

Bethlehem Chamber of Commerce and Industry



Annual Report 2022

**70 Years of Integrated Efforts and
Sustainable Performance**



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Board of Directors 2018-2022



Dr. Samir Hazboun
Chairman of the Board



Mr. Khaled Al Dara'wi
Senior Vice President



Mr. Majed Hamideh
Secretary



Mr. Adel Hodali
Treasurer



Mr. Yousef Rahhal
Deputy Secretary



Mr. Khader Kheir
Board Member



Mr. Ali Thawabteh
Board Member



Eng. Issa Moussa
Board Member



Mr. Jamal Handal
Deputy Treasurer



Mr. Moussa Hroub
Board Member



Mr. Rajwan Ibdeir
Board Member

Letter from the Chairman of the Board of Directors

Dr. Samir Hazboun



The year 2022 was exceptional as Bethlehem Chamber of Commerce and Industry celebrated its 70th-year establishment anniversary. We boast an incredibly rich history full of achievements, initiatives, and aspirations to represent the private sector and work to achieve its ambitions. The launching of the Chamber's annual report for the year 2022 coincides with this dear to our heart memory. Let us review the activities and events organized by the Chamber to support and strengthen partnerships between the public and private sectors, and strive toward achieving sustainable economic development per the vision of the Chamber. In 2022, Bethlehem Chamber worked on implementing training, initiatives, and projects, which contributed to strengthening the Chamber's network of relations and communication with its members and introducing the benefits and advantages of Chamber membership. The Chamber's recorded an increase in the number of new members affiliated with the membership of the General Assembly, with a total of 281 new members, bringing the total number of members of the General Assembly to 1863 members. We also organized many events, seminars, and workshops to improve the performance and level of productivity of private sector companies and institutions in Bethlehem Governorate. During the year 2022, many local and foreign official delegations were received, and trade missions were organized to participate in international exhibitions.

In order to strengthen partnerships with official institutions, the Chamber signed a number of memorandums of understanding and cooperation agreements aimed at providing the best services to members of the General Assembly and granting them special advantages. Some agreements also aimed at supporting and empowering young men and women entrepreneurs. And as part of the efforts of the Board of Directors of the Chamber to develop the overall performance of the institution, we developed "Bethlehem Gate" Mobile application and formed specialized sub-committees within the main economic sectors to represent the largest number of different economic activities. The year 2022 witnessed additional distinction by renewing the ISO 9001: 2015 quality system certificate without registering any Major or Minor non-conformity, which confirms the Chamber's adherence to and application of the highest quality standards in providing services to members of the General Assembly. In December of 2022, Bethlehem Chamber's elections were organized to elect a new board of directors for the Chamber's 2022-2026 electoral cycle.

With this in mind, I am glad to express my gratitude to the Chamber's Board of Directors for the 2018-2022 election cycle and employees, for their outstanding efforts and dedication in serving our members and community. Also, I extend my appreciation to the Federation of the Palestinian Chambers of Commerce, Industry, and Agriculture and the Ministry of National Economy for their role in supporting and strengthening the status of Palestinian chambers and private sector institutions. We confirm our commitment to accomplish the most noteworthy levels of improvement within our community through keen hard work and strengthening local and international cooperation which will pave the way to build an independent Palestinian state.

INTRODUCTION

Bethlehem Chamber of Commerce and Industry is a leading organization that represents the business community in Bethlehem Governorate. With a rich history spanning over seven decades, the chamber has played a crucial role in promoting economic growth and development in the region through various initiatives, programs, and services. The chamber operates as a platform for connecting businesses, encouraging collaboration, and advocating for policies and regulations that support the private sector.

Bethlehem Chamber of Commerce and Industry staff and board members are experienced professionals who are dedicated to promoting economic growth, supporting the private sector, and representing the interests of businesses in Bethlehem Governorate. They bring a diverse range of skills and expertise to the table and work closely together to develop and implement programs and initiatives that benefit the local business community. Where the Chamber works with a clear strategy to achieve the desired goals within its available resources, This Annual report will provide an overview of the chamber's mission, activities, and achievements, highlighting its contributions to the economic and social development of Bethlehem Governorate.



