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Programme of Assistance to the Palestinian People

Country: occupied Palestinian territory

Donor: Swedish International Development Cooperation (Sida)



Project: DEEP Women Entrepreneurs "DEEP-WE"
PAL10-000085135

Completion Report
01 January 2013 to 31 December 2015
Date: 30 June 2016



Report Summary

Reporting Period	01 January 2013 – 31 December 2015
Donor	Swedish International Development Cooperation (Sida)
Country	Occupied Palestinian territory
Project Title	DEEP Women Entrepreneurs DEEP-WE
Project ID (Atlas Award ID) Outputs (Atlas Project ID and Description)	Project ID: 85135 AWARD ID: 44201
Implementing Partner(s)	NGOs, MFIs & business development service providers
Project Start Date	01 January 2013
Project End Date	31 December 2015
Annual Work Plan Budget	USD 7,801,094
Total resources required	USD 8,682,006
Revenue received	<ul style="list-style-type: none"> • Regular <ul style="list-style-type: none"> ○ Donor (Sida) 5,816,764 USD Equivalent of SEK 40,000,000 ○ Donor (IsDB) USD 3,034,719 • Total USD 8,851,483
Unfunded budget	N/A
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I. List of Acronyms

BDS	Business Development Services
BMT	Basic Management Training
CEFE	Competency Based Economies, Formation of Enterprises
DEEP	The Productive Families Economic Empowerment Programme
DEEP-WE	DEEP Women Entrepreneurs Project
GS	Gaza Strip
MoA	Ministry of Agriculture
MoSA	Ministry of Social Affairs
NGO	Non-Government Organization
SEC	Small Enterprises Centre
Sida	Swedish International Development Cooperation Agency
SLA	Sustainable Livelihoods Approach
WB	West Bank

II. Executive summary

The completion report covers the activities conducted under the different components of the programme in addition to the progress and achievements of DEEP-WE for the past 3 years (1 January 2013 until 31 December 2015). Under this project, **818 poor women entrepreneurs** received financial grants and established their start-ups in the West Bank, including East Jerusalem, and the Gaza Strip, distributed as follows; **527 businesses in the West Bank, 190 businesses in the Gaza Strip and 101 businesses in East Jerusalem**. The report also highlights the non-financial services that were provided to potential and targeted beneficiaries including the training, coaching and mentoring, where **889 potential women entrepreneurs attended training** courses on business planning and development. Out of the 889 women who received training courses, **853** managed to proceed in the process of finalizing their **business plans**, followed by procurement of assets and equipment for their businesses. Those beneficiaries were nominated by local committees and community leaders, through the efforts of 12 partner NGOs, distributed in Area C, East Jerusalem and Gaza Strip.

DEEP-WE targeted women in **Area C** in **82 different localities** / village councils, distributed in 8 governorates in the West Bank (Jericho, Tubas, Nablus, Bethlehem, Hebron, Ramallah, Salfeet and East Jerusalem). In addition to those areas, DEEP-WE targeted poor women in **6 neighborhoods in East Jerusalem** and **19 communities in the Gaza Strip**.

Out of the nominated 2,419 poor women entrepreneurs, **1,458 women cases** and livelihoods were analysed in terms of poverty and motivation to establish their businesses, where **889 women attended training** courses on business planning and development. More specifically, **755** women entrepreneurs attended **joint training sessions** for 12 comprehensive days where only **134 potential women** beneficiaries were exposed to individual coaching sessions. Out of those 889 women, **853 women entrepreneurs succeeded** and committed to completing their business plans, while 818 managed to win the competition and establish their businesses.

Regarding the second component of the financial services, the micro-financing component, **146 productive women families** received micro loans to establish their start-ups, with a total amount of USD 880,912 from the IDB contribution. Those **146 women** are distributed as follows; **79 women businesses in the West Bank, 55 in the Gaza Strip, and 12 in East Jerusalem**.

Furthermore, the report introduces the objectives and progress under the case management and referral system, followed by project risks and issues, and the actions taken by the DEEP team to mitigate them. In addition, the report is concluded by the lessons learnt, conclusions and way forward which came as a result for the field observations and the evaluation that was conducted end of 2015. Finally, The report gives snap shots for some of the targeted women beneficiaries' success stories on how DEEP interventions managed to leave fingerprints on their lives, as well as a breakdown of the number of women targeted in trainings and interventions per area, sector and service provider.

II. Background

DEEP-Women Entrepreneurs is a project funded jointly by the Swedish International Development Agency (SIDA) and the Islamic Development Bank (IsDB), under the larger Productive Families Economic Empowerment Programme (DEEP). The programme, which promotes inclusive economic growth, is a specialized economic empowerment modality that helps graduate productive low-income women from poverty and dependence on aid to economic self-reliance. DEEP-Women is based on the results chain already adopted in the DEEP.

The DEEP modality provides a solid and inclusive approach for targeting vulnerable, yet productive, households and engaging their members in sustainable income generating activities, mainly micro and small enterprise development, to provide employment and bridge their consumption poverty gap. It also aims to assist low-income women, and their households, to graduate from poverty through establishing income generation projects.

The project worked on identifying relevant and feasible activities to be implemented with women through qualified and experienced NGOs, business development service providers, and microfinance institutions. The project adopted a participatory methodology in the design of income generating interventions that builds on and develops the exiting capitals that define the household's livelihood. Through this methodology, the project ensures that the targeted women are actively engaged in the process of the design and implementation, thereby ensuring a strong sense of ownership among them, which is a guarantee of the sustainability of the intervention.

DEEP-Women Entrepreneurs was initially targeting 1,052 women entrepreneurs, where 772 to be provided business development services and coaching, including training and on site consultancy, while 280 will receive solidarity financing to assist in the procurement of goods, works or services as necessary inputs for their economic projects. Moreover, the programme will develop a distinct branding for the support of Sweden to women's economic employment in Area C, East Jerusalem and Gaza Strip.



III. Achievements Review

By the end of the third year, DEEP managed to target poor, yet productive women in **107 communities** all over the State of Palestine, where those women families started counting on the new businesses to generate daily income that will cover their basic needs such as food, health, education and/ or improving their housing conditions.

