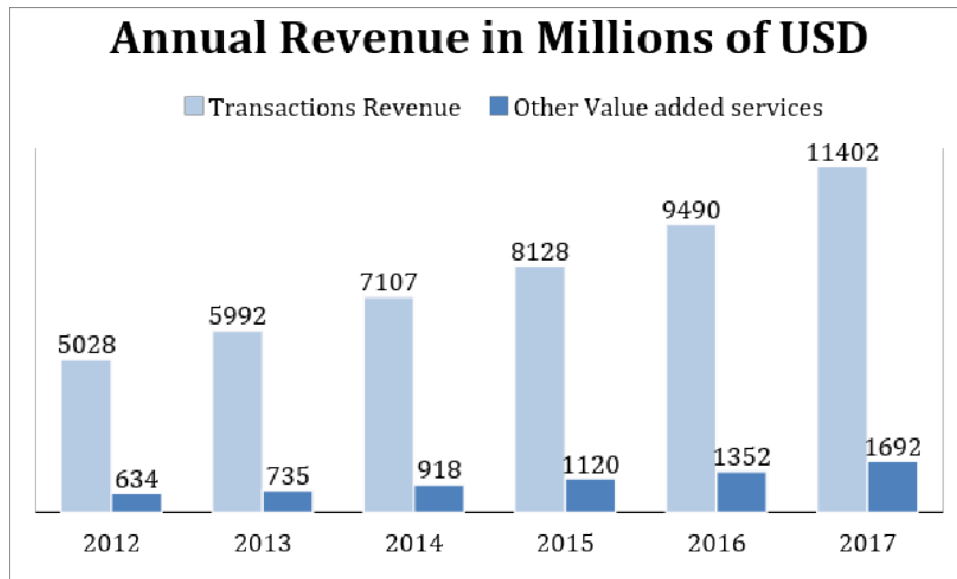
We are living in an ever changing world that in recent years has rapidly evolved to include new forms of communications that have dramatically altered our social and economic relations. A key aspect of this process of globalization, which rapidly accelerated in the 1990's following the fall of the Soviet Union. This also created new opportunities for communication and global exchange.

Today, one of the most important tools for conducting business are electronic payment systems, in particular PayPal. An electronic or online payment system is a way of making financial transactions or paying for goods and services using an electronic medium instead of checks or cash.⁶ The rise of these systems came as part of the "dot com" and internet revolution.⁷ As more and more services and commodities were being offered online, the need for safe and convenient money transfer systems became imperative.

PayPal was one of the earliest attempts to develop an electronic payment system and was founded in 1998. Today there are several electronic payment systems, most notably PayPal, Google Pay, Venmo, Cash app, Dwolla and Clinkle. Although these applications perform the same function of transferring money electronically from one individual to another, they differ in how they perform this service and to whom their technology is accessible.

PayPal is the most prominent electronic payment system in the world and facilitates financial transactions between national and international users in over 200 countries,⁸ significantly more than most other platforms.⁹ It is also considered one of the most trusted means of doing business online and is known for keeping users' bank information private.¹⁰ In 2017 PayPal had an annual payment volume of 451 Billion USD and generated over 13 Billion USD of revenue in 2017.¹¹ Figure 1 below shows the growth in PayPal revenues from 2012 to 2017. Today PayPal is the biggest electronic payment company in the world. In 2017 alone, the electronic payment giant generated over 13 Billion USD of revenue¹² making it necessary for successfully conducting business online.

Figure 1 PayPal Revenue Annual Growth



Source : Statistica Website

Venmo is a service offered by PayPal and enables users to make electronic payments and share with friends the services and products they have purchased.