VISION

- **A Chamber with an outstanding performance to achieve sustainable economic prosperity.**

PHILOSOPHY AND VALUES

- **BCCI's philosophy is to encourage the spirit of teamwork and initiative among members, employees, and institutional cooperation, to achieve sustainable economic development in the local community. BCCI believes that its activities are the derivative of members' needs and priorities, and has therefore committed itself to a set of values that assist it in achieving its vision. These values include but are not limited to, integrity, accountability, transparency, integration, change and adaption, openness, social responsibility, professionalism, and adherence to international standards in performance.**

MISSION

- **We strive to provide high-quality services to our members and the local community through the provision of counseling, guidance, and capacity development using technological methods. We represent our members effectively, as well as protect their interests. We also work on initiating partnerships with civil society organizations and the private and public sectors, raising the capacity and quality of local products and promoting them, and focusing on persons with special needs, women, and youth.**

STRATEGIC GOALS

- 1. To encourage economic activities in the various sectors of the governorate.**
- 2. To raise the performance level of BCCI in the governorate.**
- 3. To promote communication between Board members, the local community, and donor organizations.**
- 4. To develop and expand BCCI's financial resources.**
- 5. Improving and developing the internal work environment.**
- 6. Enhancing the role of the Chamber of Commerce and Industry in Bethlehem Governorate in implementing general economic policies.**
- 7. Promoting green economy in Bethlehem Governorate.**

Figures and indications for the year 2022



9 Professional and administrative training were executed



103 News were published



9730 Services were provided



8160 SMS were sent



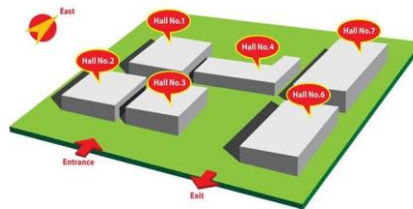
10 Economic workshops and seminars were conducted



116 Announcements were published



48379 Visits to BCCI's web page



23 International specialized exhibitions were published




9413 Likes on FB page



Information for scientific research purpose was provided **15** times

Membership and Services for the year 2022


281 new members


1863 Member

Economic Sectors Classification

Economic sectors	Economic Sectors Classification						Total based on Economic Sector
	Fourth	Third	Second	First	Excellent	Special	
Commercial		130	382	313	214	5	1044
Industrial	7	31	153	90	149	9	439
Services	1	32	56	43	62	23	217
Contracting			5	17	36		58
Agricultural		15	31	13	6		65
Handicrafts	9	8	13	7	3		40
Total Based on Economic Sectors Classification	17	216	640	483	470	37	1863

Statistics of certificates of origin

The year 2022 witnessed an increase in the number of certificates of origin and the value of exports compared to 2021, and the exports of sawn stone during the year 2022 constituted the highest percentage of exports from the governorate, followed by the percentage of exports of pharmaceutical products and chemicals, and this year 675 certificates of origin were issued at a value of \$ 17,433,605.17, Compared to the year 2021, which the number of certificates of origin reached 564, with a value of \$11,932,903.33.

Item	Value	Percentage for 2022
Pharmaceuticals	3,388,584.33	19.44%
Marble stone (raw)	133,950.00	0.77%
Metals	204,766.27	1.17%
sawn stone	11,938,893.38	68.48%
Handicrafts	1,677,563.52	9.62%
Cardboard & Paper products	79,866.57	0.46%
Plastic, rubber, and sponge industries	8,980.00	0.05%
Food, beverages, and tobacco	1,001.10	0.01%
Total	17,433,605.17	100.00%
Certificates of origin were issued by BCCI during 2022	675	

Note: (The above table does not include exports to European Union countries and Israel because they are within the competence of the Ministry of Finance and the Ministry of National Economy).

