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Country: State of Palestine

PROJECT DOCUMENT

Path to Economic Recovery: Facilitating Decent Jobs in the Gaza Strip



UNDP/PAPP
April 2019



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Project Title: Path to Economic Recovery: Facilitating Decent Jobs in the Gaza Strip

Project Number: PAL 10 – 116171

Implementing Partner: UNDP/PAPP in cooperation with Ministry of Labour, Ministry of Education and Higher Education, Ministry of Local Government, Ministry of Social Development, Gaza Strip municipalities, universities, civil society organizations, and the private sector.

Start Date: January 2019



End Date: December, 2022

PAC Meeting date:

Brief Description
<p>The state of the Gaza's economy is brought into sharp focus by the unemployment rate which, at 43%, is thought to be the world's highest. Youth unemployment is even higher at nearly 61% and the unemployed now stay out of work for longer than in recent years. There were more than 9,000 fewer jobs in Gaza in 2017 compared with 2016, with manufacturing losing about close to half its workforce and employment falling in all industrial sectors. New shocks to the economy in 2018 associated with salary cutbacks compounded the long-term deindustrialisation of Gaza, caused by the successive conflicts and the blockade.</p> <p>The objective of the overall programme which this assistance forms a part is a stimulus to Gaza's economy leading to demand, output and employment response. This will through a combination of short-term employment, management support to existing enterprises, and incubation of new enterprises.</p> <p>Support under the assistance described in this project document form part of this programme. They will support actions aimed at making the demand stimulus more efficient in terms of the output and employment response. The support will accordingly address job creation in GIS mapping, vocational training, apprenticeships, turnaround management assistance to existing enterprises, enterprise incubation and acceleration, and creation of a one-stop-shop.</p> <p>The designed programme is built on UNDP engagement and collaboration with the key stakeholders, lessons learned resulted from implementation of economic empowerment interventions and taking the advantage of the on-going activities related to building entrepreneurship skills, job creation and establishing micro-businesses implemented under the DEEP programme, youth employment programme "funded by The Government of Switzerland, through the Swiss Agency for Development and Cooperation (SDC), Government of Japan, The OPEC Fund for International Development (OFID), and the Islamic Development Bank (IsDB).</p>

<p>Contributing Outcome (UNDAF/CPD):</p> <p>UNDAF Strategic priority 3: Leaving No One Behind: Supporting sustainable and inclusive economic development:</p> <p>Output 1.1: Private and Public sectors supported through labour intensive initiative.</p> <p>Output 1.2: Win-Win apprentice administration system.</p> <p>Output 1.3: Intensive job creation for graduated youth in developmental projects.</p> <p>Output 2.1: Investment in technical and vocational education and training (TVET).</p> <p>Output 2.2: Resilience business – new jobs for young entrepreneurs.</p> <p>Output 2.3: Improving business environment through support business start-ups and SMEs</p> <p>Gender Marker: GEN1</p>	Total resources required:	USD 68,700,000	
	Total resources allocated:	UNDP TRAC:	USD 500,000
		Donor: SDC	USD 2,000,000
		Donor: IsDB	USD 1,000,000
		Donor: Qatar	USD 7,000,000
		In-Kind:	
	Unfunded:	USD 58,200,000	

Agreed by (signatures):

Government	UNDP	Implementing Partner
		
Date:	Date: 20 June 2019 	Date:

I. DEVELOPMENT CHALLENGE

Gaza's economy is stagnant¹. GDP grew by only 0.5% in 2017 as compared to around 8% in 2016, with living standards falling since 1994 (real GNI per person of USD2,659 was 1994, but is now only USD1,826). At the same time, people in Gaza have grown poorer than those in the West Bank (GNI per person in the West Bank was only 8% higher than Gaza in 1994 but is now 137% higher). Recent analyses suggest that living standards in Gaza will continue to fall and unemployment to increase if there are no major policy changes, no reunification, and no change in the peace process².

Economic stagnation reflects contraction in manufacturing, construction, services and other sectors, as well as the sharp fall in aid for reconstruction, the main driver of growth in Gaza in 2016. Aid for reconstruction in 2017 was about US\$ 55 million, compared to US\$ 400 million in 2016. Consumption also fell sharply in 2017, with part of the wage payments to employees of the Palestinian Authority in Gaza withheld since April 2017, while wages to the *de facto* government almost ceased. This has meant sharply diminished purchasing power and falling demand. These salary cuts are thought to affect some 80,000 families (almost one quarter of Gazans), dragging down spending³.

The state of the Gaza's economy is brought into sharp focus by the unemployment rate which, at 43%⁴, is thought to be the world's highest. Youth unemployment is even higher at nearly 61% and the unemployed now stay out of work for longer than in recent years. There were more than 9,000 fewer jobs in Gaza in 2017 compared with 2016, with manufacturing losing about close to half its workforce and employment falling in all industrial sectors (table 1). In short, these new shocks to the economy compound the long-term deindustrialisation of Gaza, caused by the successive conflicts and the blockade.⁵

Table 1: employment by industrial sector, 2016-2018

Sector	2016		2017		2018	
	No. of Working Factories	No. of Workers	No. of Working Factories	No. of Workers	No. of Working Factories	No. of Workers
Food	70	1,800	51	990	45	990
Plastics	58	1,440	42	792	37	420
Chemicals	73	1,080	53	755	40	594
Paper	85	1,440	62	1,070	55	792
Textiles	110	2,880	80	2,500	75	1,584
Metals	71	360	52	350	45	198
Leather	27	216	20	270	18	119
Wood	112	2,880	82	1,880	60	1,584
Construction	390	5,760	285	5,200	240	3,168
Aluminium	270	1,620	197	891	188	570
Traditional	10	50	10	28	10	28
Total (Average %)	1,276	19,526	934	14,726	813	10,047

Source: Palestine Federation of Industry (2018). Summary of the industrial sector situation in the Gaza Strip, 2016-2018.

Firms are responding to falling purchasing power by cutting wages, salaries and jobs, building-up stocks, and reducing output. They curb redundancies by cutting salaries, usually in agreement with the workforce but, even so, some have still had to lay off staff. Part-time working is also common, with staff working fewer days per month. Some have remaining liquid by borrowing or by selling assets, in some cases eroding their productive base and threatening their longer-term future.

In the construction sector, falling demand appears to have worsened the effects of reduced aid for reconstruction. The area licenced for new construction in Gaza has fallen (see table 2), suggesting less

¹ World Bank (2018). Economic Monitoring Report to the Ad Hoc Liaison Committee, March 19, 2018

² <http://www.imf.org/en/Publications/CR/Issues/2018/03/16/west-bank-and-gaza-report-to-the-ad-hoc-liaison-committee>

³ The aggregate value of cuts is not known with accuracy, with estimates varying from US\$200 million to US\$ 400 million per year.

⁴ <http://www.pcbs.gov.ps/site/512/default.aspx?lang=en&ItemID=3050>

⁵ World Bank, *op.cit.*

building and so lower demand for building materials and fittings. This may however also reflect the completion of housing projects funded by the Gulf States.

Table 2: area licenced for new construction, Gaza Strip 2017-2018 (donums)

	Oct-17	Nov-18	Dec-17	Jan-18	Feb-18
Northern District	38,560	39,210	34,662	26,150	21,734
Gaza	92,420	65,468	50,163	35,792	38,052
Al Wastah	18,040	3,300	4,200	5,200	4,500
Khan Younis	73,630	44,096	39,653	28,263	29,340
Rafah	38,220	25,060	23,523	30,259	26,462
Total (Gaza Strip) donums	260,870	177,134	152,201	125,664	120,088
Total (Gaza Strip) hectares	261	177	152	126	120

Source: <https://unsco.unmissions.org/ahlc-reports>

Firms face rising costs. Electricity shortages mean increased use of generators, which results in high energy costs. Margins for work done for international organisations are further squeezed by problems in VAT refunds, despite hopes that the 2017 reconciliation would solve this. At the same time, competition from imports has increased, with importers reducing prices to compete with domestically-produced goods, often to meet targets under agency agreements. The Karni crossing between Israel and Gaza⁶, which was closed in 2006, meant diverting imports to the Karm Abu Salem (Kerem Shalom) crossing and correspondingly increased transport costs.

Many firms sell on credit to retailers and wholesalers, with problems in repayment putting further pressure on their finances. Supplier credit is commonly based on post-dated cheques. But there are high levels of ‘bounced’ cheques, where the cheque is returned by the bank to the beneficiary unpaid because of insufficient funds in the payer’s account. The number and value of bounced cheques in Gaza nearly doubled in 2017.

Restaurants have faced a particularly sharp downturn. Restaurant revenues were reported to be sharply down 50% in the last quarter of 2017, with a further falls during the first quarter of 2018. Eating out is a luxury – but also an important social function - and so a casualty of households cutting back expenditure to fund necessities. Customer numbers are accordingly falling, as is spending per customer. This has resulted in wage cuts and reduced employment, with some 2,500 employees in hotels and restaurants in 2018 compared to around 4,500 in 2016. The impacts of the downturn are worsened where restaurants have taken loans, with many struggling to service debts. There are obvious knock-on effects on suppliers and ancillary industries.

The poor economic environment means that fewer companies are formed. New company registration fell by more than half between 2016 and 2017, with 184 companies registered in Gaza in 2017 compared to 425 in 2016⁷. There are also reports of company closure and bankruptcy, although data confirming this is missing. Closures of shops are also reported.

These pressures have not yet brought major changes in the way people are employed. The percentage of employers and the self-employed decreased slightly in 2017, while the percentage of wage employees increased slightly (table 3). This suggests a slight change from self-employment (either as an employer or a sole trader) into paid employment. There were also some signs of falling unpaid family labour, suggesting pressure to get a job and so bring money into the household. Perhaps unexpectedly, there is little sign of a move to the informal economy.

⁶ <http://gisha.org/gazzamap/394>

⁷ Source: <https://unsco.unmissions.org/ahlc-reports>

Table 3: type of employment in Gaza 2016-2017

Type of employment	2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Employers	3%	3%	4%	4%	3%	3%	4%	3%
Self-Employed	14%	14%	13%	15%	14%	13%	16%	13%
Wage Employee	79%	79%	79%	79%	80%	80%	77%	80%
Unpaid Family Labour	4%	4%	4%	3%	3%	3%	4%	3%

The effects of the blockade on trade are well known and shown by the number of truckloads coming into Gaza every month. The numbers varied in 2016 and 2017 making it hard to see a trend but are sharply down in the opening months of 2018. Exports are a small fraction of imports, reaching 83 truckloads in February 2018 compared to 11,630 truckloads of imports in February 2016 and 7,817 in February 2017.