By the end of the programme, DEEP managed to complete the grants component, where **818 women** entrepreneurs, instead of 772 women as stated in the scope, succeeded in establishing and operating their businesses. In other words, the livelihoods of **5,269 family members** were improved through DEEP-WE interventions. As such, some of those members were able to have access to visit a doctor or cover her/ his university tuition fees, or even buy a new fridge or a stove – something that they have never dreamt of having before. The majority numbers of family members (3,297) were located in West Bank (Area C) where most of the scope of work was done, while **1,388 family members** benefited directly or indirectly in the **Gaza Strip** and **584 family members** in **East Jerusalem**.

Despite the 2014 hostilities on Gaza, and the latest escalations in East Jerusalem in late 2015, DEEP, in cooperation with partner NGOs, managed to serve and provide business planning training and later grants to women entrepreneurs in East Jerusalem and Gaza. The situation in both locations had an affect on the programmed activities and the teams, in some cases, had to relocate the training places in the last minute to ensure the safety of women in East Jerusalem or to work until late nights to deliver the assets to the beneficiaries to guarantee calmness and safety.

PROGRESS TOWARDS PROJECT OUTPUTS

OUTCOME: (Targeted Palestinian women entrepreneurs belonging to low income families from Gaza, Area C and East Jerusalem become economically empowered by accessing needed financial and technical resources to start their businesses, and adopt positive and sustainable livelihoods strategies)			
Output Indicators	Baseline	Target	Current status
• % of interventions that were financed and still operational after 6 months (804 interventions)	0	80%	98%
• # of unpaid jobs created (<i>average of 2 family members work in the project as unpaid</i>)	0	872	1,636
• # of paid jobs created (<i>average of 1 family members work in the project as paid</i>)	0	251	818
• % of households stopped depending on cash transfers (<i>Cash transfer won't be stopped before 2 years of establishing the business, as an agreement among MoSA & DEEP</i>)	0	70%	<5%
- 14 businesses were closed or not functioning well since the onset of DEEP-WE, due to lack of commitment and endurance of the business owner, decease of livestock "goats, chicken or cows"			

due to some diseases or lack of daily nursery or liquidation of the business to cover some debts and/or basic daily needs.

- **<5% of households stopped depending on cash transfers:** a very minimal number of families stopped depending on cash transfer from MoSA, those who chose by themselves to be financially independent and thought their businesses are booming. The vast majority of beneficiaries will be revisited two years after the establishment of their businesses, where their economic and social situations will be checked and decided if they need to be dropped from the MoSA cash transfer. Moreover, **MoSA families comprise only 174 (21%) families**, while more than **79% of the women entrepreneurs are not receiving MoSA cash transfer.**

BRIDGING OBJECTIVE: (Capacity of programme implementing partners for poverty reduction strengthened)

Output Indicators	Baseline	Target	Current status
• # of staff who received at least one training course (35 females and 20 males)	0	16	55
• % of beneficiaries' assessments that rejected by PMU (33 assessments)	0	< 10%	4%
• % of project ideas as a result of household assessment analysis (731 project ideas)	0	80%	89%
• Satisfaction of beneficiaries about their performance	0	85%	95%
• % of closed projects due to faulty process	0	<10%	0

- **55 field workers and business providers received at least 6 training courses** in i) training of trainers of CEFE "Competency based Economies Formation of Enterprises" on business planning & development ii) basic management training, iii) training of consultants and coaches, iv) training on business diagnosis, v) livestock projects management and vi) DEEP MIS training.

The BDS staff competencies enhanced in the following fields:

- Testing the feasibility of the business ideas of the deprived families' using a business model tool to shape them up. After the initial screening was conducted by the implementing NGO, trainers, at an early stage of the project, conducted visits to the targeted families at their premises to check the feasibility of the business idea using business model tool to shaping their business ideas.
- Delivering face-to-face training for beneficiaries to support them develop, during the training days, a business plan for their own businesses in agriculture and non-agriculture sectors, using CEFE methodology.
- Understanding the stages of coaching processes.
- Understanding and acquiring the tools used and skills needed to conduct professional coaching.
- Understanding the business diagnosis tools and providing solutions accordingly.
- Enhancing abilities to write business development plans, and progress reports.

A community based approach manual was developed in a participatory approach with all the partner NGOs staff members, where the tools and procedures were set up to find out the poor, yet productive women entrepreneurs, as well as the mechanisms of procurement, following up and coaching.

- **4% of beneficiaries' assessments** were rejected by DEEP/ PMU, a reduction in the third year in comparison with the first two years, due to the continuous coaching and mentoring that the DEEP team continuously provided to the field workers in the field, and through jointly studying and analyzing every targeted family, including the human capitals "women" in the family.

OUTPUT 1: (Business development service packages were delivered)

Output Indicators	Baseline	Target	Current status
• # of training courses	0	34	39
• # of trainees (including individual coaching & joint training sessions)	0	772	889
• % of trainees are satisfied (835 women)	0	80%	94%
• # of business plans that were developed during the training	0	772	853
• % of business plans that were developed in comparison to #of beneficiaries that attend the training	0	95%	96%
• % of beneficiaries that attend all training days	0	85%	100%
• # of beneficiaries that received at least one coaching session	0	772	818
• The average # of field visits that were conducted per beneficiary to deliver coaching services	0	3	5

- **889 women received training** on business planning and development, where **755 women** attended 12 interactive training days and only **134 women** were coached and supported by business providers to develop the business plans. The coaching methodology was adopted in the first year of the project implementation in 2013, where most of the nominated women were supported by MoSA cash transfer scheme. Those who did not attend were facing other difficulties such as illiteracy, presence of disabled kids or other family members, in addition to some political barriers such as checkpoints.

The joint training on business planning and development comprised of 12 continuous days and covered the below topics:

- Business Idea Generation
- Product Development
- Production
- Markets & Marketing
- Market Survey
- Development of Marketing Plan

- Management Plan
- Financial Statements
- Cost and Financial Statements
- Bookkeeping

To see the number of trainees and final number of women entrepreneurs per NGO, please refer to **Annex a**.