Export activity during the year 2022

Most important achievements conducted during 2022

Bethlehem Chamber of Commerce and Industry plays a vital role in serving the general assembly in Bethlehem Governorate by representing the interests of the business community and providing a platform for businesses to connect, collaborate, and access resources and opportunities. As a leading organization that advocates for policies and regulations that support the private sector, the chamber helps to create a favourable environment for businesses to thrive. The chamber also provides a range of services to its members, including networking events, business development programs, access to financing and funding opportunities, and assistance with government regulations and compliance. By offering these services, the chamber helps to strengthen the overall economy of Bethlehem Governorate, creating job opportunities and improving the quality of life. The chamber is dedicated to serving the general assembly in Bethlehem Governorate and plays an essential role in promoting economic growth and prosperity for the region's businesses and locals.

International Relations

Bethlehem Chamber of Commerce and Industry plays a significant role in striking international relations by acting as a platform for connecting local businesses with international partners, promoting international business opportunities, and advocating for policies and regulations that support international trade. Through its relations, networks, and partnerships with international organizations, the chamber provides its members with access to a wide range of resources and services to expand their international reach and grow their businesses. The chamber also organizes trade missions and business delegations to showcase Bethlehem Governorate's products and services.



Receiving the representative of the Republic of Lithuania



Organizing bilateral business meetings with businessmen from the Republic of Lithuania



Receiving the Swiss Representative to Palestine



Receiving the commercial Counselor of the Austrian Embassy

Capacity building and vocational training

Bethlehem Chamber of Commerce and Industry plays a crucial role in capacity building and vocational training by providing programs and resources to enhance the skills and knowledge of the local workforce. The chamber partners with educational institutions, vocational training centres, and other organizations to develop and deliver training programs in various fields, due to the TVET needs assessment report. Through these training programs, the chamber helps to address skills gaps, improve the employability of youth from marginalized areas, and support the growth of local businesses. The chamber also offers resources and support to aspiring entrepreneurs and startups, including mentorship, coaching, and access to funding opportunities.



Discussing the relevance of vocational and technical training in lowering unemployment rates in the governorate



Bethlehem Chamber of Commerce and Industry graduated a group of beneficiaries of vocational and technical training courses



Discussing the prospects for cooperation and the upcoming plans for 2022 as the next phase of the Cologne Chamber of Craft



Receiving a delegation from the Cologne Chamber of Craft



Bethlehem Chamber of Commerce and Industry conducted a training session on "Workplace Protocol and Etiquette."

The Role of Bethlehem Chamber of Commerce and Industry in empowering businesswomen

Bethlehem Chamber of Commerce and Industry through the businesswomen centre plays an important role in empowering businesswomen by providing resources, support, and advocacy for women-owned businesses in Bethlehem Governorate. The chamber recognizes the potential of women entrepreneurs to drive economic growth and create job opportunities in the region and is committed to create an enabling environment for women's economic empowerment. Additionally, the chamber partners with institutions that offer services such as mentorship, financial literacy, and coaching to help women entrepreneurs overcome barriers to growth. Overall, the Bethlehem Chamber of Commerce and Industry recognizes the significant role women play in the economic growth of Bethlehem Governorate and is committed to empower them by providing the resources, support, and advocacy they need to succeed in business.



Reforming and activating the Businesswomen Committee



Bethlehem Chamber of Commerce and Industry graduated a group of beneficiaries of the Businesswomen Center courses in cooperation with the Department of Women's Work in the Bethlehem Awqaf Directorate



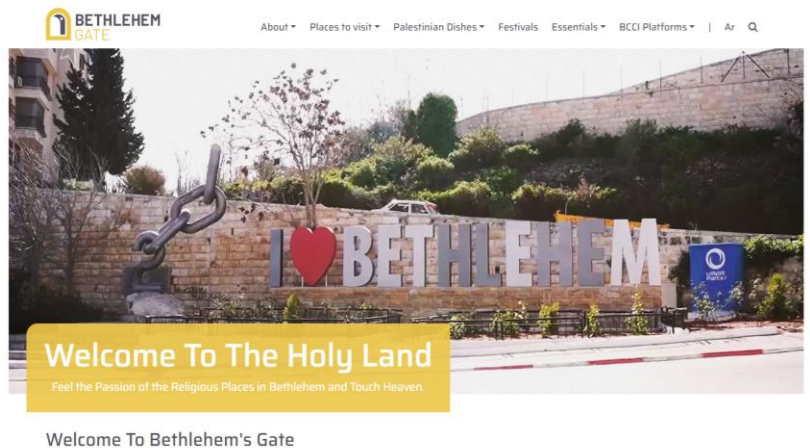
The Business women center hosts a session on financial laws and procedures to support the growth of the women's business sector.