Farms producing for the Gaza market also face problems of falling demand and lower prices, squeezing earnings and making it hard to cover production costs and to service debt. Price falls in local markets, which probably represent a combination of falling demand and cyclical trends, are pushing some producers close to collapse, with farms selling assets to bring in money to allow them to continue trading. Many are in debt and have post-dated cheques falling due at regular intervals, with reduced earnings threatening their ability to meet these commitments.

Financially-squeezed households are changing spending patterns, cutting back to make sure they can afford the essentials. Not surprisingly a higher percentage of incomes in Gaza goes on food than in the West Bank⁸. They are also shelving major purchases partly out of fear of getting into debt, given that defaulting on debt is an imprisonable offence in Gaza. Those who have lost jobs or had their salaries cut are worst affected, but those still in work are increasingly cautious.

Households are anxious about the state of Gaza's economy and what it means for them. Unsurprisingly, this comes from recognition of Gaza's worsening economic situation, with jobs seen as vulnerable to the continued blockade and recent salary cuts. Surveys also point to precarious household finances, with three quarters of households in debt, mostly to other family members rather than to banks or other financial organisations (many households are unbanked). Average household debt is equivalent to about US\$6,000, made up of unpaid electricity and water bills and debts to shops, as well as that owed to friends and relatives.

Full time work is rare, with surveys suggesting that only about 20% of the working age population has a full-time job, with a few more working part-time –overall 1.3 people per household do some sort of work. Of those out of work, many (nearly 40%) had been out of work for more than 5 years. But few households have experienced a family member losing their job although, of those that have, job losses were concentrated in 2017. Instead, most households say that their deteriorating finances are because of reduced working hours and lower wages.

Most household incomes (86%) are below US\$700 per month and over half live on US\$425 per month or less (although there is conflicting evidence from other surveys which suggest an average household income in Gaza of about US\$780 for a family averaging 6.1 people). Unlike the West Bank, household expenditure is falling in Gaza, from about US\$155 per person in 2011 to about US\$130 in 2017⁹. Keeping in mind inflation, the real fall in expenditure has been much higher.

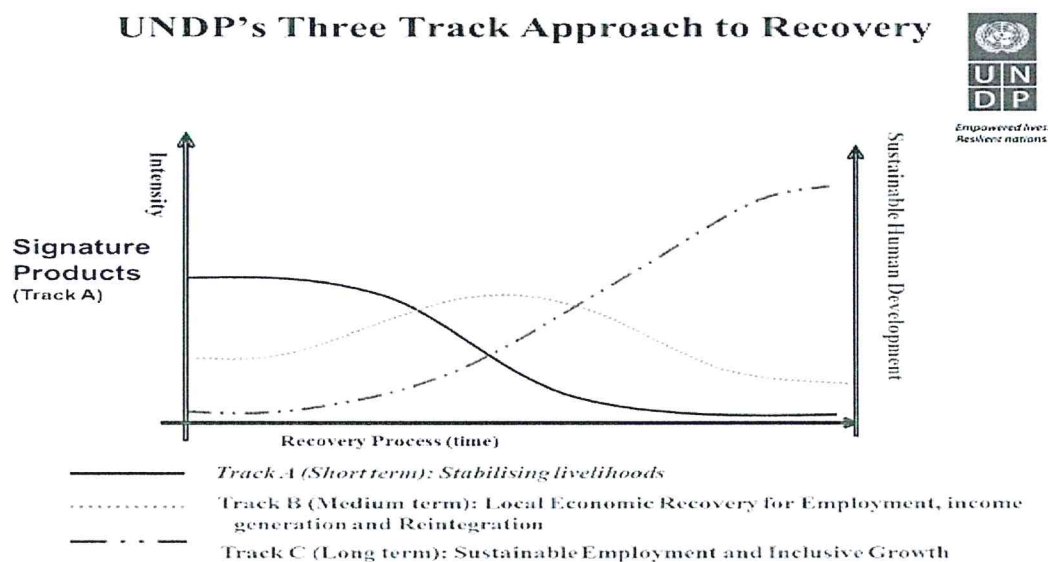
⁸ Palestinian Central Bureau of Statistics, 2018. Expenditure and Consumption Survey: (October 2016- September 2017). Press Report on the Levels of Living in Palestine: Expenditure, Consumption and Poverty. Ramallah – Palestine. April.

⁹ <http://www.pcbs.gov.ps/post.aspx?lang=en&ItemID=3115>

Households say that they need US\$750 monthly to live on and, with incomes now around or below this, there is obviously little scope further to cut wages, working hours, or jobs without major effects on households' ability to survive financially. The fragility of Gaza's household economy is seen in rising poverty, with increased poverty in the occupied Palestinian territory between 2011 and 2017 entirely due to sharply increased poverty in Gaza Strip¹⁰. Marked increases in deep poverty were also seen in Gaza in this period (poverty rates are currently 53%, with nearly 34% in deep poverty).

Food consumption is being reduced, particularly amongst the neediest, with Gaza's household food expenditure 70% of that in the West Bank. Almost half Gaza's households are food insecure, with UNRWA¹¹ and WFP¹² assisting more than 1.2 million people with food aid. Food consumption¹³ fell between April and June 2017, with nearly all households reducing the quality of what they ate (up from 65% of households in the previous quarter) and increasingly buying food on credit (up from 45% to 79% of households). A third reduced the number of meals per day, while in a quarter of households, adults ate less so that children could have more.

Fig 1. Three Track Approach:



Emergency employment: **Track A** focuses on emergency employment to help people rebuild their lives and stabilize livelihoods.

Medium-term employment: **Track B** concerns local economic recovery and community driven recovery programmes, often applied to an area-based development approach at local level. This track helps in the consolidation phase of the peace process or recovery and includes capacity development of local human resources (i.e. skills training), access to finance (e.g. savings and micro-loans), market based economic activities, pro-poor value chains and includes governments at national and local level, as well as civil society and the private sector.

Long-term employment: **Track C** focuses on sustainable employment creation through the promotion of an enabling environment, labour market mechanisms and institutions and private sector recovery.

¹⁰ *ibid*, Poverty rates in the Gaza Strip jumped from almost 39% in 2011 to 53% in 2017, while falling in the West Bank over the same period.

¹¹ The United Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) provides food to almost 190,000 families (over 975,000 refugees) every quarter. This is meant to cover between 43 and 80 percent of dietary energy requirements.

¹² The World Food Programme (WFP) reaches 157,000 non-refugee beneficiaries, of whom 62,000 redeem value-based electronic food vouchers through 75 contracted shops, 485,000 receive a traditional food ration every three months, and 10,000 receive both wheat flour and vouchers. WFP also distributes in-kind food rations to 79,000 beneficiaries and value-based electronic food vouchers to 10,000 beneficiaries targeted by the Ministry of Social Development via its social safety net programme. WFP food assistance is meant to cover 60 percent of a beneficiary's dietary energy requirement. The voucher programme also aims to improve dietary diversity amongst the non-refugee food insecure population and, indirectly, to promote the local economy.

¹³ Food consumption as measured by the World Food Programme's Food Consumption Score <https://www.wfp.org/content/technical-guidance-sheet-food-consumption-analysis-calculation-and-use-food-consumption-score-food-s>

II. STRATEGY FOR CREATING JOBS IN GAZA

Development partners together with local organizations have successfully generated thousands of jobs, mainly short-term ones, for vulnerable people and youths through various projects. These initiatives are very important to provide cash inflows that are urgently needed to bring relief from the difficult living conditions faced by the residents of Gaza. However, these emergency employment options do not provide longer term sustainability. Hence, development partners should take a more comprehensive approach that focuses on different types of jobs creation initiatives in order to have a lasting impact.

(1) Creating jobs in the short term (from Track A to Track B by using 3X6 UNDP Approach)

Accelerated short-term financial support to address the urgent needs of Gaza's people and increase their ability to overcome future shocks. A majority of UNDP Gaza's projects are currently contributing to the creation of short-term jobs. These projects have provided cash inflows that are urgently needed to bring relief from the difficult living conditions. Some of the examples are: i) support to unskilled labour engagement in the labour-intensive project for supporting the private sector and the public works; ii) Intensive job creation for graduate youth in developmental projects (youth engagement in upgrading municipal information systems - GIS), and iii) Win-Win apprentice administration system (improved public services and support private companies through youth apprenticeships). However, these short-term measures should be linked to a longer-term plan through a clear line of vision, as an integral part of a strategic policy shift for advancing Gaza's economic future.

Jobs creation projects such as cash for work can be continued but they will need to be improved by incorporating a sustainability component into these projects. For example, a 3x6 approach¹⁴ can be introduced to the Cash for Work initiative. The 3x6 approach follows a model linking short-term temporary employment (*Track A focuses on emergency employment*) to savings generation, skill building, and business development (*Track B concerns local economic recovery*), while focusing on social cohesion and inclusion. Such strategies have been widely implemented by other UNDP country offices in Jordan, Yemen and Burundi, among other. Currently, within Gaza youth and women employment Programme, the new approach is under piloting and the initial signs are very positive and could be replicated based on UNDP/PAPP experience in Economic Empowerment. Figure 2 clarifies the 3X6 approach that includes 3 principles and the 6 steps.

¹⁴ <http://www.undp.org/content/undp/en/home/librarypage/poverty-reduction/global-toolkit-on-the-3x6-approach--building-resilience-through-.html>

Fig 2. 3X6 UNDP Approach:



2) Private Sector led economy for sustainable jobs by supporting the private sector for medium and long-term Jobs (from Track B to Track C)

There is an urgent need for a more sustainable growth path driven by the private sector in order to create sustainable jobs in the Gaza Strip. The specific types of support can be divided into two categories:

- i. Provide direct support to private sector development, skills building and sustainable job creation **(Track B):**
 - Support directly by providing training, skills development, other economic empowerment tools, and financing models.
 - Build competitiveness of enterprises within the domestic market.
 - Provide logistic support to businesses including raw materials, equipment and technology.
- ii. Provide upstream advocacy and policy support to improve the business environment **(Track C):**
 - One-stop model to provide comprehensive services in one go to new and existing businesses to set up and promote their businesses.
 - Support private sector growth through providing business development services to penetrate the external market for increasing export to take part in the economic development.
 - Improve integration and collaboration between educational institutions and the private sector. Developing more employable curriculum for the graduates.

Creation of knowledge transfer partnerships between private sectors and academic and vocational training institutions¹⁵ⁱ can help creation of jobs in a more sustainable manner.

- Co-finance partnerships with the private sector. International organizations can help incentivize investment and mitigate risks.
- Mechanisms and support for vocational trainings for young population.