Google Pay is a digital wallet platform and online payment system designed for mobile devices. It enables users to make payments with Android phones, tablets or watches and is linked to Google Chrome's 'send' pay feature as an add-on to the internet browser.¹³

Cash App enables users to make direct person to person cash transfers and to withdrawal their digital funds to their bank account almost instantaneous.¹⁴

Dwolla transfers money directly between bank accounts for free for transaction less than \$10.00 and charges a nominal fee of \$.25 for transactions over this amount.¹⁵

6. Securion Pay, What is an E-Payment System? <https://securionpay.com/blog/e-payment-system/> (N.Y.) (last accessed 24th October 2018)

7. The dot-com revolution refers to the period spanning the late 1990s through the spring of 2000, when Wall Street, corporate America, the general public, and the media caught a wave of euphoria generated by the Internet and the use of high technology for business purposes. Numerous factors all came together to create an "Internet bubble" of market speculation and frenzied investment, primarily small investors who could use Web-based trading sites to buy and sell stocks easily. Source: <https://www.worldhistory.biz/sundries/38575-the-dot-com-revolution.html>

8. Formstack, [Which Formstack Payment Gateway is Right for You?](https://www.formstack.com/payment-gateway-comparison) (n.y.) (last accessed 24th October 2018) <https://www.formstack.com/payment-gateway-comparison>

9. IMBD

10. PayPal Help Center, [Is PayPal safe?](#) (n.y.) (last accessed 24th October 2018)

11. Compelo, [PayPal net worth has surpassed parent company eBay](#) (1st February 2018) (last accessed 24th October 2018)

12. Ibid

13. GooglePay, [Webpage](#) (n.y.) (last accessed 24th October 2014)

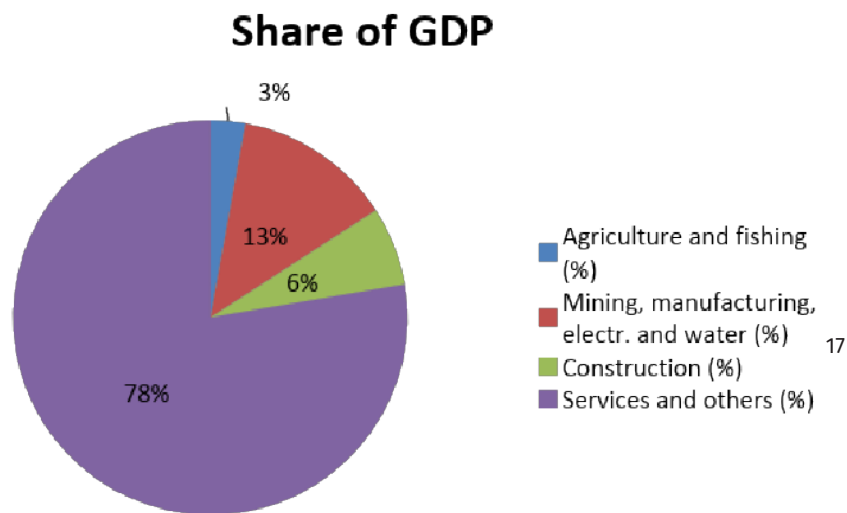
14. AllThings, [Email Money to Friends with Square Cash \(But Only if You Work for Twitter, Pinterest or Box\)](#) (20th May 2013) (last accessed 24th October 2014)

15. Fast Company, [How Dwolla Works](#) (10th February 2012) (last accessed 24th October 2018)

» Palestinian Economy

Today, the historically productive sectors of the Palestinian economy, such as agriculture and manufacturing, constitute less than 16% of GDP combined. On the other hand, the service sector constitutes around 77% of the GDP and is mostly comprised of a non-productive governmental sector and commerce sector.¹⁶ As a result of the imbalance between production and consumption, Palestine has a large trade deficit with Israel and other countries.