- **94% of trainees were satisfied by the training**, not only those who managed to establish their businesses but also those who could not go further in establishing their businesses, where they stated that the interactive training gave them the opportunity to interact socially and get to know other women from different backgrounds, and gave them the opportunity to have a break from their daily house tasks. The training also opened their eyes towards finding different opportunities, not to mention the basic skills that they gained in business planning and management.
- **100% of beneficiaries attended all the training days**, since receiving the grant was preconditioned with attending all the training days to ensure high level of commitment and endurance when operating a business.
- **853 business plans** were developed as a result of the training and coaching sessions, where women in the **West Bank (Area C)** developed **547 business plans**, while **205 business plans** were developed by women in the **Gaza Strip**, and **101** were developed by women in **East Jerusalem**.
- **818 businesses by 818 women entrepreneurs** were established in Area C, Gaza Strip and East Jerusalem. These were distributed over the years as follows:
 - 253 businesses in 2013
 - 299 businesses in 2014, and
 - 266 businesses in 2015
- Following the delivery of the assets to women entrepreneurs, a **Basic Management Training (BMT)**, a post-training that included financial, managerial and operational training, was conducted. In **East Jerusalem** a remarkable attendance and commitment was noticed, where **100%** of the women entrepreneurs attended the **full 3 training days**, while in the **Gaza Strip**, the attendance represented **90%** of the total number of women entrepreneurs. As for the **West Bank**, **87%** of women entrepreneurs managed to attend the full 3 days, where some women managed to attend 2 or 2.5, days while others had to leave earlier due to family engagements.

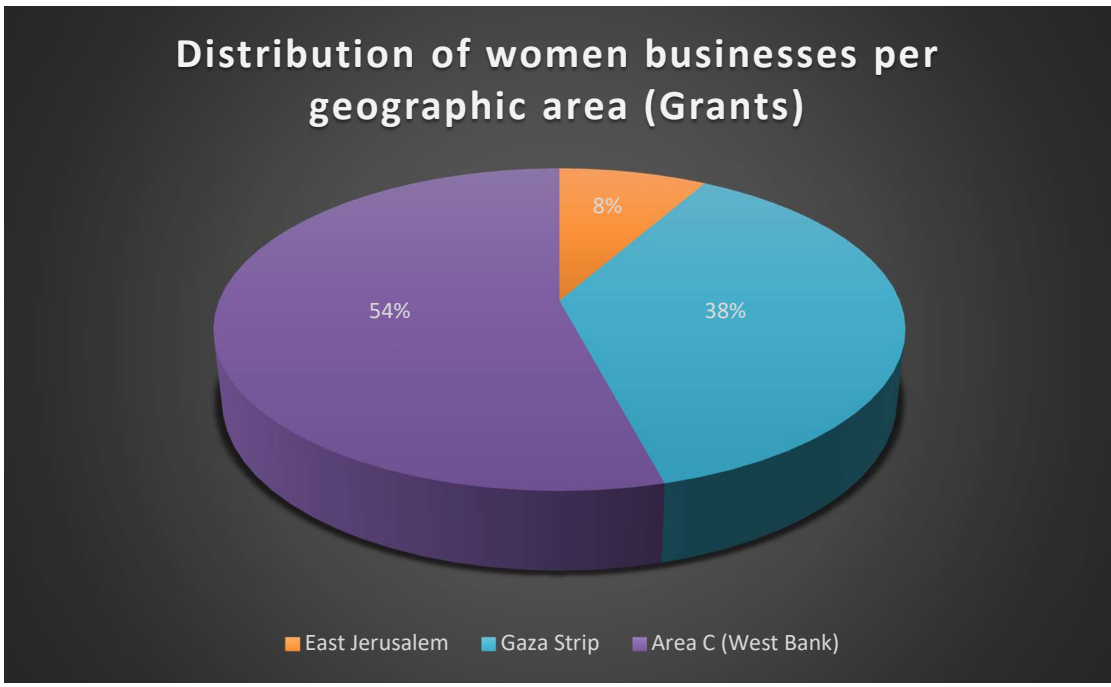
OUTPUT 2: (Targeted women have access to finance to establish or develop their own business.)

Output Indicators	Baseline	Target	Current status
• % of financed projects were start-ups (new) projects	0	90%	97%
• # of businesses that established (start-up)	0	772	795

• # of businesses are existed are developed	0	77	23
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Grants Component:

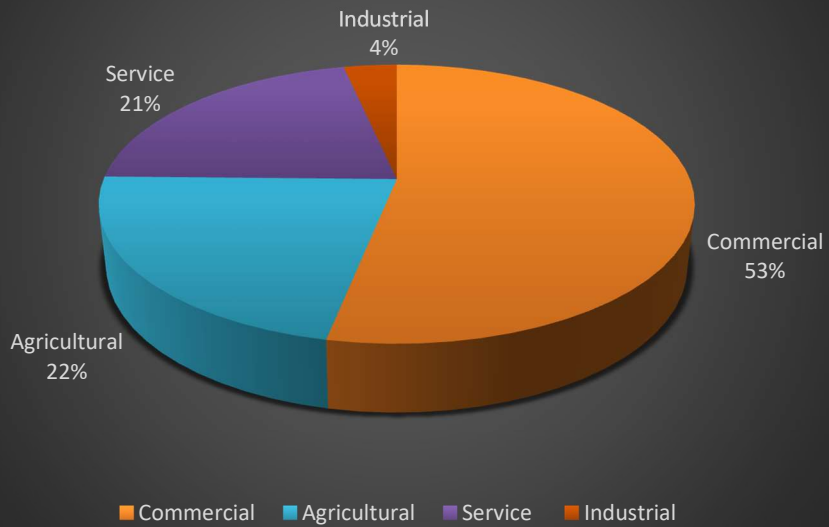
- Below is the women businesses distribution per geographic area, which shows that the majority of the businesses (around 65%) were located in the West Bank (Area C) as it was determined in the scope of work, same as the 12% from East Jerusalem. As for Gaza Strip, despite the delay occurred in 2014 due to the hostilities, an additional 190 women entrepreneurs (instead of 150) managed to establish their businesses.



- The vast majority of DEEP-WE businesses (53%) are commercial businesses, this refers to the ease of establishment of these businesses which needs minimal technical or vocational skills, not like the industrial sector which comprises only 4%, because establishing an industrial business requires broad technical experience. However, due to budget and time limitations that were stated in the project document, vocational training was rarely provided to women, only in few cases, when the women entrepreneurs had the capacity to contribute financially.