III. RESULTS AND PARTNERSHIPS

The main objective of this programme *is to create jobs that can boost Gaza's resilience and Gaza's economy through a demand stimulus which leads to increased output and employment*. A fresh approach is needed more than ever to create sustainable jobs that can boost Gaza's resilience. Gaza's economy requires a fundamental long-term strategic policy shift from the international development community, under which short-term measures are complemented by programmes that focus on long-term sustainability. Hence, this programme will focus on both short term and medium and long-term jobs creation initiatives to have lasting impact.

The assistance forms part of a wider programme for Gaza which has two planned outcomes:

- | | |
|-----------|--|
| Outcome 1 | opportunities for sustainable livelihoods enhanced through creation of short-term jobs |
| Outcome 2 | business environment improved to stimulate the role of the private sector to generate medium and long-term jobs. |

The planned outputs are as follows:

Outcome 1: opportunities for sustainable livelihoods enhanced through creation of short-term jobs	
Output 1.1	Private and Public sectors supported through labour intensive initiatives
Output 1.2	Win-Win apprentice administration system
Output 1.3	Intensive job creation for graduated youth in developmental project

Outcome 2: business environment improved to stimulate the role of the private sector to generate medium and long-term jobs	
Output 2.1	Investment in technical and vocational education and training (TVET) - jobs for skilled youth.
Output 2.2	Resilient business – new jobs for young entrepreneurs in Gaza.
Output 2.3	Business environment supported serving successful entrepreneurs and SMEs.

¹⁵ <http://www.iicpsd.undp.org/content/istanbul/en/home/library/reports/best-practices-guidelines-and-toolkit-on-engaging-the-private-se.html>

Programme outcomes and outputs are described below. The proposed support described in this project document addresses output 1.3 (intensive job creation for graduated youth in developmental project), output 2.1 (investment in technical and vocational education and training (TVET) - jobs for skilled youth, and output 2.2 (business environment supported serving successful entrepreneurs and SMEs).

Outcome 1: opportunities for sustainable livelihood enhanced through creation of short-term jobs

Short-term job creation will be used to provide a fiscal stimulus in Gaza, to enable reattachment to the labour market, and to provide household income.

Output 1.1: private and public sectors supported through labour intensive initiatives. Jobs in the public sector will be in various areas, including solid waste clearance and disposal, road cleaning, painting public buildings, and beautification (including planting trees, shrubs and flowers). Employment in the private sector will be in established firms and will involve skilled and semi-skilled staff, including those who had been laid off by the firm concerned. Firms in sectors which use a high proportion of local materials in production will be preferred in order to limit the leakage of the stimulus into imports.

Wage subsidies will be used to induce employment, with the aim of providing incentives for employment of the unemployed with prior experience and to labour market entrants with little or no prior experience. The proportion of the subsidy will depend on whether beneficiaries are staff with skills and experience or new labour market entrants, with the latter subject to a higher level of wage subsidy. The variable rate of subsidy is designed to increase the attraction of hiring a new labour market entrant and hence increase the number of people with work experience.

Support to this output is being provided by the government of Qatar, mainly through provision of 3516 new job (short-term).

Output 1.2: win-win apprentice administration system. Apprenticeships will be backed by wage subsidies and will be in both the public and private sector, although with a focus on the public sector. A total of 9,000 apprenticeships of 3-6 months' duration is planned, with about 6,000 in the public sector and 3,000 in the private sector. In the public sector, apprenticeships are expected to be concentrated in education and health.

In the private sector, the apprenticeships will be in the strongest firms and those that are stable financially. Despite the erosion of the industrial base, there are firms which have been able to survive, including those in the garments and furniture subsectors, where export to Israeli markets is easier.

The wage subsidy will be provided for an agreed duration and it is hoped that staff will be retained after completion of the apprenticeship. In many cases, apprenticeships will be backed by vocational training to make sure that apprentices have the technical skills required. The vocational training may be provided before the apprenticeship or during the period of the apprenticeship in agreement with the firms hosting the apprentices.

Output 1.3: intensive job creation for graduated youth in a development project. To date, spatial data on 16 of the 25 Gaza municipalities has been digitised. This will be extended to the remaining 7 municipalities and will involve digital inventorisation of all buildings and streets as a basis for creation of a commercial map.

Unemployed young graduates in engineering and GIS-related disciplines will receive training and on-site coaching on collecting economic data (based on occupation code numbers according to ISIC) and

converting them to a spatial computerized information layer associated with building code numbers. The Ministry of Local Government will collect all information from the target municipalities and upload the data to *Geomolg* (a hub for all national spatial datasets)¹⁶.

Outcome 2: business environment improved to stimulate the role of the private sector to generate medium and long-term jobs

Actions will address facilitation of private sector operations. They will be diverse and will comprise, skills development, incubation of new enterprises, turnaround management and making it easier to do business in Gaza.

Output 2.1: investment in technical and vocational education and training - jobs for skilled youth. Despite very high unemployment levels, skills in some professions are in shortage in Gaza. This will be addressed through targeted training based on short vocational training programmes (typically of 90 days' duration, but longer in some cases). Participants will include university graduates who, as a group, suffer high levels of unemployment. Training providers will be both the Ministry of Local Government's vocational training schools in Gaza and private providers. A small monthly payment for living expenses will be made to participants in training.

Unemployment amongst people with disabilities is very high and so training will also be provided to people with disabilities¹⁷, with support offered in job placement. People with disabilities have acute labour market disadvantage and hence the addition of placement services is essential for getting them into work. Placement services may also be extended to other groups of beneficiaries, depending on the extent of post-training employment.

Skills for which training will be provided will be guided by identification of the skills in deficit in Gaza. In the absence of systematic labour market needs analysis and given the lack of Employment Centres (which would be expected to have such information), other sources of information will be used. These include sector studies by the Palestine Economic Policy Research Institute. Anecdotal information will also be used, including discussions with the larger firms in Gaza.

Output 2.2: resilient business – new jobs for young entrepreneurs in Gaza. Actions will focus on incubation, using existing incubators. These are well established in Gaza and have tried-and-tested methodology and approaches. They offer individualised programmes, as well as group *hackathons* 'bootcamp' approaches for generating and refining ideas.

Once ideas have generated, support will be provided mentoring and training programmes. Incubation will potentially be across all sectors and may include e work, with selection of enterprises for incubation based on the strongest proposals regardless of sector. Coaching will include technical and business skills. Seed funding to the promising start-ups may also be provided after completion of incubation. Access to finance remains difficult in Gaza, particularly to new firms without collateral. As a result, seed funding in the form of grants is justified.

Acceleration support will be provided to earlier start ups which are now well established and capable of growth. This will involve individualised support aimed at moving to high level of operations and turnover, potentially involving new and improved products. There are firms in this category in Gaza which were established some 3-5 years ago and are now ready for expansion. The risks in acceleration are much lower than in incubation since, my definition, the firms entering acceleration have survived

¹⁶ geomolg.ps/L5/Index.html?configBase=https://geomolg.ps/Geocortex/Essentials/REST/sites/A3/viewers/V1/virtualdirectory/Resources/Config/Default

¹⁷ The Palestinian Ministry of Social Development estimates that over 49,000 people in the Gaza suffer from some type of disability, a third of them children. More than 1,100 of these people, including about 300 children, became disabled because of injuries incurred during the 2014 hostilities, including approximately 100 amputees.

the very high mortality found in start-ups (anecdotally estimated at 70% in Gaza). Firms entering acceleration will be on merit and there will be no preference as to sector.

Output 2.3: business environment supported serving successful entrepreneurs and SMEs. Enterprises will be provided with turnaround management support, aimed at helping them to adjust the economic crisis. This will involve industry-specific management expertise provided to selected enterprises. Assistance will be tailored to the needs of the enterprise concerned.

Where possible, expertise will be provided on site. But given the difficulty of bring people to Gaza and given the effective exclusion of specialist from most Arab States, the support may be provided online, although accepting that this is likely to be less effective than face-to-face presence.

Enterprises will be asked to apply for support, specifying the areas in which expertise is required. They will be required to commit to making staff available to work with the external specialist and will provide feedback after the support has been provided.

A one-stop-shop for business compliance will be established in Gaza addressing, variously, registration, deregistration, licensing, and permitting. One-stop-shops internationally have a well-established role in cutting through heavy bureaucracy which slows business actions and compliance. Compliance in Gaza is complex and contributes to Palestine's weak rating in terms of business environment¹⁸.

Actions in this area will complement current support by the World Bank in improving the business environment in Palestine¹⁹. This comprises measures aimed at reforming the digital economy, including clearing and payments systems. This is a concern in Gaza where firms often face difficulties in getting paid and where current systems often involve substantial transaction costs.

¹⁸ <http://www.doingbusiness.org/content/dam/doingBusiness/country/w/west-bank-and-gaza/WBG.pdf>