Figure 2 Share of Sectors of GDP



This trade deficit is particularly difficult to overcome due to the Israeli occupation of Palestine and several agreements which limit Palestinian access to global markets. Research by the United Nations on this topic estimates that as a result of the Israeli occupation in 1967 the Palestinian economy has four times less GDP per capita.¹⁸

Specifically, some of the main barriers to establishing healthy trade relations and developing the Palestinian economy are a result of the Paris Protocols which were signed between the Palestinian Authority and Israel in 1994 and later incorporated into the Oslo Accords.¹⁹ These protocols established a de-facto customs union between Israel and the Palestinian Authority which has resulted in, as one economic expert interviewed for this report put it, "Living in Palestine but with the prices of New York and the wages of Somalia."²⁰

This unequal trade relationship is further exacerbated by the dominance of the New Israeli Shekel as the current currency of the West Bank, East Jerusalem and Gaza. This has been solidified due to the following:

1. The prolonged Israeli occupation which imposed its currency on Palestinians.
2. The Paris Protocols signed between the P.L.O and Israel, which stated that, “The New Israeli Shekel shall be accepted as a payment for all transactions in Palestinian Authority territories including official transactions.”
3. The Israeli central bank refuses to allow for a constant exchange of surplus Israeli shekels to international currencies, this encourages Palestinians to focus on importing goods from Israel, creating a false market advantage.

While PayPal is not the only provider of electronic payment platforms, it is a leader in this domain especially in regards to e-commerce payment processing. Even though access to PayPal and other payment services won't be able to negate all of the negative impacts of the Israeli occupation and other political agreements, it could provide much needed access to the global market and create new business opportunities for Palestinians.²¹

16. In economics an activity is considered productive if the goods or services it produces adds more to the national economy than what it cost to produce. For example expenditure on health education and infrastructure increase the overall well being of the citizens of a country and provide a public good that has long-term multiplier effect. Unfortunately most of the PA's expenditure is on salaries and running expenses in fields such as security, administration, communications, rent etc. which do not add to the overall well being of the economy.

17. Palestine Monetary Authority, [Statistics: National Accounts](#) (2018) (last accessed 24th October 2018)

18. UNCTAD, [Report on UNCTAD Assistance to the Palestinian People: Developments in the Economy of the Occupied Palestinian Territory](#) (23rd July 2018) (last accessed 24th October 2018)

19. UNCTAD, [The Palestinian Economy: Macroeconomic and Trade Policymaking Under Occupation](#) (2012) (last accessed 24th October 2018)

20. Dr. Nasr Abd Ilkareem, Rosa Luxemburg Round Table, 29th November 2017

21. One of the determining factors of attracting foreign investment to an economy is the degree of confidence of international business in the aforementioned economy. An important aspect of this is how many international brands (big companies) are doing business in the country. Similarly, the presence of PayPal would encourage other businesses to follow suit.

Economic Development

Access to a globally recognized electronic payment system like PayPal will generate opportunities for Palestinian freelancers, entrepreneurs and businesses, especially small businesses working in the ICT sector. According to the Palestinian Central Bureau of Statistics, 11.2% of Palestinian businesses engage in commercial activity online, either as buyers or as sellers. Currently the ICT sector has 1,008 businesses which constitute 0.6% of the total operating businesses in Palestine and 4% of total Palestinian GDP (half a billion dollars).²² Many entrepreneurs, including Ragheb Boudari, believe that access to a brand like PayPal could help increase confidence of international investors and businesses in the Palestinian market. Although it is difficult to speculate how much business could be generated by increased financial accessibility, we can speculate that there will be a 5%²³ annual increase in the establishment of ICT companies as a result of the increased investment and growth, which could add about \$25,000,000 USD to the annual GDP. Although it is difficult to determine the rates of return and business model that PayPal would implement in Palestine, as can be seen in other countries, access to a secure electronic payment system increases business opportunities and spurs economic development.