- The second major sector is the agricultural sector with 22%, this refers to the fact that more than 65% of the established business located in C areas, which are mainly rural areas. In the rural areas most women are supporting their families through working in agriculture especially in livestock, cows husbandry and green houses.

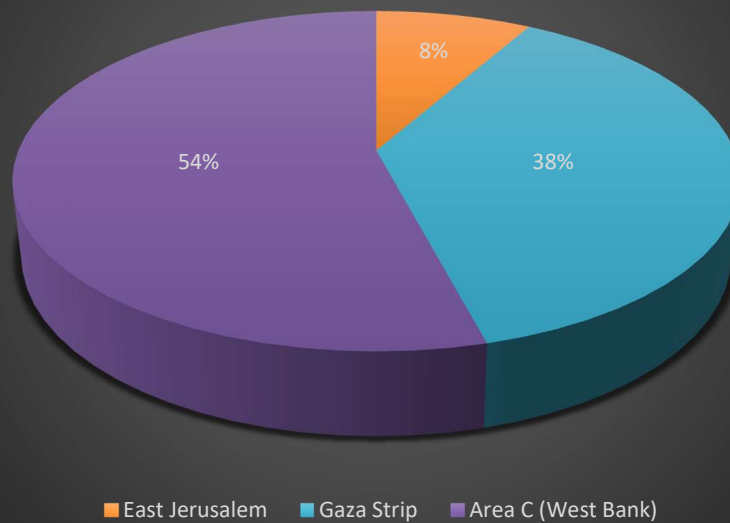
Distribution of women businesses per sector



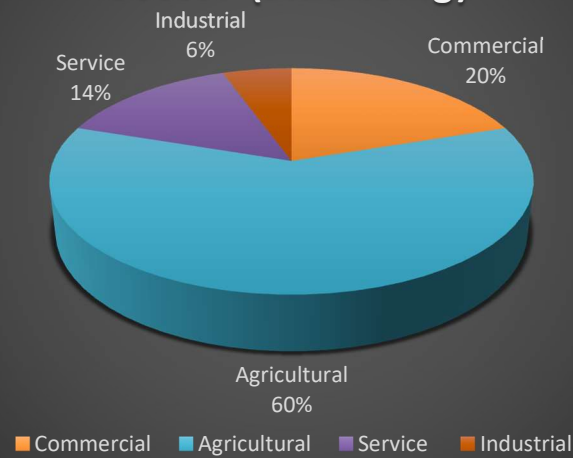
To see the distribution of women businesses per sector per NGO please refer to **Annex b**.

Micro-Financing Component

Distribution of women businesses per geographic area (Financing)

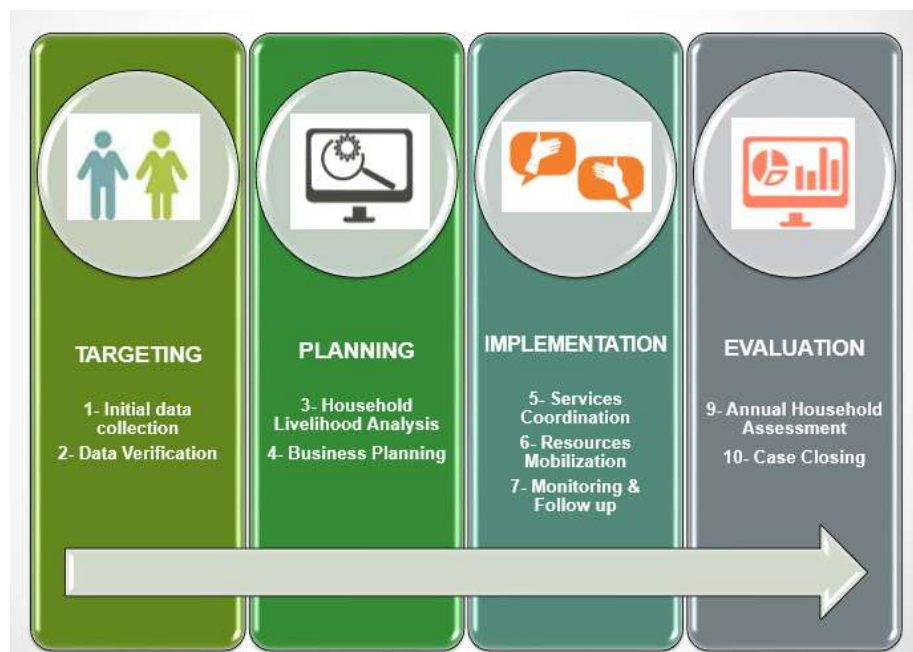


Distribution of women businesses per sector (Financing)



Case Management and Referral System:

MoSA continuously aims to improve social work effectively and efficiently and better outreach to social cases and those who are in real need for social and economic support. As such, MoSA continuously allocates special funds and budgets to improve its managerial, organizational and financial systems to reach their goal of supporting families in need. One of the mechanisms to do so, is the case management and referral system, which DEEP is currently supporting MoSA on through piloting models in two MoSA directorates; Tulkarem and Jericho.



The activities that were conducted under DEEP-WE regarding the case management are:

- Revising all MoSA available literature, policies, quality assurance standards and the operational manual and procedures for 52 social services in order to develop the linkage with the case management and referral approach.
- Conducting capacity assessment sessions for the two-piloted directorates to plan the HR, infrastructure and implementation plans.
- Conducting a series of workshops with ministry officials to share the assessments' results and to recommend restructuring and policy changes
- Developing a detailed manual for the case management and referral system based on the approved processes.
- Developing the associated templates based on the cleared manual.

By having all the activities of the case management and referral system done, the MoSA field workers are expected to be Case Managers where they have to be able to mobilize the resources in their directorates. They will coordinate the social services among all the key stakeholders at the district level, ensure that all the "basic needs" of those who received grants are covered, and finally if there were any urgent matters or a need that emerged that requires an immediate response to protect the source of income of the household.