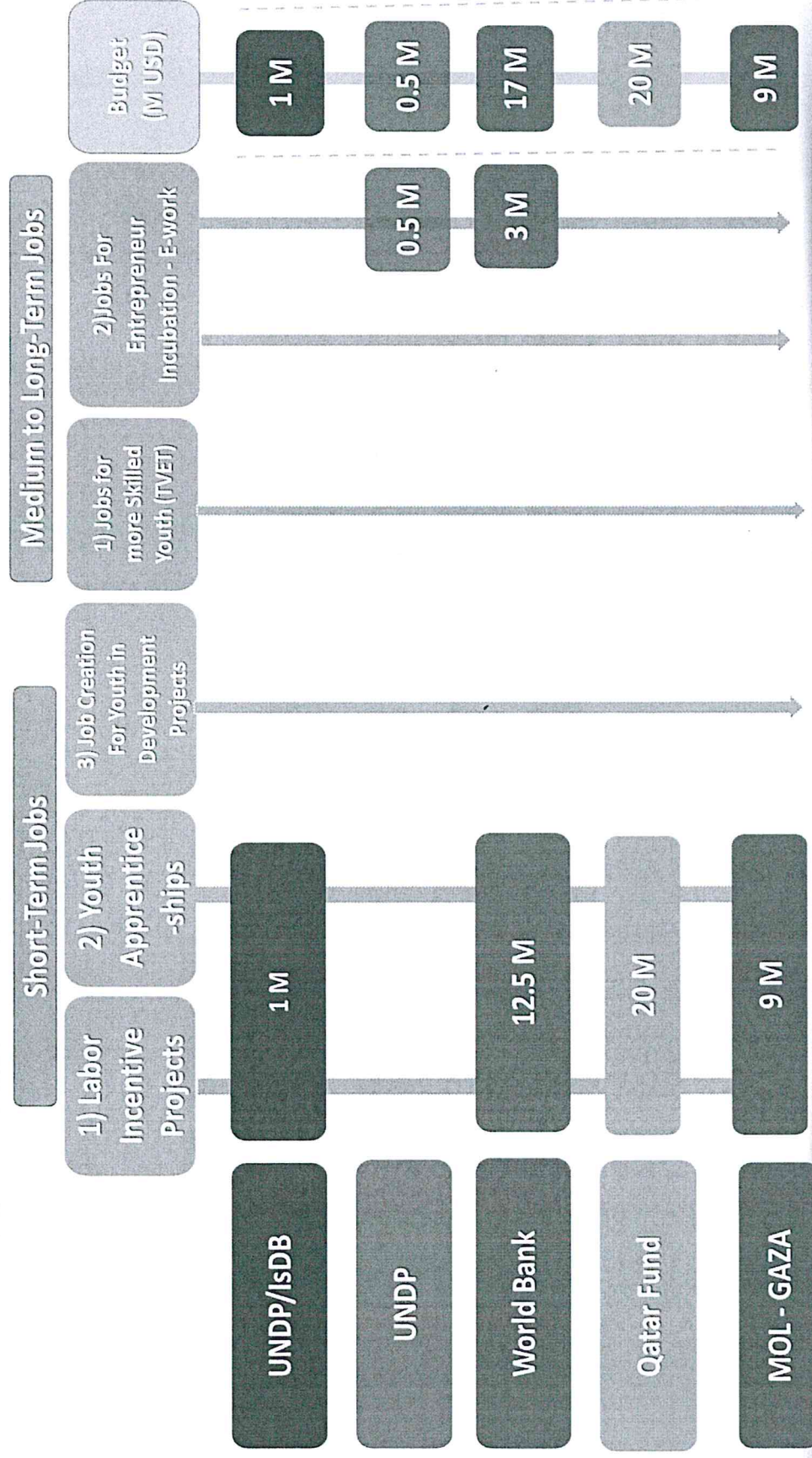
¹⁹ <http://projects.worldbank.org/P164427?lang=en>

Programme budget and Partnerships

The budget for the programme is as follows.

No.	Programme Output	Total Cost USD
Outcome I: Opportunities for sustainable livelihood enhanced through creation of short-term jobs	Output 1.1: Private and Public sectors supported through labour intensive initiatives (17,000 unskilled labour).	21,500,000
	Output 1.2: Win-Win apprentice administration system (9,000 graduated youth).	13,200,000
	Output 1.3: Intensive job creation for graduated youth in developmental projects – (2,000 graduated youth).	4,500,000
Outcome II: Supporting Private sector development to create medium- and long-term jobs:	Output 2.1: Investment in technical and vocational education and training (TVET) - Jobs for (3,660) skilled youth.	9,000,000
	Output 2.2: Resilience business – new jobs for (5,500) young entrepreneurs in Gaza.	9,300,000
	Output 2.3: Improving business environment through support business start-ups and SMEs (450 new jobs)	2,500,000
Operations and management cost		3,611,111
Total of different components in the Program		63,611,111
UNDP GMS 8%		5,088,889
GRAND TOTAL		68,700,000

Job Creation Current Programmes in the Gaza Strip



Budget Gap on the Current Programme

Medium to Long-Term Track B to C

Short-Term Track A to B

	1) Labor Incentive Projects	2) Youth Apprenticeships	3) Job Creation For Youth in Development Projects	1) Jobs for more Skilled Youth (TVET)	2) Jobs For Entrepreneur Incubation - E-work	3) Business Start-ups and SMEs
Expected Programme Budget (USD)	24.62 M	15.11 M	5.15 M	10.31 M	5.44 M	2.86 M
Target Beneficiary (37,610)	17,000	9,000	2,000	3,600	2,000	450
No of Startup	220	155	60	135	325	180
Unit Cost / Person (USD)	1,448	1,679	2,576	2,876	2,719	6,367
SDC (Development Fund)			0.47 M	0.71 M	1.02 M	
IsDB / Contribution	0.85 M	0.15 M				
UNDP Contribution						
Qater Fund	2.8 M	4.2 M			0.5 M	
Fund Gap	20.97 M	10.76 M	4.68 M	9.6 M	9.13 M	2.86 M

Based on the strategic partnership between UNDP and SDC in supporting resilience capacity of Gaza residents in the face of protracted crisis and its consequence of deteriorated socio-economic conditions. A total budget of USD 2,000,000 is required to implement part of the proposed programme activities (800 youth will be supported, and 79 startups will be established) and achieve the desired results. UNDP will utilize its expertise and resources for the optimal implementation of the Project activities. The proposed budget breakdown is detailed below:

Programme Output	Activity Result	Total Cost USD	
Output 1.1: <i>Intensive job creation for (80) graduated youth in developmental projects</i>	<u>Activity Result 1.1.1:</u> Upgrading the GIS and the Commercial Map for Gaza Municipalities (6 Start-ups)	215,000	215,000
Output 2.1: <i>Investment in technical and vocational education and training (TVET) - Jobs for (280) skilled youth.</i>	<u>Activity Result 2.1.1:</u> Promoting Enrolment TVET for Youth (11 Start-ups)	380,000	600,000
	<u>Activity Result 2.1.2:</u> Empowering PwDs through TVET (4 Start-ups)	220,000	
Output 2.2: <i>Resilience business – new jobs for (440) young entrepreneurs in Gaza.</i>	<u>Activity Result 2.2.2:</u> Business acumen developed to focus on market-driven solutions.	50,000	860,000
	<u>Activity Result 2.2.3:</u> Incubator Networks expanded with local and international ecosystems	60,000	
	<u>Activity Result 2.2.4:</u> Process of ideations developed through R&D and innovation (35 prototypes & 9 R&D projects)	180,000	
	<u>Activity Result 2.2.5:</u> Incubation and Acceleration of (55) Start-ups	570,000	
Operations and management cost		176,852 ²⁰	
Total of components		1,851,852	
UNDP GMS 8%		148,148	
GRAND TOTAL		2,000,000	

Below is a preliminary plan of activities:

Type of Intervention	Programme life cycle in months																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Programme Setup																								
Selection of Partners																								
Beneficiaries Selection																								
output 1.1: GIS Activities																								
Output 2.1 TVET Activities																								
Output 2.2 Incubation Activities																								
Monitoring and Evaluation																								
Reporting and Closing Activities																								

²⁰ Detailed break down is included in Annex I

Partnerships

Different actors will be responsible for the planning, implementation, and monitoring/reporting of the programme activities at all levels, in close coordination with the programme's implementation team. The direct implementation of activities is designed to create the organizational foundation necessary for the sustainability of the project. In addition to technical assistance and capacity development, the programme will provide indirect support to stakeholders. Partnership arrangements will detail the delivery of services by local partners, according to their area of specialties as follows:

Output	Proposed local partner	Legal Status	Experience with UNDP Project.
Upgrading the GIS and the Commercial Map for Gaza Municipalities	State of Palestine-Presidency Bureau-Job Creation Program (JCP)	Semi-governmental institution	Yes
TVET for Youth	Job Creation Program (JCP) / University College of Applied Sciences	Semi-governmental institution / University	Yes
TVET for PwDs	IRADA Programme	University	Yes
	Atfaluna Society for Deaf Children (ASDC)	NGO	Yes
Incubation Works	Business and Technology Incubator (BTI)	University	Yes
	University College of Applied Sciences (UCASTI)	University	Yes

Close partnerships with sister agencies will be maintained and expanded for the ultimate benefit of the programme and consequently for higher impact on the targeted population. To date, UNDP has set strong cooperation with UNRWA, ILO, Islamic Relief, Catholic Relief Services, GIZ, and a set of Local NGOs, and these partnerships will pave the way for collaboration between the key actors to maximize the benefit and extend the number of beneficiaries.

Risks and Assumptions

Contextual risks:

Escalation of hostilities or armed conflict in the Gaza Strip and extreme increase in the divide between Ramallah and Gaza Strip will jeopardize programme ability to implement the programme activities, that would have impacts on the security of UNDP staff and cooperating partners. These risks will be mitigated through contingency temporary suspension of programme activities during the high crisis period, followed by negotiation with donors around any required changes.

Operational risks:

Due to the ongoing internal divide between Ramallah and Gaza, the project may face some operational risks in the neutrality in setting the selection criteria for targeting the nomination beneficiaries for each Programme output. Grievances from this risk will be mitigated through

mechanisms developed during the previous Programme. As the Programme will be led by the steering committee that will provide provides overall direction and strategic guidance, setting the selection criteria as per each the Programme outputs. Also, the mechanisms established within the Programme that relies on the announcement to youth for registration through the MoL (One-Stop-Shop) and the selection of the nominated beneficiaries by the interviews panel where it will be consisted from at least (employers, MoL, NGOs/Universities) with full cooperation with UNDP quality assurance.

Stakeholder Engagement

Further to the partnership approach described, the implementation of the project will be highly participatory and will be overseen by the programme Steering committees. The direct beneficiaries will be engaged based on their willingness and commitment to contribute to the programme results. From its onset, the programme will promote ownership by the targeted local authorities and communities.

Target Groups: Overall, the target audience is young people in the age category 18-35 who are unemployed or who are entering the labour market for the first time after completion of education. The selection of this age group is based on analysis of the unemployment rates in the Gaza Strip which are varies among the age groups from 69.6% (15 -19 years), 69.5% (20-24 years), 59.3% (25-29 years), and 44.3% (30-34 years). The selected age category (18-35 years) category is the most affected group that is suffering from unemployment. Both male and female graduates will be eligible and special efforts will be made to involve at least 40% female from the targeting beneficiaries, this is important given the current extremely low female labour force participation rates in the Gaza Strip and the economic cost of this low participation rate.

IV. RESULTS FRAMEWORK FOR: PATH TO ECONOMIC RECOVERY: FACILITATING DECENT JOBS IN THE GAZA STRIP

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
Impact (Overall Goal) ①	Impact Indicators ①		
<i>Gaza's resilience and economy are boosted through creating jobs based on demand stimulus.</i>	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> % Unemployment rate in the Gaza Strip (GS) B. (50.5%), T. (<50.5%). % Youth unemployment rate {female(F): male (M)} B. (67.4%, {F: (84.6%; M: 59.8%)}), T. (<67.4%). % People with disabilities unemployment rate B. (90.6%), T. (<= 67.4%). Gross domestic product (GDP) in GS B. (357 USD), T. (>= 357 USD). Number of jobs created B. (0), T. (37,610) / B. (0), T. (800)²¹ 	Palestinian Central Bureau of Statistics (PCBS). Labor Force Survey. For PS beneficiaries: programme survey, mid-term and final evaluations.	
Outcomes ①	Outcome Indicators ①		External Factors (Assumptions & Risks) ①
Opportunities for sustainable livelihood enhanced through creation of short-term jobs	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> No. of M/F youth benefitted from Programme activities²² B. (0), T. (80 youth, 40% F). No. of workdays generated B. (0), T. (10,000 WD). % of M/F youth with developed skills relevant to job market B. (0), T. (70%) % of institutions serviced (Municipalities, Ministries, etc.) reporting satisfied from the 	<p>Programme Annual Report:</p> <p>M&E Reports; Programme Data Base</p>	<ul style="list-style-type: none"> Assumption: No further deterioration in the Economic, Social and Security Environment; Risk: Social and family pressure prevents youth and women from pursuing certain jobs

²¹ All the mentioned target numbers correspond to the SDC grant contribution.