Purchasing Power

According to the Palestinian Central Bureau of Statistics (PCBS) there are approximately 456,000 Palestinian households connected to the internet via landlines. As for mobile access, statistics are not yet clear (nor based on consumer will) as Israel blocked Palestinian 3G mobile internet access until 2018, and then only allowed for mobile internet to be available to Palestinians in the West Bank, excluding Gaza. The average annual expenditure of a Palestinian individual on clothes, recreation and other merchandise that has a high chance of being purchased online is \$426 per individual or \$2,215 per household per year.²⁴ While the purchasing power of Palestinians is small compared to more developed economies, it is in line with the purchasing power of citizens in several countries where PayPal already provides services.

Due to barriers and restrictions imposed by the Israeli occupation and thus extra costs associated with exporting from the occupied Palestinian territories (oPt), most of Palestine's trade consists of imports. The marginal propensity for importing for Palestinians is \$0.45. This means that for each \$1 increase in income, \$0.45 cents will be spent on to imported goods.²⁵ This includes \$808 million dollars of consumer products Palestinians imported in 2017.²⁶ The costs of these products are highly inflated due to a high number of traders and middle persons involved in the import process as well as additional taxes and fees. This encourages consumers to seek out cheaper prices for products often turning to online stores which have lower operating and shipping costs.

While data and analysis on this topic is limited, we have developed three scenarios based on the income brackets of households that have access to the internet and the ratio of products that are currently imported to Palestine but that could be bought online (clothing, watches, jewelry, makeup etc) if Palestinians had access to PayPal. These three scenarios include the assumption that even though higher income households make more purchases, there is also potential for middle and low income households to use PayPal because it will enable them to buy more affordable products that do not include as many import costs and fees.

The first scenario is based on high and upper middle income households, 30% of all Palestinian households with internet access, and assumes that they will spend on average 33% of their annual spending online, approximately \$730, resulting in \$99,864,000 being processed by PayPal's payment system. The second scenario includes high and middle income households with access to the internet, 60% of the Palestinian population, and assumes they will use PayPal to spend on average 50% of their annual spending online, approximately \$1,107 annually, resulting in \$302,857,200 being processed by PayPal's payment system. The third scenario includes high,

22. PCBS, 2017 Book of Palestine Statistics

23. The figure of 5% is a conservative hypothesis due to the qualitative impact of PayPal entering the Palestinian market. The IT sector is severely constrained by Israeli measures thus any new means to circumvent these measures even partially would result in significant impact on the sector. Currently the growth in the IT sector is about 25% annually and providing a new means of payment would facilitate increased growth. Thus assuming a minimum of 5% increased growth is quite modest. Source (<http://www.palestineconomy.ps/ar/Article/11817>).

24. PCBS, 2018. Survey of Consumption and Expenditure of the Family. (October 2016, July 2017). Press Release on the living conditions in Palestine: expenditure, consumption and poverty. Ramallah, Palestine.

25. Daoud, Y. (2005). Disengaging the Gaza Economy and Palestinian Policy Options: A simulation Framework. Ramallah: Palestinian Economic Policy Research Institute- MAS.

26. PCBS, 2018, Census of captured external trade-commodities and services, 2017: Basic results.

middle and low income households, 80% of households, who have the potential to use PayPal to spend on average 70% of their annual spending budget online, approximately \$1,550 annually, and resulting in \$494,760,000 dollars being processed by its payment system. While these scenarios are solely speculative, it is clear from this analysis that there is modest economic potential for PayPal and local and international businesses that has yet to be realized in Palestine.

	% of households using paypal	% of online purchases	Approximate online spending per household	Volume of payments via PayPal
Scenario 1: High and Upper Middle Income Households	30%	33%	\$644	\$90,835,000
Scenario 2: High, Upper and Middle Income Households	60%	50%	\$1,107	\$302,857,200
Scenario 3: High, Upper, Middle and Low Income Households	80%	70%	\$1.550	\$494,760,000

Note: This information only includes households that have access to the internet.