IV. Project Risks and Issues

a. Updated project risks and actions

➤ External Risks related to achievement of results

The Risk/ Challenge	How to respond?	How DEEP actually responds?
<p>Level of readiness of MoSA families to engage in entrepreneurship activities</p>	<p>The early assessment and the beneficiaries training programme will identify the willingness of women to participate in the DEEP WE during the targeting phase</p>	<p>Due to MoSA outreach limitations in Area C, DEEP adopted a new approach in targeting the poor, yet productive women entrepreneurs through the “Community Leaders Committees”, so DEEP took the following;</p> <ul style="list-style-type: none"> - Training for NGOs on the selection criteria - Increase the time frame for coaching sessions at the beginning of the of design stage - Allocate more financial resources for capacity building, including the coaching sessions
<p>Projects in Areas C may face harassment and destruction by Israelis, especially those in the agricultural sector</p>	<p>No Action</p>	<p>Beit Iksa and Annabi Samuel/ Jerusalem Governorate witnessed difficulties in access. DEEP could not intervene at a higher level with the Israeli authorities to facilitate access, however DEEP and the partner NGOs managed to facilitate access of materials in cooperation with the local community activists and managed to conduct the training in the nearby villages.</p>
<p>Jerusalemite beneficiaries have low potential to access finance to expand their businesses due to MFIs limited-scale in East Jerusalem</p>	<p>Conduct an MF market study in East Jerusalem and research the possibility to establish MF units in the potential NGOs. The initiatives started at DEEP in 2012</p>	<p>This challenge was supposed to be mitigated through risk sharing with MFIs working in East Jerusalem, however due to the recent critical political situation in East Jerusalem, the micro-financing progress did not move as expected, on the contrary many MFIs started halting from providing micro-financing.</p>

Lack of appropriate technical level of cooperation between the Ministry of Social Affairs in Ramallah and Gaza, MoSA depends on DEEP PMU to cover the lack of technical expertise	Implementation of the recommended activities and actions derived from the MF needs assessment in the Gaza Strip	DEEP managed to ensure proper communication between MoSA in Gaza and West Bank, where the main nomination for families were done by MoSA in Ramallah and the refreshment of the data to be finally conducted in Gaza.
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➤ **Risk of inadequate internal control: management & organizational capacity**

The Risk/ Challenge	How to respond?	How DEEP actually responds?
Insufficient resources and low commitment by partners	Covering all the needed resources committed (HR, Objectives and scope) in the signed agreement and reviewing the project structure, the number of beneficiaries, geographic distribution and budget will take into consideration before accepting the partner final proposal	<ul style="list-style-type: none"> - DEEP chose the 12 partner NGOs who worked with DEEP over the past 3 years based on their expertise and geographic presence to ensure cost efficient coverage for proper implementation of the activities - 3 days training workshop for partner NGOs on poverty analysis and sustainable livelihood approach for selection and targeting followed by training on principles of beneficiaries coaching and mentoring. - Continuous coaching to ensure better targeting and analysis for households

➤ **Risk of inadequate internal control: monitoring & reporting of results**

The Risk/ Challenge	How to respond?	How DEEP actually responds?
Waiting to assess the results after implementation	Develop quality assurance system	<ul style="list-style-type: none"> - DEEP prepared an operational manual in the fourth quarter of 2013 on a participatory approach base where the entire partner NGOs participated in a 3-day workshop - DEEP continuously conducts quality assurance and control in each phase of the business process, in addition to the provision of feedback to the partner NGOs before moving to the next phase

➤ **Risk of inadequate internal control: audit processes & financial control**

The Risk/ Challenge	How to respond?	How DEEP actually responds?
Implementing Partners (NGOs) failure in complying with the programme financial policies and procedures	DEEP established a clear and comprehensive set of financial policies and procedures addressing all the project implementation facets.	<ul style="list-style-type: none"> - DEEP conducted one day workshop for the accountants and procurement officers in the partner NGOs, where the financial and procurement procedures were explained - Continuous / day to day follow up for the procurement procedures
Inadequate financial reporting	DEEP had developed and tested an MIS that covers all the programme business processes, provides all needed financial control by auditing the financial reporting on transactional basis loaded on the system.	Periodic financial reports which are compatible with the achieved activities on the ground
Delays in financial reporting causes delays in disbursement and implementation	DEEP MIS would provide DEEP and implementing partners PMUs the needed mechanism to provide alerts and follow up causes of any potential delay before it occurs.	Monitoring the DEEP MIS to ensure adequate disbursement in relation to implementation
Weak linkage between business processes methodology and financial reporting	Training the implementing partners team on all business processes to help the financial people how to focus on delivering the expected activities and not only on the documentation and financial part of implementation	DEEP conducted one day workshop for the accountants and procurement officers in the partner NGOs, where the financial and procurement procedures were explained

➤ **Risk of inadequate internal control: procurement**

The Risk/ Challenge	How to respond?	How DEEP actually responds?
Procurement processes do not achieve the needed purposes	Verify the process delivery and examine its inputs in terms of competition, efficiency and transparency. This could be examined through tracking procurement processes on the project MIS.	<ul style="list-style-type: none"> - Monitoring of MIS - Networking among partner NGOs to facilitate procurement for similar projects to enhance the detailed specifications which will ensure a quick and easy process

➤ **Risk of Corruption**

The Risk/ Challenge	How to respond?	How DEEP actually responds?
<p>Partners governance weak</p>	<p>Official request identifying the recommended actions for correction</p>	<ul style="list-style-type: none"> - DEEP partner NGOs were exposed to a capacity assessment jointly with MoSA in the beginnings before contracting, and before launching any activities to ensure good governance. The capacity assessment included organizational, financial, managerial and technical capacities assessments. - Most of DEEP partner NGOs were targeted before DEEP by the NGOs Development Center (NDC), which complies with World Bank financial procedures and guidelines. - Auditing and reviewing of every single transaction by DEEP financial officer to ensure compliance with UNDP/ DEEP guidelines. - Daily monitoring and check-up on the MIS financial transactions.

b. Updated project issues and actions

Project Issue 1: Social, Cultural and Economic Challenges

- 1) There has been a gap that needed to be forged between entrepreneurship and poverty, as such; most of the nominated women for the projects were very poor, yet they were not qualified or eligible for economic empowerment, which called for organizing vocational trainings before moving towards business development.

Actions taken:

- *For some specific cases, where the beneficiary was eager to contribute, DEEP engaged some women in technical and vocational trainings in order to be able to establish their business such as tailoring and cakes and sweets processing trainings.*
- DEEP to consider allocating specific budget for exploring and mapping promising businesses for women in Area C, to be followed with an estimated budget for specific vocational training courses.