²² All indicators will be disaggregated by sex, age, education level, disability and marital status, economic sector etc.

Hierarchy of objectives Strategy of Intervention ①		Key Indicators ①	Data Sources Means of Verification ①	
		<p>services provided from the beneficiaries engaged B. (0), T. (75%).</p> <ul style="list-style-type: none"> % change of programme supported (PS) (Micro, Small, and Medium Enterprise) MSMEs beneficiaries reporting improved ability to cope with unexpected expenditure B. (0), T. (75%) 		
Outputs (per outcome) and costs ①		Output Indicators ①		
For outcome 1: Opportunities for sustainable livelihood enhanced through creation of short-term jobs				
Output 1.1	Private and Public sectors supported through labour intensive initiatives.	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> No. of unskilled labour benefited from labour intensive initiatives B. (0), T. (0). No. of workdays generated B. (0), T. (0 WD) % F unskilled labour beneficiaries B. (0), T. (0 %) No of start-up established B. (0), T. (0) No. of graduated youth benefited from apprenticeship employment opportunities B. (0), T. (0). No. of workdays generated B. (0), T. (0 WD). % F graduated beneficiaries B. (0), T. (40%). No of start-up established B. (0), T. (0) No. of graduated youth benefitting from Municipal GIS works B. (0), T. (80). % Graduated F benefitting from jobs created B. (0), T. (40%) No. of Municipalities (GIS) targeted B. (16), T. (18) No. of Municipalities (Commercial Map) targeted B. (0), T. (4) No. of startups established B. (0), T. (2) Number of workdays created B. (0), T. (10,000 WD) 	Programme Annual Report: M&E Reports; Programme Data Base	
Output 1.2	Win-Win apprentice administration system.		Programme Annual Report: M&E Reports; Programme Data Base	
Output 1.3	Intensive job creation for youth in developmental project.		Programme Annual Report: M&E Reports; Programme Data Base	

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
Costs of outputs for outcome I: USD 39,200,000 Total cost: USD 68,700,000	In case of joint projects: 1) amount of SDC contribution: USD 21,500,000 2) in % of total cost: 0.5 % 3)		
Activities (per output) ①	Inputs ①		
<p>Output 1.1: Private and Public sectors supported through labour intensive initiatives</p> <p>Activity Result 1.1.1: Intensive job creation for unskilled labour</p> <ul style="list-style-type: none"> Review household income survey and analyses the livelihoods baselines (including sex-disaggregated data). Design the rapid employment schemes and beneficiaries' selection criteria, ensuring that it is gender-sensitive Identify and recruit rapid employment scheme's beneficiaries. Recruit unskilled labour beneficiaries (women and men) Applying the 3X6 UNDP approach Preparing the business plans Evaluation and selection the most promising intervention (at least 2 persons per intervention) Establishment of start-ups Develop an online data base to facilitate and centralize the collection of Project data. 	<p>USD 21,500,000²³</p> <p>(USD 0)²⁴</p>		

²³ Required amount per activity result in US \$.

²⁴ SDC grant contribution per activity result.

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
<p>Output 1.2: Win-Win apprentice administration system.</p> <p><u>Activity Result 1.2.1: Improved Public services and support Private sector through graduated youth apprenticeships</u></p> <ul style="list-style-type: none"> ▪ Review household income survey and analyses the livelihoods baselines (including sex-disaggregated data). ▪ Design the rapid employment schemes and beneficiaries' selection criteria, ensuring that it is gender-sensitive ▪ Identify and recruit rapid employment scheme's beneficiaries, ▪ Recruit graduated young beneficiaries (women and men) ▪ Applying the 3X6 UNDP approach ▪ Preparing the business plans ▪ Evaluation and selection the most promising intervention (at least 2 persons per intervention) ▪ Establishment of start-ups ▪ Develop an online data base to facilitate and centralize the collection of Project data. 	<p>USD 13,200,000 (USD 0)</p>		
<p>Output 1.3: Intensive job creation for graduated youth in developmental project.</p> <p><u>Activity Result 1.3.1: Upgrading the GIS, Commercial Map for Gaza Municipalities and other initiatives</u></p> <ul style="list-style-type: none"> ▪ Design the initiatives and beneficiaries' selection criteria, ensuring that it is gender-sensitive ▪ Selecting process for graduate's youth M/F (40%) ▪ Contracting expert consultant to prepare training materials and GIS master planning coding 	<p>USD 4,500,000 (USD 215,000)</p>		

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
<ul style="list-style-type: none"> Conduct two training sessions on data collection and system design and development, and preparing survey questionnaire Media campaign Creating codification system on maps (office work), codification system and piloting testing, preparing street index codification generalization (handwriting numbers) Conducting doorway surveying and numbering of streets and doorways Data mining, verification and validation Establishing database and connecting database with spatial data (GIS). 			
Outcomes II ①	Outcome Indicators II①		External Factors (Assumptions & Risks) ①
<p>Supporting Private sector development to create medium- and long-term jobs:</p>	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> No. of M/F youth benefitted from Programme activities²⁵ B. (0), T. (640 youth, 40% F, 80 PwDs) No. of workdays generated B. (0), T. (21,000 WD) No. of startups established B. (0), T. (79) % change in income patterns: Average monthly net income generated by each PS beneficiary B. (0), T. (70%) % of M/F youth with developed skills relevant to job market B. (0), T. (70%) No. of established start-ups (0). % Increase in the youth promoted to join the entrepreneurship works B. (0), T. (50%). 	<p>Programme Annual Report: M&E Reports; Programme Data Base</p>	<ul style="list-style-type: none"> Assumption: No further deterioration in the Economic, Social and Security Environment; Risk: Social and family pressure prevents youth and women from pursuing certain jobs

²⁵ All indicators will be disaggregated by sex, age, education level, disability and marital status, economic sector etc.

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
	<ul style="list-style-type: none"> % of the CDI M/F recipients reporting effective use of at least three areas of knowledge they acquired through the participation in CDI B. (0), T. (20%) 		
Outputs (per outcome) and costs ①	Output Indicators ①		
For outcome II: Supporting Private sector development to create medium- and long-term jobs:			
Output 2.1 Investment in technical and vocational education and training (TVET) - Jobs for skilled youth	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> % female benefitting from vocational training B. (0), T. (40%) % of (M/F) recipients of capacity development initiative (CDI) reported improved skills ups B. (0), T. (80 %) No. of youth targeted (short term TVET course) B. (0), T. (200) No. of trainers benefitting from knowledge transfer from external experts B. (0), T. (0). No. of youth PwDs targeted B. (0), T. (80). No. of startups established B. (0), T. (15) Number of workdays created B. (0), T. (21,000 WD) 	Programme Annual Report: M&E Reports; Programme Data Base	
Output 2.2 Resilient business – new jobs for young entrepreneurs in Gaza	<p>Indicators Baseline (B) and Target (T):</p> <ul style="list-style-type: none"> No. M/F benefitted from incubation activities B. (0), T. (440) % Business acumen developed B. (current situation), T. (60%). <ul style="list-style-type: none"> No. of the local Market opportunities and problems identified B. (0), T. (5). 	Programme Annual Report: M&E Reports; Programme Data Base	

Hierarchy of objectives Strategy of intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
<p>Output 2.2</p> <p>Resilient business – new jobs for young entrepreneurs in Gaza</p>	<ul style="list-style-type: none"> ○ No. of potential R&D projects and start-ups connected with external markets B. (0), T. (8) ● Incubator Networks expanded B. (current situation), T. (60%) <ul style="list-style-type: none"> ○ No. of new international partners B. (0), T. (3) ○ No. of external networking visits B. (0), T. (5) ○ No. of hosted startups in external incubators B. (0), T. (4) ○ No. of joint Investment-Days B. (0), T. (1) ○ No. of external mentors trained the local mentors B. (0), T. (2) ● Process of ideations developed (current situation), T. (60%) <ul style="list-style-type: none"> ○ No. of latest trends, best practices and new technologies identified B. (0), T. (2) ○ No. of hackathons and bootcamps for new ideas B. (0), T. (2) ○ No. of <u>prototypes</u> developed B. (0), T. (35) ○ No. of funded incubated start-ups for the <u>student projects</u> B. (0), T. (5) ○ No. of funded incubated start-ups for the <u>R&D projects</u> B. (0), T. (4) ○ No. of entrepreneurs e-Gate developed B. (0), T. (1) ● No. of funded incubated <u>start-ups</u> B. (0), T. (55) ● No. of job created in E-work B. (0), T. (0) <ul style="list-style-type: none"> ○ No. of online jobs achieved by the trained youth B. (0), T. (at least 10 per trained youth) 		

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
Output 2.3 Improving business environment through support business start-up and SMEs	Indicators Baseline (B) and Target (T): <ul style="list-style-type: none"> • No. One-Stop-Shop established B. (0), T. (0) • No. of SMEs receive TAM B. (0), T. (0) • Turnover increased per each SMEs B. (current situation), T. (10%) <ul style="list-style-type: none"> ○ Profitability increased per each SMEs (B. (current situation), T. (0)) ○ Employees increased per each SMEs (B. (current situation), T. (0)) • No. of SMEs receive BDS B. (0), T. (0) <ul style="list-style-type: none"> ○ Turnover up per each SMEs (B. (current situation), T. (0)) ○ Profitability up per each SMEs (B. (current situation), T. (0)) ○ Employees increased per each SMEs (B. (current situation), T. (0)) 	Programme Annual Report: M&E Reports; Programme Data Base	
Costs of outputs for outcome II: USD 20,800,000 Total cost: USD 68,700,000	In case of joint projects: 1) amount of SDC contribution: USD 1,460,000 2) in % of total cost: 7 % 3)		
Activities (per output) ①	Inputs ①		
Output 2.1: – Investment in technical and vocational education and training (TVET) - Jobs for skilled youth Activity Result 2.1.1: Promoting Enrolment TVET for Youth <ul style="list-style-type: none"> ▪ Desk review and conducting a focus group for validation the most needed occupations ▪ Pre-training Phase ▪ Vocational training ▪ Transition to Work 	USD 6,800,000 <u>(USD 380,000)</u>		