Organizing a trail for women entrepreneurs in October - Breast Cancer Awareness Month

New initiatives

As part of its vision to strengthen the various economic sectors in the governorate and support their continuity, Bethlehem Chamber of Commerce and Industry launched the tourism website "Bethlehem Gate" for smartphones.



The site includes all the information that benefits tourists. It includes pictures, videos, and maps that help them reach their destination through a site designed in a creative user-friendly way. Also, an application was developed in order to have a wider range of users.

Internal Monitoring “ISO 9001:2015”

BCCI has been steadfastly working to preserve the ISO 9001:2015 Certificate since receiving it in 2002, We are also constantly updating work procedures to suit the needs of the members of the General Assembly. The audit was conducted by M.A.K. International - Training and Certification Services, a representative of Lloyd's Register. The year 2022 witnessed an audit of the work procedures and the scope of the quality management system as the new specifications of the ISO 9001: 2015 system state, as the chamber passed the external audit without registering any significant or minor observations.

This standard is considered one of the basic pillars on which institutions are based to ensure the continuity of their business, due to its importance in serving strategic directions to improve performance and permanently achieving the requirements of members of the General Assembly. It is noteworthy that BCCI is the first Palestinian Chamber of Commerce to obtain the ISO 9001:2015 Certificate.



70 years of Integrated Efforts and Sustainable Performance

Bethlehem Chamber represents the business community in Bethlehem Governorate, with a rich history spanning over seven decades. The year 2022 witnessed the 70th anniversary of the founding of Bethlehem Chamber. On this occasion, the Chamber launched a mural that includes the names of all chairmen and members of the boards of directors from 1952 to 2022. It also launched a documentary film that included a historical presentation of the Chamber's journey over the seventy years. The Chamber organized an honoring ceremony for the members of the former Board of Directors, in appreciation and gratitude for their contribution and hard work in representing the Chamber along with the committed members of the General Assembly for more than thirty years, in recognition of their distinguished affiliation with the Chamber.



Board of Directors elections 2022-2026

In the year 2022, Bethlehem Chamber of Commerce and Industry witnessed a new phase, with the announcement made by the Palestinian Minister of National Economy to organize elections for the Bethlehem Chamber's new board members for the 2022-2026 session.



The Supervisory Committee worked on checking the files of the members of the General Assembly who are entitled to participate in the elections, the committee worked on approving the membership files in accordance with the law and system of the Palestinian Chambers of Commerce and Industry, checking the applications submitted by the candidates, and preparing the lists of voters and candidates in order to announce them on time. The elections took place on 03/12/2022 and their results were approved by the Minister of National Economy and the administrative positions were distributed.



Board of Directors 2022-2026



Dr. Samir Hazboun
Chairman



Mr. Khaled Al Dara'wi
Senior Vice President



Mr. Yousef Rahhal
Secretary



Mr. Adel Hodali
Treasurer



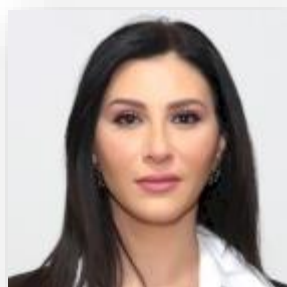
Mr. Saleem Najajrah
Deputy Secretary



Mr. Ali Thawabteh
Deputy Treasurer



Mr. Jamal Handal
Board Member



Mrs. Frida Shaer
Board Member



Mr. Sami Thaljih
Board Member



Mr. Sami Abu Aitta
Board Member



Mr. Munther Abu Tarbush
Board Member

Social Responsibility

Bethlehem Chamber of Commerce and Industry continued its role in social responsibility towards the local community and its institutions through many contributions and initiatives that emphasize the Social unity between members of society on the one hand and the business sector and the local community on the other. And in appreciation of its role and support for different segments in Bethlehem governorate, a group of civil society organizations honoured Bethlehem Chamber for its various contributions.