- 2) Many of the suggested business ideas are repetitive and traditional because of lack of experience and exposure to city centres, as well as low academic attainment.

Actions taken:

- *The working team was faced with this in early targeting, however many women beneficiaries after exposure to other women in business idea generation sessions, joint training and collecting prices and exploring markets, became able to develop and customize their initial business ideas to fit their communities.*
- 3) Existence of social and cultural barriers which prevent women from being able to attend trainings for long hours and continuous days and/ or to be away from their daily tasks. As such, men “husbands, brothers and fathers” in some rural areas did not allow women to participate in those training courses or sometimes redirected their opinions and changed some business ideas.

Actions taken:

- *Although project partners have detected no GBV cases so far, DEEP urged their partner NGOs to target women in their homes through providing individual coaching for women with their male decision makers to have a common and agreed upon opinion among both.*
- 4) Opening a micro business in the State of Palestine remains a challenge. Micro and Small Entrepreneurs face significant constraints and barriers, not only because of their need to acquire managerial knowledge and skills but an entrepreneurs’ mind-set that is aware of the necessary willingness, motivation and commitment that are required to launch, maintain and develop an income generating activity on the long run.

Actions taken:

- *DEEP started focusing on conducting first an orientation session of the start-up creation, which proved to be essential in that sense. It allows future entrepreneurs to be more realistic about the nature of their project and their capacity to be able to develop and upgrade their businesses.*
- 5) Commitment of many potential women beneficiaries might be more related to the grant they might receive rather than to the possibility to get new skills and improve business management. This is usually shown by the dropout rate at the different stages of the training and this is usually due to:
 - Beneficiaries realized that the grant will be allocated upon beneficiaries’ motivation and commitment.
 - Participants of the first training session realize, during the orientation phase, that being an entrepreneur requires a strong involvement in the project and that the DEEP-WE grant is also a commitment that a future entrepreneur must have the willingness and capacity to undertake.

Actions taken:

- *A first orientation session at the beginning of the training was added, which aimed to increase awareness of future entrepreneurs about the necessary requirements to launch and run a business on the short, mid and long terms and to anticipate constraints and difficulties that might occur*

during the different project phases (preparation, launching, adjustments, stabilization and development of the business).

Project Issue 2: Organizational Challenges

- 1) Despite the necessity for coordination and networking among partner NGOs, especially in East Jerusalem where there is a very limited and minimal presence for MoSA, many partner NGOs still do not cooperate and meet periodically with other partner NGOs.

Actions taken:

- *DEEP team continuously supervises and facilitates the relations and inquiries among partner NGOs, to ensure smooth implementation and good results on the ground.*
 - *DEEP team encourages and urges referral among beneficiaries in the supply and demand cycles, to ensure sustainability of the businesses.*
- 2) Since most of the targeted localities in Area C are of a small population, they lack CSOs and CBOS presence, as well as from well-known and trust worthy members who are not members of village councils. The partner NGOs used to face a difficulty in establishing the local committee, which used to take longer time than expected.

Actions taken:

- *DEEP urged the partner NGOs to adopt the publications process in the villages under the umbrella of village councils to ensure that their voices would reach all potential women.*

Project Issue 3: Political Challenges

- 1) Political instability and security events that occurred since October 2015 has affected the business planning and training sessions, were some planned coaching session were postponed due to the complex situation in East Jerusalem.
- 2) In Area C of the West Bank there were difficulties in entry and access to some villages due to Israeli checkpoints and barriers, such as An Nabi Samuel and Beit Ikka, which restrained the activities in light of the project limited timeframe. In those areas, the entry is restricted to the residents of those localities, where NGO staff, business coaches and suppliers from outside localities cannot enter the villages. However, DEEP and partner NGOs managed to interact with the local community who facilitated access of assets to the villages, while the training courses were conducted in nearby villages.
- 3) The high rates of operational costs due to limitations in electricity supply in the Gaza Strip.
- 4) In the Gaza Strip, the uncertainty about the political and security levels in the future especially in terms of micro financing and threats of business stability.

Project Issue 3: Procurement Challenges

- 1) The prices that were provided in the public tenders were always way higher than the market price, which lowered the profit margin for the women entrepreneurs especially with micro businesses with small items.

Actions taken:

- *In order to mitigate this, under specific circumstances, DEEP waived the procurement process to adopt direct purchasing for the benefit of women entrepreneurs while ensuring transparency in all procurement phases, especially for grocery stores with a great variety of items.*

Project Issue 4: Environmental issues

- 5) DEEP and partner NGOs adhered to environmental aspects through the working processes especially in the business ideas generation phase, where different ideas might emerge without women paying any attention to the environment. As such, DEEP insisted that the business ideas should be environmentally friendly.

Actions taken:

- *During the business planning and development process, DEEP continuously affirmed different environmental topics to be taken in consideration mainly; energy saving, green environment, no smoking related projects on different levels with the partner NGOs, SEC and beneficiaries. Through this, DEEP will ensure gradual and continuous environmental awareness and compliance.*

V. Lessons Learned

1) Key project successes and factors which supported these successes;

- DEEP Team (PMU) includes a group of experts with wide knowledge and experience in livelihoods improvement, project management, capacity development, business development, micro financing and procurement.
- DEEP created partnerships with 12 NGOs who passed the capacity assessment exercise conducted by MoSA and DEEP in the beginning of 2013, and had a good record in adopting the World Bank guidelines and procedures.
- DEEP participated in the recruitment process of the project teams of the partner NGOs to ensure the hiring of the most competent staff.
- More than 65% of the partner NGOs field workers and service providers were women who were more familiar with Palestinian women needs rather male members; those female members managed in responding to different and various levels of entrepreneurship and were able to invent solid solutions and reactions to deal with potential beneficiaries.
- DEEP conducted more than 39 training courses targeting 55 NGO staff members, on poverty analysis, sustainable livelihood approaches, business development, etc., in addition to continuous coaching in the field to ensure achieving the intended results.
- Business Development Services (BDS) was integrated to DEEP's package of services, which contributed to enhancing the productivity amongst small business owners. Prior to 2013, the service was not imbedded in DEEP's methodology, where most of the small businesses owners missed the business skills and competitiveness.
- Based on the observations in the field and coaching sessions, DEEP continued to improve and rectify procedures, guidelines and processes that later were shared with partner NGOs to ensure better implementation of the activities.