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
Activity Result 2.1.2: Prompting TVET by Enabling the technology transfer in the promoting sectors <ul style="list-style-type: none"> ▪ Exchange expertise with external technical experts ▪ Announce for registration ▪ Selection of the best qualified trainers ▪ Offering external training mission for the selected trainers, ▪ Procured the needed equipment for upgraded TVET centres with the technologies ▪ Conduct special training courses to a group of trainers on the best practices ▪ Offer job training on the selected sectors for the trainees ▪ Preparing the business plans ▪ Evaluation and selection the most promising intervention (at least 2 persons per intervention) ▪ Establishment of start-ups 	<p>USD 700,000 <u>(USD 0)</u></p>		
Activity Result 2.1.3: Empowering PwDs through TVET <ul style="list-style-type: none"> ▪ Adapting the curriculums for PwDs ▪ Pre-incubation Phase ▪ Vocational training ▪ Transition to Work ▪ Production Phase 	<p>USD 1,500,000 <u>(USD 220,000)</u></p>		
Output 2.2: Resilient business – new jobs for young entrepreneurs in Gaza Activity Result 2.2.1: Business acumen developed to focus on market-driven solutions. <ul style="list-style-type: none"> ▪ Identifying real needs and problems in both local and international markets. 	<p>USD 340,000 <u>(USD 50,000)</u></p>		

Hierarchy of objectives Strategy of intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
<ul style="list-style-type: none"> ▪ Disseminations of results to the local ecosystem (private sector, potential R&D, etc) ▪ Participating in local and international trade events; products from (start-ups, private sectors and R&D projects). 			
Activity Result 2.2.2: Incubator Networks expanded with local and international ecosystems <ul style="list-style-type: none"> ▪ Designing collaboration program with external partners. ▪ External visits ▪ Hosting start-ups in external incubators. ▪ Remote joint Investment-Days with external accelerators. ▪ Capacity building for local mentors by international mentors. 	USD 710,000 <u>(USD 60,000)</u>		
Activity Result 2.2.3: Process of ideations developed through R&D and innovation. <ul style="list-style-type: none"> ▪ Desk review and joint studies with the R&D and Tech. Transfer centers. ▪ Disseminations of results of both the desk review and joint studies. ▪ Guided hackathons and bootcamps ▪ Supporting entrepreneurs to develop prototypes. ▪ Funding and incubation/acceleration opportunities for R&D projects. ▪ Supporting students' projects ▪ Developing Entrepreneurs e-Gate. 	USD 1,350,000 <u>(USD 180,000)</u>		
Activity Result 2.2.4: Incubation and Acceleration of Start-ups <ul style="list-style-type: none"> ▪ Programme registration campaign 	USD 2,350,000		

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ②	Data Sources Means of Verification ③	
<ul style="list-style-type: none"> ▪ Evaluation of Applications ▪ Entrepreneurs camp ▪ Financing of incubated projects ▪ Business and technical mentoring and training Programme 	(USD 570,000)		
Activity Result 2.2.5: Support Youth Employment through E-Work <ul style="list-style-type: none"> ▪ Employment and career guidance ▪ Provide Freelancing online work opportunities 	USD 4,550,000 (USD 0)		
Activity Result 2.3.1: Establishing One-Stop-Shop <ul style="list-style-type: none"> ▪ Assess the exact procedures, time and cost; ▪ Prepare recommendations based on for the establishment of a one-stop-shop in Gaza; ▪ Organize a one-day conference to discuss the recommendations. ▪ Assist MNE to implement the one-stop-shop ▪ Prepare the necessary regulation ▪ Equip the one-stop-shop with the necessary IT, ▪ Establish kiosks (touch-screen information) ▪ Monitor, evaluate and adjust procedures 	USD 250,000 (USD 0)		
Activity Result 2.3.2: Providing Turn Around Management for 30 SMEs: <ul style="list-style-type: none"> ▪ Studies of the previously sketched economic sectors; ▪ Open and competitive bidding process to select enterprises to undergo turnaround management ▪ Specification of package of technical assistance; ▪ Memorandum of Cooperation specifying package of support and co-financing by enterprise (in-kind and financial); 	USD 1,050,000 (USD 0)		

Hierarchy of objectives Strategy of Intervention ①	Key Indicators ①	Data Sources Means of Verification ①	
<ul style="list-style-type: none"> Commissioning of Gaza /international expertise 			
Activity Result 2.3.3: Providing business development service for 150 SMEs <ul style="list-style-type: none"> Open and competitive bidding process to select enterprises to receive generic BDS support; Specification of package of technical assistance; Memorandum of Cooperation specifying package of support and co-financing by enterprise (in-kind and financial); Commissioning of Gaza expertise; Delivery of BDS support; 	USD 1,200,000 <u>(USD 0)</u>		
Operations and management cost <ul style="list-style-type: none"> Programme implementation Staff Monitor and update online information management system Evidence based reporting Conduct end of project M&E activities. Document lessons learnt and good practices Communication material produced (website update, reports, etc.) 	USD 3,611,111 <u>(USD 176,852)</u>		
Subtotal	USD 63,611,111 <u>(USD 1,851,852)</u>		
UNDP General Management Cost (GMS 8%)	USD 5,088,889 <u>(USD 148,148)</u>		
Total	USD 68,700,000 <u>(USD 2,000,000)</u>		

[illegible]

<ul style="list-style-type: none"> Incubator expanded Networks B. (current situation), T. (70%) <ul style="list-style-type: none"> No. of new international partners B. (0), T. (20) No. of external networking visits B. (0), T. (60) No. of hosted startups in external incubators B. (0), T. (50) No. of joint investment-Days B. (0), T. (6) No. of external mentors trained the local mentors B. (0), T. (40) 	<p>Activity Result 2.2.3: Process of ideations developed through R&D and innovation.</p> <ul style="list-style-type: none"> Desk review and joint studies with the R&D and Tech. Transfer centers. Disseminations of results of both the desk review and joint studies. Guided hackathons and bootcamps Supporting entrepreneurs to develop prototypes. Funding and incubation/acceleration opportunities for R&D projects. Supporting students' projects Developing Entrepreneurs e-Gate. 	<p>UNDP / Universities Incubators/Private Sectors/ and external incubators</p>	<p>SDC (USD 180,000)</p>	<p>USD 1,350,000</p>
<ul style="list-style-type: none"> Process of ideations developed (current situation), T. (70%) <ul style="list-style-type: none"> No. of latest trends, best practices and new technologies identified B. (0), T. (20) 	<p>Activity Result 2.2.4: Incubation and Acceleration of Start-ups</p> <ul style="list-style-type: none"> Programme registration campaign Evaluation of Applications Entrepreneurs camp Financing of incubated projects Business and technical mentoring and training Programme 	<p>UNDP / Universities Incubators</p>	<p>SDC (USD 570,000)</p>	<p>USD 2,350,000</p>

VI. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The expected project activities will be mainly located in the Gaza Strip. The office of UNDP/ Gaza office will be the main location for the team implementing the project. The programme will be implemented by UNDP under the direct execution modality (DEX), whereby UNDP leads all project management, coordination, monitoring, quality assurance, and possibly fund-raising activities. Throughout the past years, UNDP/PAPP has established a wide network of partnerships with many local NGOs, who have a solid presence in the targeted communities. The programme will utilize these existing networks to assist in facilitating the project implementation. Interventions will be implemented through many different channels depending on the feasibility on the ground and the availability of functional modalities/organizations. This will create opportunities in terms of programme efficiency, involvement of many partners on the ground, diversity of activities, and a wider geographic outreach. To facilitate management monitoring and reporting of the project, the management arrangements will be as follows:

Programme Board/Steering Committee: The steering committee consists of UNDP, MoL, with representation from participating donors, and will be co-chaired by the relevant Government Ministries (MoL, MoLG, MoEHE, and MoSD). The steering committee oversees overall direction and strategic guidance, monitors progress, and approves work plans and agrees to management actions to address specific risks raised by the UNDP. The Board also approves geographical coverage and beneficiary selection criteria, reviews and adopts the implementation modality, and shall be convened on semi-annual basis or as required.

Executive (UNDP): The Executive is responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher-level outcomes; ensures that the project gives value for money, uses a cost-conscious approach to the project and balances the demands of beneficiary and supplier.

Senior Supplier (Donors/UNDP): The primary function within the project board is to provide guidance regarding the technical feasibility of the project. The senior supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing) and has the authority to commit or acquire required supplier resources.

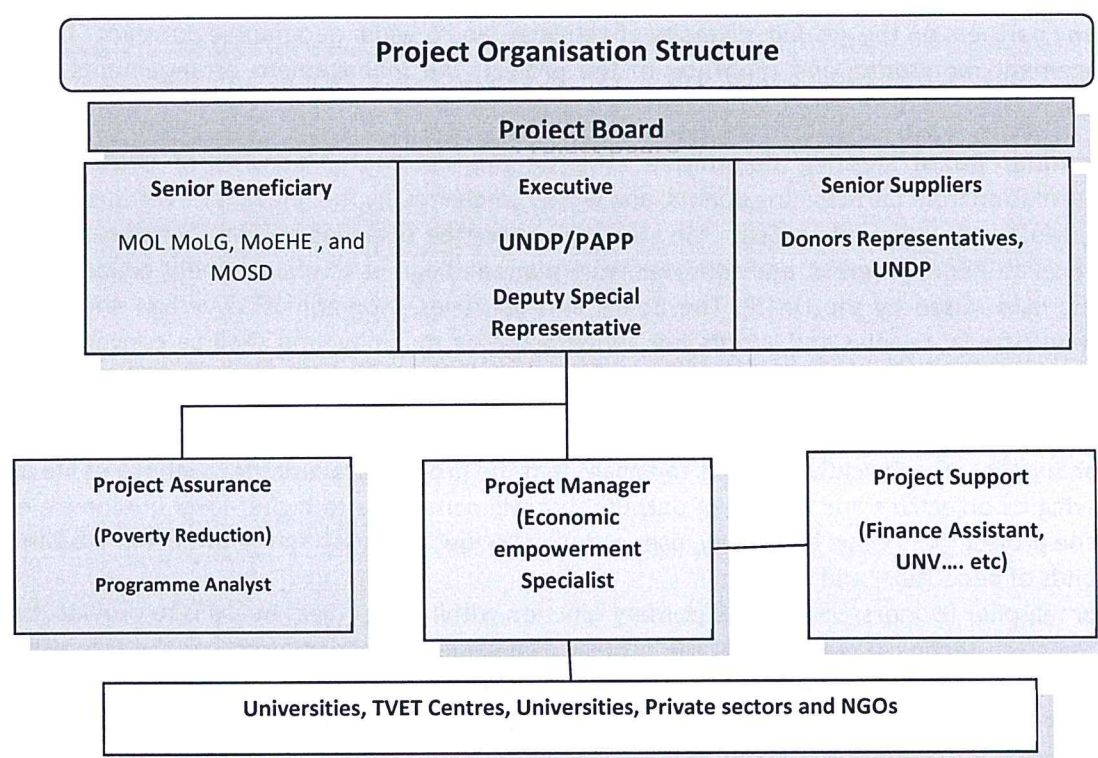
Senior Beneficiary: The Senior Beneficiary represents the interests of those who will ultimately benefit from the project or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary's primary function within the project board is to ensure the realization of the project results from the perspective of project beneficiaries. They validate the needs and monitor the progress so that the solution will meet the needs of the project. The senior beneficiary also monitors progress against targets and quality criteria.