» Regulatory

Preparedness & E-commerce in Palestine

SWIFT, Visa, Master Card, Money Gram, Western Union amongst other financial transaction companies have long standing and strong business relations with Palestinian banks whose operations are regulated and overseen by the Palestine Monetary Authority (PMA). Both local Palestinian banks and foreign banks are operating in Palestine under unified regulations with a high level of confidence and oversight from both local and international institutions. This includes implementing the Basel 1 Recommendations²⁷ and undertaking the the process to work towards the implementation of the Basel II Recommendations to ensure the stability of the financial sector at large with the highest level of inspection and supervision.

Even though regulations in Palestine, as elsewhere, take time to become law, Palestine has passed several milestones necessary for accessing electronic payment systems, including the “Electronic Transactions Law” which facilitates electronic transactions and establishes measures to combat money laundering and fraud. In particular, in order to ensure that the regulatory environment is safe enough for online payment systems, the PMA has undertaken a number of financial preparatory procedures. Hatem Alhamdallah, from the PMA stated in an interview for this report that the PMA is implementing the Financial Action Task Force (on Money Laundering) (FATF)²⁸ recommendations which form the basis for coordinated responses to money laundering threats. First issued in 1990, the FATF recommendations were revised in 1996, 2001, 2003 and most recently in 2012 to ensure that they remain up to date and relevant and are can be universally applied. The legal framework is governed by the Anti-Money Laundering and Terrorism Financing Decree Law No. (20) of 2015 and its amendments, which are in line with international standards.

This regulatory and financial preparedness work is ongoing and a priority of the PMA. Al-Hamdallah also reiterated that, “Part of our national 2018 - 2023 action plan, to be led by a committee from both PMA and the government, is to remove any obstacles that are preventing the work of such systems including studying our current regulations. We are ready to consider and study any notes from PayPal with this regard for any particular legal articles that support the work of PayPal and such systems in Palestine.”²⁹

27. The Basel Accords are three series of banking regulations (Basel I, II and III) set by the Basel Committee on Bank Supervision (BCBS), which provides recommendations on banking regulations in regards to capital risk, market risk and operational risk. The purpose of the accords is to ensure that financial institutions have enough capital on account to meet obligations and absorb unexpected losses. Read more: Basel Accord https://www.investopedia.com/terms/b/basel_accord.asp#ixzz-5TC3fs7fM

28. The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF is therefore a “policy-making body” which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.

29. AL-Hamdallah, Hatem, Interview September 2018.

» Why Not Palestine?

Currently PayPal is working in over 200 countries including countries with unstable political situations, conflicts and human rights violations like Somalia, Zimbabwe, Yemen, Venezuela, Israel, Russia, Jordan and Egypt.³⁰ PayPal president and CEO Dan Schulman stated in an article published on CNBC that it was the mission of PayPal to democratize the financial system.³¹ However, it still remains unclear as to why PayPal is reluctant to offer its services to Palestinians with bank accounts in the West Bank and Gaza, as this could be a clear way for PayPal to support economic development and equality in Palestine.

At the same time, PayPal is its offering of its services to Israeli settlers based on their citizenship to Israel and ability to access Israeli banks.³² Israeli settlements are considered illegal according to International Law and the building of settlements and transferring people from the occupier's country (Israel) to the occupied country (Palestine) is also a war crime.³³ Profiting from the transactions of Israeli settlers and facilitating Israeli economic growth on Palestinian lands is in the opinion of some human rights defenders an act of pillage.³⁴ This analysis also applies to several Israeli banks that offer services in settlements for Israelis.³⁵ Thus if PayPal services facilitate the economic development and access to financial markets of Israeli settlers and their businesses in the West Bank, then PayPal should also be held accountable for its role in supporting the illegal Israeli occupation of Palestine and violating international law.

