# 2025 in Review (Part II): Key Milestones Achieved by the Palestinian Government in the Economic Sector.

## 2025 in Review (Part II): Key Milestones Achieved by the Palestinian Government in the Economic Sector

The Government Communication Center (GCC) released a report highlighting the most significant economic interventions implemented in 2025, despite the significant challenges it continues to face, including difficult economic and field conditions and escalating restrictions imposed by the Israeli occupation.

The report focuses government efforts to protect the national economy, strengthen the resilience of productive sectors, support the business environment, and creat job opportunities, while prioritizing fiscal reform and growth stimulation to enhance economic stability and support a path toward gradual recovery.

The GCC noted that this report will be followed by specialized reports detailing milestones in the services and legislative sectors achived by the Palestinian Government during last year.

### Legislation and Incentives to Support the Business Environment

In 2025, President Mahmoud Abbas approved the Competition Law and the E-Commerce Law, while the Investment Law was approved in its final reading, reinforcing investor confidence in the Palestinian market.

The Government also adopted the National Strategy for Small and Medium Enterprises (SMEs) and increased the duty-free export quota for Palestinian dates to Turkey to 7,000 tons annually. The Ministry of National Economy also imported 30,000 tons of wheat under a Russian grant.

In direct support of Jerusalem, the Ministry financed eight projects at a value kf $1.6 million and launched the “PROSPER” plan to support 450 small and medium-sized enterprises.

To protect the domestic market, the Ministry referred 145 violators to the Public Prosecution, confiscated more than 1,000 tons of expired goods, handled around 1,000 consumer complaints, and issued 1,174 legal notices and pledges against violators.

### Empowering National Industry and Digital Transformation

The Ministry of Industry approved and began implementing regulations granting mandatory preference for national products in government tenders to support local manufacturing. It also joined the E-SADAD platform to enhance digital security.

It has also launched strategic projects, including the Shoe and Leather Village in Hebron and the “Green Forward” programme for green transformation. The Ministry has further signed industrial projects exceeding €3.5 million.

Progress was also made in activating the anti-dumping team, strengthening import substitution policies, advancing the digital transformation of industrial licensing services, and developing mechanisms to assess damages to the industrial sector in Gaza.

### Supporting Agriculture and Strengthening Farmers’ Resilience

The Ministry of Agriculture has continued its support to the agricultural sector. It reclaimed 923 dunums of land, rehabilitated and paved 130 kilometers of agricultural roads, and provided 2.5 million cubic meters of irrigation water.

More than 6,600 affected farmers received support, damages exceeding $103 million were documented, and over 2,000 phytosanitary certificates were issued to boost agricultural exports.

### Employment and Worker Empowerment

In the labor sector, nearly 6,000 trainees graduated from vocational training programs implemented by the Ministry of Labor. In addition, 19 cash payments were disbursed to Gaza workers stranded in the West Bank since 2023, totaling 42.7 million shekels.

The Ministry also implemented temporary employment programs, granted 7,000 unemployed workers free healthcare insurances, and financed 631 small projects through interest-free loans totaling 33.7 million shekels, including 24 projects for women.

### Fiscal Reforms to Enhance Stability

The Ministry of Finance and Planning initiated key reform measures, including activating the Commitment Control System (CCS) after training 41 responsibility centers and rolling it out across ministries and government entities, alongside improving workflow processes and linking them to monthly compliance indicators.

The use of the Net Lending Portal was expanded, debts of 112 local authorities were settled, and financial settlements were completed with five electricity distribution companies—steps that strengthened financial stability and and the safeguard of public funds.

As part of digital transformation, the Ministry launched 55 tax services via the "Hukumati" platform, issued the first version of the mobile property valuation application, upgraded the Oracle system at the Petroleum Commission, and developed dashboards for managing public debt and revenue data while integrating financial systems.

## Gradual Recovery in Tourism

Palestinian tourism began a gradual recovery in 2025, with the Ministry of Tourism and Antiquities recording a nearly 20% rebound compared to 2023 levels.

In Bethlehem, 15 new hotels were established with investments totaling $78 million, while hotel occupancy reached 80% during the Christmas season.

The Ministry also launched a global tourism promotion platform, added 14 Palestinian sites to the UNESCO World Heritage Tentative List, and carried out urgent restoration work after documenting damage to 226 archaeological sites, particularly in Gaza.