Programme management structure: The Programme will initially be managed on a day-to-day basis by the poverty unit represented by the Project Manager and will be supervised by the poverty unit. The Project Manager will be responsible for the follow up and coordination of activities and communications. Additional capacities and expertise will be recruited as needed. This Programme will benefit from the established infrastructure of the Poverty Reduction unit, especially in relation to systems and human resources, which will significantly reduce the start-up and the running cost of the Programme. The reports will be sent to the Project Board on regular basis, and the Project Manager is responsible for keeping them informed of progress and highlighting any problems he/she can foresee.

The project assurance functions rest with UNDP: The Project assurance will be the delegated responsibility of the UNDP Poverty Programme Analyst. The Project Assurance role supports the Programme Board by carrying out regular objective and independent project oversight and monitoring functions. It ensures that appropriate project management milestones are managed and completed. The Programme management team will follow up on management actions, keeping track of progress

benchmarks, performing regular monitoring activities, ensuring funds that are made available to the project towards the intended outputs and resources entrusted to UNDP are utilized appropriately. The UNDP Programme management team are responsible for managing a team of experts and consultants to do the work and is accountable for implementing the project according to the established results framework. The UNDP Programme management team draws up the project plans that describe what the project team will be doing and when they expect to finish.

Project Support: The Project Support role provides project administration, management and technical support to the Programme management team, as required by the needs of the individual project (finance Admin assistant, etc....) . The provision of any project support on a formal basis is optional. It is necessary to keep project support and project assurance roles separate in order to maintain the independence of project assurance.



Roles and Responsibilities

➤ Ministries:

Ministries will be involved mainly at the technical level as in the Project's monitoring system when possible and will be called upon to help solve problems and ensure a clear flow of information between the relevant stakeholders. They will also provide a layer of monitoring capacity to facilitate proper sub-project implementation and a clear flow of information, transparency.

- **MoLG:** Ministry of Local Government is working on building the local bodies' capacities of the local government unit and enhancing their resources, to enable them to achieve the welfare of their citizens/ constituencies with the framework of good local governance. MoLG will support and cooperate with UNDP on all project activities especially in the GIS output as MoLG is the body who is supervising the work of the Municipalities.
- **MoSD:** The Ministry of Social Development seeks to provide social protection for people with disabilities through various programmes, as the Ministry is responsible towards them since the

PwDs are an important category from the Palestinian society who need care and rehabilitation. The Ministry will engage with the programme by helping in the nomination the PwDs who could join the TVET and continue the follow-up assistance at all levels in cooperation with relevant civil society institutions.

- **MoEHE:** The vision of MOEHE is to support access to all academically qualified individuals to acquire knowledge, within government, public and private institutions that grant degrees to all levels including universities that will support the new scientific research innovation environment. The MOEHE will engage in the programme by following up university incubators performance to enhance their contribution to the locomotive the economic and social development.
- **MoL:** The MoL is the main stakeholder and their technical contribution will directly help the programme to reach its goal. The Ministry contributes in the development of Palestinian human resources in through the provision of TVET services in various professional fields and provides professional guidance services and advisory services for employers. Besides its role on supervision and registration of TVET centres managed provided by private entities. The Ministry is working on monitoring the levels and trends of the unemployment patterns through its One-Stop-Shop (OSS) offices that collects the updated information and receive the applications from the youth who are willing to join the unemployment programme.

➤ **Local Authorities (Municipalities)**

During the implementation of this programme, several local authorities will be engaged, such as the municipalities. Their potential roles and responsibilities include:

- Support the planning functions and setting priorities;
- Mobilize communities and collection of local resources;
- Where possible, mobilize in-cash contribution to material costs and 100 % of security costs;
- Commit to the maintenance and operation of sub-programme works, as relevant;
- Assist in the process of verification and selection of workers against checklist criteria;
- Support social and economic stability;
- Provide effective local administration and good governance;
- Support communities' capacities in local reconciliation and conflict resolution/management.

➤ **Local CBOs and NGOs**

Specialized NGOs with presence in the programme area will be contracted to carry out specific interventions related to livelihood improvement, know-how transfer, and capacity building and development purposes. Even though NGOs rely on networks of local partners to enhance outreach, they can be major players in terms of contributing to the creation of an enabling environment for job creation, human rights protection, conflict prevention, reconciliation and gender empowerment.

➤ **Incubators**

- Spread awareness about the entrepreneurship culture within the local community
- Provide entrepreneurial solutions to the problems and real needs of the private sectors
- Improve the quality of services offered by incubators.
- Support youth to turn their innovative ideas into a successful business.
- Collaborate and cooperate with the private sector and incubators to coordinate all work and achieve real outcomes
- Provide financial assistances that can cover start-ups' needs in their early stages
- Provide training and mentoring for entrepreneurs in technical and managerial topics
- Provide co-working spaces in addition to all needed logistics services
- provide access to educational materials and researches/studies that can facilitate their work
- provide access to local and international investors to accelerate and scale up their work

➤ **Private sector**

- Participate in the studies and need assessments related to their work
- Provide entrepreneurs and incubator with real support according to their needs
- Possibility of investing in the start-ups.

➤ **Universities**

- Awareness about entrepreneurship among students and graduates
- Participation of innovative graduation projects in the incubation programs.
- Encourage entrepreneurial thinking in all academic specializations
- Conduct researches and studies related to private sector's needs and incubators' development
- Reinforce curriculums with business and entrepreneurship skills

➤ **UNDP/PAPP**

Within this initiative, UNDP will play the leading role in Programme management, coordination, implementation and monitoring. It remains the lead agency responsible for the technical, managerial, and supervisory aspects of the Programme. This work will draw upon the technical expertise available with local and international partners. The following are some of the main responsibilities:

- Lead the coordination, implementation and management of the Programme;
- Mobilize technical and financial assistance for the development and formulation of the Programme document and co-finance the preparatory phase;
- Within the scope of the Programme, support and empower the local management structures for improved and effective services delivery;
- Lead the development of a management information system, an integrated communication strategy, and carry out pre-qualification exercises for local consulting firms and national, local NGOs in consultation with other stakeholders;
- Prepare progress, mid-term and final reports and disseminate information to all stakeholders at the frequency deemed appropriate and feasible;
- Act as the focal point and take lead in the Programme Board functions;
- Organize and coordinate start-up and final evaluation of the Programme;
- Assist partner agencies in developing appropriate training packages, as necessary;
- Ensure that cross-cutting issues such as conflict mitigation, gender and environment are mainstreamed in all project activities;
- Facilitate and initiate the design of awareness and advocacy campaigns targeting communities and local administrations on issues related to environment protection, natural resources conservation and hygiene, as appropriate.
- Perform an assessment of employment opportunities and skills in areas that can absorb many workers in order to contribute to a focused skills-development component.

I. Monitoring and Evaluation

Monitoring of the various sub-projects/interventions of the Programme and its funds together with information flow and progress updates is carried out throughout the implementation period. In addition, quarterly and annual reviews shall take place against the project work plans. Monitoring tools and indicators shall be updated regularly to improve their qualitative value. Evaluation parameters and measurement guidelines will be developed at a specific stage of the project as it matures to evaluation level. However, the project incorporates initial and basic quantitative benchmark monitoring tools to start off implementation of project activities.

The Programme will adopt the participatory monitoring and evaluation approaches when possible and convene workshops and meetings for this purpose. Target beneficiaries' representatives, project staff, and other stakeholders will take part in such exercises. Roles and responsibilities of the various parties include establishing goals, developing indicators along with gathering information, analyzing

and sharing results, and taking necessary actions. Moreover, a viable and effective monitoring structure will be established to ensure cost-effectiveness, accountability, quality, and success while supervision of the Programme cycle is maintained. Towards that end, the Programme will be monitored closely using the following structure:

UNDP Monitoring Functions

The major monitoring responsibility lies within the Programme management team who are the overall guide of the programme and closely monitors it. Several monitoring tools shall be used to track progress as per the agreed upon outcome and output level performance indicators, for example, through the overall UNDP/ M&E system integrated under the DEEP MIS interactive database, consolidated progress reports, field visits, e-mail, skype and phone communication facilities with the field staff and stakeholders. These captured results will be used in a timely manner to inform the relevant stakeholders and the development of communication products. The Project Manager shall head the development of a clear communication strategy while ensuring that stakeholders and partners roles are visible. The Programme management team under the supervision of Poverty Reduction Programme analyst will perform the overall programme assurance functions. Below are the tools that will be utilize

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the	Annually, and at the end of the project (final report)			

	output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.					
Project Review (Project Board)	<p>The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.</p>	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.			

II. Legal Context and Risk Management

Legal Context Standard Clauses

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (State of Palestine) and UNDP, signed on (1978). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

1. UNDP as the Implementing Partner shall comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP agrees to undertake all reasonable efforts to ensure that none of the [project funds]³⁰ [UNDP funds received pursuant to the Project Document]³¹ are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Consistent with UNDP’s Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
6. Consistent with the Article III of the SBAA *[or the Supplemental Provisions]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, considering the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan.
7. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as

required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document [and the Project Cooperation Agreement between UNDP and the Implementing Partner]

8. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.
9. Consistent with UNDP's Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
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11. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

Risk Analysis.

Risk	Probability	Impact	Risk Response
Escalation of hostilities or armed conflict in the Gaza Strip and extreme increase in the divide between Ramallah and Gaza Strip will jeopardize the programme's ability to implement the programme activities,	Moderate	High	<ul style="list-style-type: none"> • Temporary suspension of programming activities during a high crisis period, followed by negotiation with donors around any required changes
Programme staff unable to find sufficient employment/placements for selected Youth	Low	low	<ul style="list-style-type: none"> • The programme will solicit a call for expressions of interest through its many communication channels • Needs of organizations will be matched with youth
Social and family pressure prevents some women from pursuing certain jobs	Low	Moderate	<ul style="list-style-type: none"> • Familial/household/community involvement to ensure support women and youth.