30. PayPal Developer, [Reference: Country Codes: PayPal Account Payments](#) (n.y.) (last accessed 24th October 2018)

31. CNBC Markets, [Time to Democratize the Banking System](#) (21st July 2015) (last accessed 24th October 2018)

32. Middle East Monitor, [PayPal allows Israelis in Illegal Settlements to Open Accounts, so Why Not Palestinians?](#) (8th October 2016) (last accessed 24th October 2018)

33. Amnesty International, Let's be Clear - [Israel's Long-Running Settlement Policy Constitutes a War Crime](#) (N.Y.) (last accessed 24th October 2018)

34. Human Rights Watch, [Israeli Banks Support Pillage of Palestine](#) (last accessed 24 October 2018)

35. Ibid

» Efforts to Overcome Obstacles

Efforts to overcome obstacles to a lack of access to electronic payment systems have ranged from developing alternative payment platforms to raising awareness about PayPal's exclusion of Palestinians and campaigning for policy changes. One of the more successful alternatives developed in Palestine is PalPay, a service similar to PayPal. The system was established in 2010 in partnership between Bank of Palestine, the First National Bank and PCNC IT Solutions. According to Ruba Shamieh, from alAhli Bank, "The idea came after dozens of years of accepting credit cards through VISA and MasterCard International in the Palestinian market and the remarkable success achieved in implementing the international software and licenses necessary for operation. The success was also a result of the Bank of Palestine, whose merchants and bank customers generated more than 6000 points of sale throughout Palestine, increasing local accessibility to electronic payment systems through the network of traders contracted with the Bank of Palestine." Although electronic payment solutions like PalPay are supporting electronic payment practices, without the international brand recognition and versatility of PayPal, Palestinians are still lacking the necessary access to financial markets to improve their economic situation.

Since 2016, a number of civil society organizations have campaigned for PayPal to operate in Palestine. Although these efforts have attracted media attention, hundreds of thousands of signatures and worldwide recognition, PayPal has made no public statement or action to suggest that it will change its policy. The advocacy efforts of various organizations follow below:

In August 2016, Americans for a Vibrant Palestinian Economy and 43 signatories wrote a letter to PayPal's CEO, Dan Schulman, requesting that PayPal to operate in Palestine. The signatories were mainly businesses and nonprofits based in Palestine.³⁶ Dan Schulman did not respond to the letter.

In September 2016, the UK parliament tabled Early Day Motion 416, called "Access to PayPal in the Palestinian Territories." The motion had 59 signatures and was primarily backed by the Scottish National Party. However, it is unclear whether this motion was debated in the House and the outcome of these sessions.

36. <http://www.a4vpe.org/pages/a-letter-to-paypal.php>

37. UK Parliament, [Early Day Motion 416: Access to PayPal in the Palestinian Territories](#) (6th September 2016) (last accessed 24th October 2018)

In October 2016, three U.S. grassroots organizations – SumOfUS, The U.S. Campaign for Palestinian Rights and Jewish Voice for Peace – published an online petition calling on PayPal to extend service to Palestinians. More than 180,00 people signed the petition. In May 2017, dozens of people gathered in front of PayPal’s headquarters in San Jose, CA, to deliver the petition. Company representatives that received the petition acknowledged that the accusing PayPal of discriminating against Palestinians because of their identity put PayPal in a very uncomfortable situation, and that the company never intended to deliberately exclude Palestinians from its services. However, they still refused to commit to any concrete steps to remedy the situation.

In November 2016, a group of institutional investors, who hold PayPal stocks, sent a letter to the company, urging it to extend full services to Palestinian people which are equal to those already enjoyed by the Israeli settler population. The issue was also brought up by investors at PayPal’s 2017 annual meeting of stockholders. In response, PayPal CEO Dan Schulman responded that the “status of our service for Palestinians in the Palestinian Territories or anywhere else is not politically motivated.” Schulman also said the company has no further timelines or announcements to make on the issue, but that “PayPal will continue to meet with stakeholders to learn more about varying perspectives and factors that may affect our planning and market entry.”³⁸ In a similar exchange during the 2018 annual meeting of stockholders, Schulman said that while the company keeps looking into the matter, it does “not not have anything to announce for the immediate future.”³⁹