2) Analysis on what could have been done differently/ better to attain the project results

- DEEP offered two main approaches to economic empowerment using grants and micro-finance, which was a limitation with respect to response options and opportunities for economic empowerment in marginalized and rural areas.

Since late 2015, DEEP started the process of upgrading its approach from being a provider of grants and micro-finance to becoming a pathfinder for economic empowerment solutions to those who are vulnerable, marginalized and poor, through different mechanisms such as angle-investment (joint projects) where the co-founders of such joint businesses will be shareholders and owners at the end.

- DEEP focused its work on developing capacities of individual families to operate a business, rather than the enabling environment and eco-systems.

DEEP in its new strategy started focusing on the enabling environment (soft components) at the community and local level that can increase the potential for sustainability and local economic development (working with groups, partnerships with public and private sector, value chain linkages).

- Being committed to a specific approach, meant that DEEP needed to standardize its work with partners and beneficiaries which reduced flexibility in handling matters such as procurement, financial management and contractual modality.

Currently, DEEP became more focused on customized solutions for groups, which will allow more flexibility in implementation to accommodate beneficiary and project needs. Flexibility that can speed work yet maintains efficiency and transparency.

- Poverty Reduction/criteria vs. Economic Empowerment dilemma:

This influenced the targeting strategy of the programme, where talented and promising entrepreneurs were often not supported because they do not live below the poverty line; in spite of being vulnerable and marginalized. The upcoming and future criteria should consider the economic return and impact on employment.

- Women entrepreneurs vs. household targeting: the targeting approach of the household as a unit focused on assessing the household capitals and capacities to run a business. This approach was less focused on the individual entrepreneur, the business idea, or the market needs during the early stages of selection and planning; more focus was on poverty reduction potential.

DEEP is developing initiatives that focus on targeting individuals with talent, capacity, and eagerness through partnerships, incubators, technological advancement and skilling. This is currently being implemented in Gaza and West Bank incubators under universities, in addition to different vocational programmes towards jobs creation in East Jerusalem.

- Linkages & networking with other Sida programmes.

Coordination is not sufficient to ensure synergies. There needs to be a link at both the strategic and the implementation levels. This will ensure synergies in targeting and achieving joint results at community and households levels.

3) Recommendations to improve future programming

1. Continuously providing BDS since it was proved that the survival rates of businesses is linked to receiving BDS.
2. Providing coaching and training service before beneficiaries receive any type of financial support (grant or loan). Receiving pre coaching and training will empower the beneficiaries to avoid many challenges that might affect the initiation or development of their businesses (business idea generation, techniques of business idea development, market study, value chains analysis...)
3. Developing solid criteria for the selection process of the beneficiaries. These criteria should include: gender sensitivity, geographical distribution, feasibility and sustainability of the business, and level of commitment to grow and expand. Focusing on well-established businesses, those who have more than one employee is also very important.
4. Harmonizing the life cycle of the project with the nature of the participating businesses in the predesign of any future projects and the level of objectives to be achieved.
5. Promoting clustering and group work among small business owners in purchasing inputs, processing, and collective selling contract.
6. Designing internal monitoring and evaluation system for the business.
7. Effectively involving the stakeholders from designing, planning, to implementation, and evaluation stages is crucial for the sustainability of the business.

8. The post training is essential to further develop and consolidate managerial skills, as entrepreneurs need to have strong accountancy and management skills to be able to mitigate the periodic crisis that can erupt.

VI. Conclusions and Way Forward

Impact on women's businesses performance:

- **DEEP-WE contributed to availing a comfortable environment** for the targeted women through the provision of self-employment opportunities in their own start-ups, while protecting them from working under poor conditions, with low wages and for long hours such as the cases in Israeli settlements or in manufacturing companies.
- **Enhancement of women participation in the socio-economic and cultural development process**, which in turn contributed to women role improvement in the Palestinian community development. As such, women became able to enhance their families' income through their start-ups as well as building commercial relationships with new buyers and sellers, which led to shifting of the cultural perspective for women's roles, as they are vital members in building families and communities as a whole.
- **Increase in the number of jobs created:** the data collected from the field reveals that some beneficiaries have managed to create a number of sustainable jobs, where DEEP-WE contributed to lowering the unemployment rates among women, through self-employment in those businesses, as well as increased the number of workers inside each household. The project impact on employment shows that each business provides 1.5 job opportunities in addition to the business owner. Moreover, many women entrepreneurs managed to employ other women from other households.
- **DEEP-WE helped the targeted women and their families to live in dignity** through providing an income generation project, which helped in generating a relatively sustainable income to the targeted households.
- Providing a woman with her own independent project reinforced the fact that a woman's **role in a family is vital and significant**, and she can be a decision maker if she received the adequate opportunity. It iterated the fact that women can work in managerial positions not only in production or in low skilled work.
- **Increase in sales:** the data shows that 38% of total beneficiaries witnessed an increase in the volume of sales with an average of 22%.
- **Production and productivity:** the data shows that 33% of total beneficiaries witnessed an increase in the production volume with an average of 26%. BDSs managed to help agro – enterprises in improving their productivity and production through: improved farm business management, cutting waste and spoilage rate, cutting cost, higher quality inputs, etc. It is worth to mention that this increase in both productivity and production is at risk of losing steam mainly due to the particular crop harvested, the seasonality, and the environment effect on that crop.
- Balancing between women's role in child-care and business tasks, where most women proved they were capable to manage their own business, through their endurance and commitment.
- **Supporting women in families with persons with disabilities**, where more than 20% of the targeted families included persons with disabilities whose lives were improved through DEEP interventions.
- **Supporting women's resilience in remote areas and in Area C, enabling them** to live under critical political and economic barriers.