Quality providers of certain technical services not available in Gaza	High	Low	<ul style="list-style-type: none"> • In cases of mission critical activities, regional or international providers will be sourced • In cases of non-mission-critical activities, activity design may be modified to fit with available technical resources
Insufficient numbers of qualified youth matching selection criteria to apply for highly specialized jobs	Moderate	Low	<ul style="list-style-type: none"> • include a coaching/mentoring scheme to ensure transfer of skill to less qualified youth and better equip them to carry out tasks.
Budget allocations not sufficient for necessary expenditures	Moderate	Moderate	<ul style="list-style-type: none"> • Costing of activities in detail during AWP development, based on real market assessment
Delays in transfer processes between partners impact youth	High	Moderate	<ul style="list-style-type: none"> • Advance planning, including detailed budgeting with AWPs • Local partners with fewer administrative requirements contracted to make transfers on behalf of the programme
Youth do not have the means to pay expenses such as travel up front and wait for reimbursement	High	Moderate	<ul style="list-style-type: none"> • Contracting of a local partner to support payment transfers
Youth performance and/or behaviour reflects negatively on UNDP/donor/local partner	Low	Moderate	<ul style="list-style-type: none"> • Rigorous selection processes • Close monitoring of all activities, and follow-up with partner focal points, by programme staff • Municipality disciplinary committee as a part of national role of employment offices.
Sub-contracted personnel not embodying the programme principles for decent employment	Moderate	Moderate	<ul style="list-style-type: none"> • Careful vetting of all personnel prior to contracting • Close monitoring by PMU staff • Anonymous complaint process for workers to express any concerns

Programme Budget for Path to Economic Recovery: Facilitating Decent Jobs in the Gaza Strip (2019 -2022)

Expected Outcomes	Expected Outputs	Total Resources Required (Output Level (USD))	Total Resources Required {Activity Result Level}		Total Resources Allocated Per Partner (USD)					Unfunded (USD)
			Activities	Resources Required (USD)	SDC ¹	Qatar Fund ²	UNDP Trac fund ³	IsDB ⁴	Total ⁵ (USD)	
Outcome I: Opportunities for sustainable livelihood enhanced through creation of short-term jobs	Output 1.1: Private and Public sectors supported through labour intensive initiatives (17,000 unskilled labour).	21'500'000	Activity Result 1.1.1: Intensive job creation for unskilled labour	21'500'000					3'448'360	18'051'640
	Output 1.2: Win-Win apprentice administration system (9,000 graduated youth).	13'200'000	Activity Result 1.2.1: Improved Public services and support Private sector through graduated youth apprenticeships	13'200'000					3'672'540	9'527'460
	Output 1.3: Intensive job creation for graduated youth in developmental projects – (2,000 graduated youth).	4'500'000	Activity Result 1.3.1: Upgrading the GIS, Commercial Map for Gaza Municipalities and other initiatives	4'500'000	215'000				215'000	4'285'000
			Activity Result 2.1.1: Promoting Enrolment TVET for Youth	6'800'000	395'000				395'000	6'405'000
Outcome II: Supporting Private sector development to create medium- and long-term jobs:	Output 2.1: Investment in technical and vocational education and training (TVET) - Jobs for (3,660) skilled youth.	9'000'000	Activity Result 2.1.2: Prompting TVET by Enabling the technology transfer in the promoting sectors	700'000						700'000
			Activity Result 2.1.3: Empowering PwDs through TVET	1'500'000	375'000				375'000	1'125'000
			Activity Result 2.2.1: Business acumen developed to focus on market-driven solutions.	340'000	80'000				80'000	260'000
			Activity Result 2.2.2: Incubator Networks expanded with local and international ecosystems	710'000	150'000				150'000	560'000
			Activity Result 2.2.3: Process of ideations developed through R&D and innovation	1'350'000	300'000				300'000	1'050'000
			Activity Result 2.2.4: Incubation and Acceleration of Start-ups	2'350'000	1'145'000				1'145'000	1'205'000
Outcome III: Improving business environment through support business start-ups and SMEs (450 new jobs)			Activity Result 2.2.5: Support Youth Employment through E-Work	4'550'000			500'000		500'000	4'050'000
			Activity Result 2.3.1: Establishing One-Stop-Shop	250'000						250'000
			Activity Result 2.3.2: Providing Turn Around Management for 30 SMEs:	1'050'000						1'050'000
			Activity Result 2.3.3: Providing business development service for 150 SMEs	1'200'000						1'200'000
Operations and management cost		3'611'111			263'889				624'471	2'986'640
Total Programmable amount		63'611'111			2'923'889				1'000'000	52'705'740
General Management Services (8%)		5'088'889			233'911				752'430	4'336'459
Grand Total		68'700'000			3'157'800				11'657'800	57'042'200

Grants Total	60 700 000
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(1) The expected contribution from the Swiss Agency for Development and Cooperation (SDC - development fund- 30 months from the agreement signature date). (1 USD = .95 CHF)

[2] Contribution from the Government of Qatar through INDP (USD 7 000 000 Programme end date by December 2019)

[3] contribution from the UNDP trac fund

[4] Contribution from the Islamic development Bank (IsDB) from DEEP Programme Phase II (USD 1,000,000 Programme end date by March 2019).

[5] Total available resources up-to-date



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Expected Outcomes	Expected Outputs	Total Resources Required (Activity Result Level)			Total Resources Allocated Per Partner (USD)				
		Activities	Resources Required (USD)	SDC ¹	Qatar Fund ²	UNDP Trac fund ³	IsDB ⁴	Total ⁵ (USD)	
Outcome I: Opportunities for sustainable livelihood creation of short-term jobs	Output 1.1: Private and Public sectors supported through labour intensive	Activity Result 1.1.1: Intensive job creation for unskilled labour	21'500'000		2'448'360		1'000'000	3'448'360	
	Output 1.2: Win-Win apprentice administration system (9,000 graduated youth).	Activity Result 1.2.1: Improved Public services and support Private sector through graduated youth apprenticeships	13'200'000		3'672'540			3'672'540	
	Output 1.3: Intensive job creation for graduated youth in developmental projects - (2,000 graduated youth).	Activity Result 1.3.1: Upgrading the GIS, Commercial Map for Gaza Municipalities and other initiatives	4'500'000	215'000				215'000	
	Output 2.1: Investment in technical and vocational education and training (TVET) - jobs for (3,660) skilled youth.	Activity Result 2.1.1: Promoting Enrolment TVET for Youth	6'800'000	395'000				395'000	
		Activity Result 2.1.2: Promoting TVET by Enabling the technology transfer in the promoting sectors.	700'000						
		Activity Result 2.1.3: Empowering PwDs through TVET	1'500'000	375'000				375'000	
		Activity Result 2.2.1: Business acumen developed to focus on market-driven solutions.	340'000	80'000				80'000	
		Activity Result 2.2.2: Incubator Networks expanded with local and international ecosystems	710'000	150'000				150'000	
		Output 2.2: Resilience business - new jobs for (5,500) young entrepreneurs in Gaza.	Activity Result 2.2.3: Process of ideations developed through R&D and innovation	1'350'000	300'000			300'000	
			Activity Result 2.2.4: Incubation and Acceleration of Startups	2'350'000	1'145'000			1'145'000	
Outcome II: Supporting Private sector development to create medium- and long-term jobs:		Activity Result 2.2.5: Support Youth Employment through E-Work	4'550'000			500'000		500'000	
		Activity Result 2.3.1: Establishing One-Stop-Shop	250'000						
		Activity Result 2.3.2: Providing Turn Around Management for 30 SMEs	1'050'000						
		Activity Result 2.3.3: Providing business development service for 150 SMEs	1'200'000						
		Output 2.3: Improving business environment through support business start-ups and SMEs (450 new jobs)	8'700'000	497'800		879'101	0	0	1'376'901
Coordination, M&E, Quality Assurance, and Reporting		68'700'000	3'157'800		7'000'000	500'000	1'000'000	11'657'800	
Grand Total									

(*) The expected contribution from the Swiss Agency for Development and Cooperation (SDC - development fund- 30 months from the agreement signature date). (1 USD = 0.95 CHF)

[2] Contribution from the Government of Qatar through UNDP (USD 7,000,000 Programme end date by December 2019)

[3] Contribution from the UNDP trust fund

[4] Contribution from the Islamic Development Bank (IDB) from DEEP Programme Phase II (USD 1,000,000 Programme end date by March 2019).

5) Total available resources up-to-date



Annex I: SDC Budget for Path to Economic Recovery: Facilitating Decent Jobs in the Gaza Strip

Programme Output	Activity Result	Total Cost	
		USD	USD
Output 1.1: Intensive job creation for (85) graduated youth in developmental projects	Activity Result 1.1.1: Upgrading the GIS and the Commercial Map for Gaza Municipalities (2 Start-ups)	215'000	215'000
Output 2.1: Investment in technical and vocational education and training (TVET) - Jobs for (340) skilled youth.	Activity Result 2.1.1: Promoting Enrolment TVET for Youth (11 Start-ups)	395'000	770'000
	Activity Result 2.1.2: Empowering PwDs through TVET (6 Start-ups)	375'000	
	Activity Result 2.2.2: Business acumen developed to focus on market-driven solutions.	80'000	
Output 2.2: Resilience business – new jobs for (820) young entrepreneurs in Gaza.	Activity Result 2.2.3: Incubator Networks expanded with local and international ecosystems	150'000	1'675'000
	Activity Result 2.2.4: Process of ideations developed through R&D and innovation (35 prototypes & 11 R&D projects)	300'000	
	Activity Result 2.2.5: Incubation and Acceleration of (114) Start-ups	1'145'000	
Operations and management cost ¹			263'889
Total of components			2'923'889
UNDP GMS 8%			233'911
GRAND TOTAL			3'157'800

Operations and management cost ^[1]			
Item	Unit Cost (USD)	No. of Unit	Total (USD)
P.M {Economic Empowerment specialist}	4'954	24	118'906
UNDP Quality Assurance	1'611	24	38'657
Communication and Visibility:	8'927	1	8'927
M&E activities	1'200	24	28'800
Administration Operation cost (GOE and others)	1'150.00	24	27'600
Mid Term Evaluation	14'000.00	1	14'000
Services (stationary tools and miscellaneous)	625.00	24	15'000
Transportation	500.00	24	12'000
Total			263'889



20-06-2019
A. J. J. J.