Lastly, on 2nd January 2018, the Australia Palestine Advocacy Network (APAN) announced its boycott of PayPal, citing its policy of refusing access to Palestinians. 18 months prior to this, APAN adopted a policy of support for the Boycott, Divestment and Sanctions (BDS) movement. As part of an ongoing two-year campaign, APAN submitted a petition with over a thousand signatures to PayPal. PayPal responded that it, “Has no intention to offer services to Palestinians and will continue blocking access in the West Bank and Gaza.”⁴⁰

Although these campaigns have not created significant change yet, the civil society organizations mentioned above are involved in continuous efforts to increase the standard of living in Palestine and Palestinian access to international markets. Through their combined endeavors, a change may occur in the future.

38. <https://materials.proxyvote.com/default.aspx?docHostID=325761>

39. https://materials.proxyvote.com/Approved/70450Y/20180403/OTHER_362415.PDF

40. Australia Palestine Advocacy Network, [Media Release: Palestine Group Announces Boycott of PayPal](#) (2nd January 2018) (last accessed 24th October 2018)

» Conclusions and Recommendations

It is evident from the research conducted with respondents from the ICT sector, the banking sector and the PMA, that the lack of access to PayPal for Palestinians is hindering Palestinian economy's development and creating another challenge for Palestinians in accessing their rights. Even though PMA and the banking sector have made a compelling argument for the preparedness of the Palestinian market for PayPal, and civil society organizations and the general public have shown how PayPal's current policies support the Israeli occupation and violate international law, PayPal has yet to be responsive.

Based on this report, 7amleh recommends that PayPal reconsider its policies and provide equal access to the international market for Palestinians. Furthermore, 7amleh recommends that:

- Further research be conducted about the potential for economic development that could be generated by PayPal operating in Palestine and any remaining barriers to financial and technological preparedness.
- Create a coordination committee that includes the Palestinian government, Palestinian Monetary Authority, private sector and civil society organizations that can address any remaining "risks" or challenges that need to be addressed and develop a strong evidence-based appeal to PayPal that further proves that Palestine is a financially secure environment for PayPal's business.
- Educate the general public about PayPal's discriminatory policies and mobilize them to support advocacy campaigns focused on pressuring PayPal to change its policies regarding Palestine. Directly advocate and lobby PayPal to clarify their position on Palestine with evidence and encourage them to make a clear plan for the implementation of PayPal in Palestine.
- Invite representatives of PayPal Invite representatives of PayPal to visit Palestine in the spirit of spreading "financial democracy"⁴¹ as their CEO has stated on numerous occasions and to meet with relevant stakeholders.
- Review the legal implications of PayPal offering its services to Israeli settlers as it may constitute an Act of Pillage under International Law.

41. CNBC Markets, [Time to Democratize the Banking System](#) (21st July 2015) (last accessed 24th October 2018)



About 7amleh

The Arab Centre for the Advancement of Social Media

7amleh is a non-profit organization aimed at enabling the Palestinian and Arab civil society to effectively utilize the tools of digital advocacy through professional capacity building, defending digital rights and building influential digital media campaigns that can support social change and the protection of human rights.

The priority of 7amleh's work is to defend Palestinian violated digital rights such as internet access, the right to protest, freedom of expression and self organization on the internet. Additionally, we work on raising awareness around issues such as digital security and user rights on the internet. 7amleh deals with digital rights as human rights that should be upheld and respected where freedoms in the digital sphere are enjoyed as democratic and civic freedoms in the physical sphere are, as stipulated in international conventions that defend the right to free and secure use of the virtual space. 7amleh participates in a number of international coalitions and campaigning efforts as well as empowers Palestinian civic society, particularly marginalised communities, to utilize digital advocacy tools and the internet as a means to create social change.

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