The Islamic Club of Bethlehem Governorate Honors Bethlehem Chamber of Commerce and Industry for its constant efforts, support, and continuous support for the sporting, cultural, and social events and activities implemented by the club.



Bethlehem Central Zakat Committee honors Bethlehem Chamber of Commerce and Industry



The Palestinian Prisoners Society honors Bethlehem Chamber of Commerce and Industry



AL SHAYEB
CERTIFIED PUBLIC ACCOUNTANTS

Bethlehem Chamber of Commerce and Industry (BCCI)
(Non- Governmental Organization)

Independent Auditor's Report and Financial Statements

31 December 2022

Auditors Consultants Tax Advisors



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INDEPENDENT PROFESSIONAL FIRMS

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Bethlehem Chamber of Commerce and Industry (BCCI)

(Non- Governmental Organization)

Independent Auditor's Report and Financial Statements

31 December 2022

Independent Auditor's Report (Cont.)

Auditors' Responsibilities for the Audit of the Financial Statements(cont.)


As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AlShayeb Auditing & Accountancy Co.
Independent Member of Geneva Group International
Jamal Abu Farha
Engagement Partner

Bethlehem
16 May 2023


Jamal AlShayeb Abu Farha
C.P.A.
Licence No: 106/2017



GENEVA GROUP INTERNATIONAL
Independent Member

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Bethlehem Chamber of Commerce and Industry (BCCI)
Financial Statements for the Year Ended 31 December 2022


Statement of Financial Position

(All amounts are in NIS)

	Note	December 31,2022	December 31,2021
Assets			
Current Assets			
Cash and Cash equivalents	3	2,437,660	2,139,799
Pledges receivable	4	11,794	182,514
Accounts receivable		44,848	54,378
Prepaid expenses		2,950	2,949
Total Current Assets		2,497,252	2,379,640
Non-Current Assets			
Fixed assets, Net	5	3,722,850	3,833,505
Investments	D.2	148,405	148,405
Total Non-Current Assets		3,871,254	3,981,910
Total Assets		6,368,507	6,361,550
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	6	165,767	200,322
Outstanding checks		22,870	79,924
Subscriptions - Federation of Chambers of Commerce		100,932	80,514
Total Current Liabilities		289,568	360,760
Non-Current Liabilities			
Accumulated Employees' Severance Benefits	7	460,748	379,720
Employees' Provident Fund		311,190	249,405
Total Non-current Liabilities		771,938	629,125
Total Liabilities		1,061,507	989,885
Net Assets			
Unrestricted net assets		1,478,847	1,333,177
Temporarily restricted net asserts (for projects)		3,967	158,684
Temporarily restricted net asserts(for fixed assets)		3,824,187	3,879,804
Total Net Assets		5,307,001	5,371,665
Total Liabilities and Net Assets		6,368,507	6,361,550

The accompanying notes constitute an integral part of the financial statements.


Chairman, Board of Directors


Treasurer



Bethlehem Chamber of Commerce and Industry (BCCI)
Financial Statements for the Year Ended 31 December 2022

Statement of Activities

(All amounts are in NIS)

	Note	Total	
		2022	2021
Revenues			
Membership Subscriptions	8	829,716	708,098
Service Fees	9	706,968	526,525
Elections Fees		75,285	-
Social Responsibility Fund		30,500	-
Income from Activities and Rentals		27,780	18,710
Other Income		27,357	109,374
Total Revenues		1,697,606	1,362,707
Net Assets Released from Temporary Restriction	10	129,227	682,703
Revenues and Net Assets Released from Temporary Restriction		1,826,833	2,045,410
Expenditures			
Salaries and Related Benefits	11	894,105	741,794
Program Direct Expenses	12	364,923	820,684
General and Administrative Expenses	13	359,392	360,796
Financial Expenses, Net	14	(38,669)	(102,431)
Depreciation	5	116,575	116,991
Total Expenditures		1,696,326	1,937,834
Net Assets during the year		130,507	107,576
Temporarily Restricted Contributions and Donations	10	-	599,740
Net Assets released from temporary restriction		(129,227)	(682,703)
Reclassification		-	(95,996)
Returned to Donors		(25,490)	-
Changes in the Temporarily Restricted Net Assets		(154,717)	(178,959)
Changes in Net Assets for the Year		(24,210)	(71,383)

The Accompanying notes constitute an integral part of the financial statements.