- **Reduction of production cost:** the production cost is a main challenge for small farmers, mainly because of the small-scale production and it affects negatively one their competitiveness. In this regard, BDSs helped at least 24% of total beneficiaries to cut their business cost by 23% through: provision of technical training, cutting waste, improved crop management, resource management (water, energy, human resources, logistics, etc.)
- **Establish business linkages:** one of the main challenges facing Palestinian small business owners is having effective and sustainable market channels. To this extent, BDSs have helped 43% of total beneficiaries to establish business linkages through newly established marketing channels combined with higher profit margins. BDSs have established business linkages in the governorate and with traders and input suppliers in other governorates with better market prices.
- In general, it is shown from the different business performance indicators impact, that **81% of businesses have improved their margins of profit**, cash management, and liquidity.
- BDS staff were able to build a trust relationship with beneficiaries during training sessions and follow-up visits. Until now, beneficiaries regularly contact business coaches to receive personalized advice on the actions they undertake for the development of their project.
- Establishing income generation projects/ businesses, led to improving the financial situations for the targeted households, which in turn contributed to promoting and **enhancing higher education in the targeted households, especially female students.**

VII. Financial Status¹

The Financial reporting includes the following tables:

- Sources and Uses of Funds – Sida Contribution
- IsDB Contribution
- Planned Vs. Spent Analysis Cumulative as of 15.06.2016 and on annual basis (2013,2014 & 2015)
- DEEP WE Budget revision during the programme cycle.

[DEEP WE Financials as of 15.06 2016.xlsx](#)

¹ *Disclaimer: Data contained in this financial report section is an extract of UNDP financial records. All financial provided above is provisional.*

Disclaimer: UNDP adopted IPSAS (International Public Sector Accounting Standards) on 1 January 2012; cumulative totals that include data prior to that date are presented for illustration only.

VIII. Annex

a. Updated number of trainees and women entrepreneurs per NGO

Year	NGO	Area	The Scope of Work (until the end of 2015)	The families who were nominated for the project by community or MoSA	The families who were analyzed through SLA	The # of Business Plans	The # of delivered projects
2013	MA'AN	WB	105	247	247	111	111
	ASALA	WB/ GS	105	231	132	131	105
	PARC	EJ	75	188	110	75	75
2014	QADER	WB	50	252	190	50	50
	Palestinian Youth Union	WB	35	230	41	33	33
	NAJDEH WB	WB	35	60	40	34	34
	Mother School Society (MSS)	WB	25	89	25	25	24
	ACAD	WB	85	123	44	35	35
	JUHOUD	WB	25	159	42	25	25
	AL-NAJDA GS	GS	25	45	27	25	25
	Gaza Culture & Development Group (GCDG)	GS	35	87	67	15	15
	Job Creation Program (JCP)	GS	35	96	78	28	28
2015	ACAD	WB	50	105	58	58	49
	QADER	WB	55	118	118	55	56
	MAAN	WB	55	137	60	55	55
	PARC	EJ	25	62	55	26	26
	ASALA GS	GS	25	60	60	25	25
	AI-NAJDA GS	GS	17	47	20	17	17
	GCDG	GS	30	83	44	30	30
	Total		892	2,419	1,458	853	818

b. Distribution of women businesses per sector

NGO	Sector				Total
	Commercial	Agricultural	Services	Industrial	
MA'AN	58	83	16	9	166
ASALA	67	37	18	8	130
PARC	60	3	38	0	101
QADER	68	1	29	8	106
Palestinian Youth Union (PYU)	20	7	6	0	33
NAJDEH WB	25	3	6	0	34
Mothers School Society (MSS)	13	9	2	0	24
ACAD	46	27	11	0	84
JUHOUD	18	1	3	3	25
AL-NAJDA GS	29	0	12	1	42
Gaza Culture & Development Group	17	5	22	1	45
Job Creation Program (JCP)	13	4	11	0	28
Total	434	180	174	30	818

c. Success Stories



Hiba Masoud, Huwwara/ Nablus: a wife and a mother of 7 children. Her husband is unemployed due to an accident that left him disabled. She is the only breadwinner of her family, and she borrowed from her relatives to buy a cow before she applied to DEEP-WE. After she received the grant (2 cows), she managed to cover all her debt and bought a new baby cow, as well as a second hand car to distribute dairy products to her customers.



Hanadi Abassi and Iman Baradieh, East Jerusalem: She participated in the first World Humanitarian Summit, Istanbul/ Turkey, May 2016. They interacted with different stakeholders, and had the opportunity to talk about the programme's impact on their lives and managed to sell most of their products and other beneficiaries' products in the exhibition.



Nour Awad, Gaza Strip: A widow for 3 years and a mother of 3 children. After the death of her husband, she was forced to work to support her family until she was nominated by MoSA to receive the training followed by furnishing a beauty salon. The number of her customers is increasing daily and she created 2 jobs inside her family and another job for another woman in a different family.



Mariam Haj Ali, Jamain, Nablus: Mariam participated in the Palestinian Industries Exhibition Fair in Kuwait, April 2015. She received a grant to open her grocery store including a corner for straw handicrafts to support her son's family who is mentally and physically disabled. Having her own shop, made her family economically independent. Now she can cover her son's health expenses as well as his daughters' university fees and her own medication fees.



Mariam Sbeih, Alkhader, Bethlehem: A widow and a mother of 2 daughters who suffer from physical disability. She benefited from DEEP through receiving sewing kits and machines. Before receiving her business, she was solely dependent on her husband's salary, which was minimal. Currently, she increased her income and became able to cover her basic needs as well as her daughters' medicine.



Faten Abdul Baqi, Zeita/ Nablus: A 27 years old who used to support her family that consists of 5 members, including her mother, her siblings and her sister in law. Before receiving the grant, she used to work in a tailoring workshop for a minimal daily wage. She received 5 sewing machines, where she hired her sister and her sister in law. She bought additional 2 sewing machines from savings from her business profit.



Madiha Ballut, Rantis, Ramallah: She received a bachelor degree in mechanical engineering and used to produce some detergents, on a small scale, to support her family, which consists of 4 members. Since she received her business, she started producing different types of detergents and managed to reach new customers in different surrounding villages, which led to increasing her daily income.



Fadwa Rajabi, East Jerusalem: Fadwa participated in the 41st Annual Meeting of the Islamic Development Bank Group, Jakarta, Indonesia, May 2016. She established her business where she produced handicrafts for weddings and ceremonies. Her participation in the exhibition opened her horizons to new ideas and helped her market most of her products.