Bethlehem Chamber of Commerce and Industry (BCCI)
Financial Statements for the Year Ended 31 December 2022

Statement of Changes in Net Assets

(All amounts are in NIS)

	Unrestricted	Temporarily Restricted		Total
	Net assets	Net assets		
	General	Projects	Fixed Assets	
Net Assets as of 31/12/2020	1,169,984	337,643	3,935,421	5,443,048
Increase in net assets during the year - statement B	(71,383)	-	-	(71,383)
Changes in the Temporarily Restricted Net Assets	178,959	(178,959)	-	-
Released from temporary restriction	55,617	-	(55,617)	-
Net assets as of 31/12/2021	1,333,177	158,684	3,879,804	5,371,665
Increase in net assets during the year - statement B	(24,210)	-	-	(24,210)
Prior Year Adjustments - Grants Pledges	(40,454)	-	-	(40,454)
Changes in the Temporarily Restricted Net Assets	154,717	(154,717)	-	-
Released from temporary restriction	55,617	-	(55,617)	-
Net assets as of 31/12/2022	1,478,847	3,967	3,824,187	5,307,001

Bethlehem Chamber of Commerce and Industry (BCCI)
 Financial Statements for the Year Ended 31 December 2022

Statement of Cash Flows

(All amounts in NIS)

	<u>December 31,2022</u>	<u>December 31,2021</u>
Cash Flows from Operating Activities		
Changes in net assets for the year	(24,210)	(71,384)
Adjustments to reconcile current year changes in Net assets to net cash provided by operating activities:		
Prior Year Adjustments - Grants Pledges	(40,454)	
Depreciation	116,575	116,993
	<u>51,911</u>	<u>45,609</u>
Change in Working Capital		
Increase (decrease) in inventory	-	9,112
Increase (decrease) in pledges receivable	170,720	(59,743)
Increase (decrease) in accounts receivable	9,530	(48,734)
Increase (decrease) in prepaid expenses	(1)	250
Increase (decrease) in accounts payable	(34,555)	22,005
Increase (decrease) in outstanding checks	(57,054)	73,704
Increase (decrease) in accrued expenses	20,418	8,721
Increase (decrease) in employees' provident fund	61,785	44,023
Increase (decrease) in employees' severance benefits	81,028	(61,102)
Net Cash Provided by Operating Activities :	<u>303,782</u>	<u>33,845</u>
Cash Flows from Investing Activities :		
Decrease in investments	-	-
Purchase of fixed assets	(5,920)	(27,230)
Net Cash Used in Investing Activities	<u>(5,920)</u>	<u>(27,230)</u>
Increase in Cash and Cash Equivalents	297,862	6,615
Cash and Cash equivalents at the beginning of year	<u>2,139,798</u>	<u>2,133,185</u>
Cash and Cas hequivalent at the End of year (see note 3	<u>2,437,660</u>	<u>2,139,800</u>

The Accompanying notes constitute an integral part of the financial statements.

Conclusion

This report may not reflect everything that Bethlehem Chamber of Commerce and Industry accomplished during the year 2022, as stated previously this is a summary of the most prominent activities and events that were implemented, but eventually, it is an eloquent and honest expression of organized work, the effort of cooperation between the Board of Directors and the staff to achieve the strategic goals that the management of the Chamber seeks to achieve.

Respect and appreciation to all our team that works to raise the level of performance in the Chamber in order to continue implementing programs, courses, and meetings, and conducting plans for discussion, research, and providing solutions and visions for issues in all economic fields and private sector affairs in Bethlehem Governorate.