



السلطة الوطنية الفلسطينية



البنك الإسلامي للتنمية
صندوق الأقصى



*Empowered lives.
Resilient nations.*

YOUTH ECONOMIC EMPOWERMENT IN PALESTINE



Facts - Youth Employment in Palestine

- The Palestinian Society is a young society with 55% of population under 16
- Participation rate of 41.1% in Labor force < Half of Population- Low – 23.7% of this group is unemployed.
- In 2009/2010 poverty reached 57.2% (45.7% West Bank and 79.4% in Gaza).
- The employment gap is currently 136,000 young people, and is growing by 7.2 % annually. Continuous growth.
- The employment elasticity in Palestine is 0.63. 1% growth in employment require an economic growth of 1.47%

Facts - Youth Employment in Palestine

- The rate of women participation in labor force is 12% compared with 68% for men.
- The Palestinian Economy is a service economy. In 2010 services employed 28.8% of labor force.
- Employers report a large gap between their needs and putouts of educational institutions:
 - Weakness of applied skills
 - Weakness of interpersonal, softskills, communication
 - Weakness of specialized use of IT and management systems
 - Weakness of English language
 - Weakness of critical thinking and innovation

Facts - Youth Employment in Palestine

- The Employment of skilled labor in Private sector is 50% and in Public sector 48.3%.
- The total trade deficit of the oPt stands at USD 3.8 billion, constituting around 78 percent of the GDP (UNCTAD).

The DEEP

- The Economic Empowerment Programme for Productive households – Focus on Youth and women.
- Started in 2006 – 2010 First phase – Pilot
- 2011 – 2014 second phase
- Up to date 7000 new enterprises were created – providing 12,000 new employment opportunities
- Intervention strategy was a mix of seed-capital and micro-financing and business development using Islamic products

Programme Strategy

The Second Phase Built on lessons learnt

Organize the project into a Waqf Institution

+

An Institution - Discovering markets on the local regional and international levels

+

Provide the expertise and technology to penetrate new markets and attract knowledge

+

Work with 240,000 households in an integrated none-exclusive in the next 10 years



First Phase

Launched with 30 Million USD

24% for Capacity building

76% for Direct interventions

Meaning:

23 Million USD invested with the Young entrepreneurs

(Not for the Youth)

86% of projects exist after 12 months of operation.

Wealth generated for Palestinians is 34 million USD in first and second years

Meaning

The value of investment was returned +

11 Million USD

Programme Strategy – Cont.

Second Phase: Sustainable

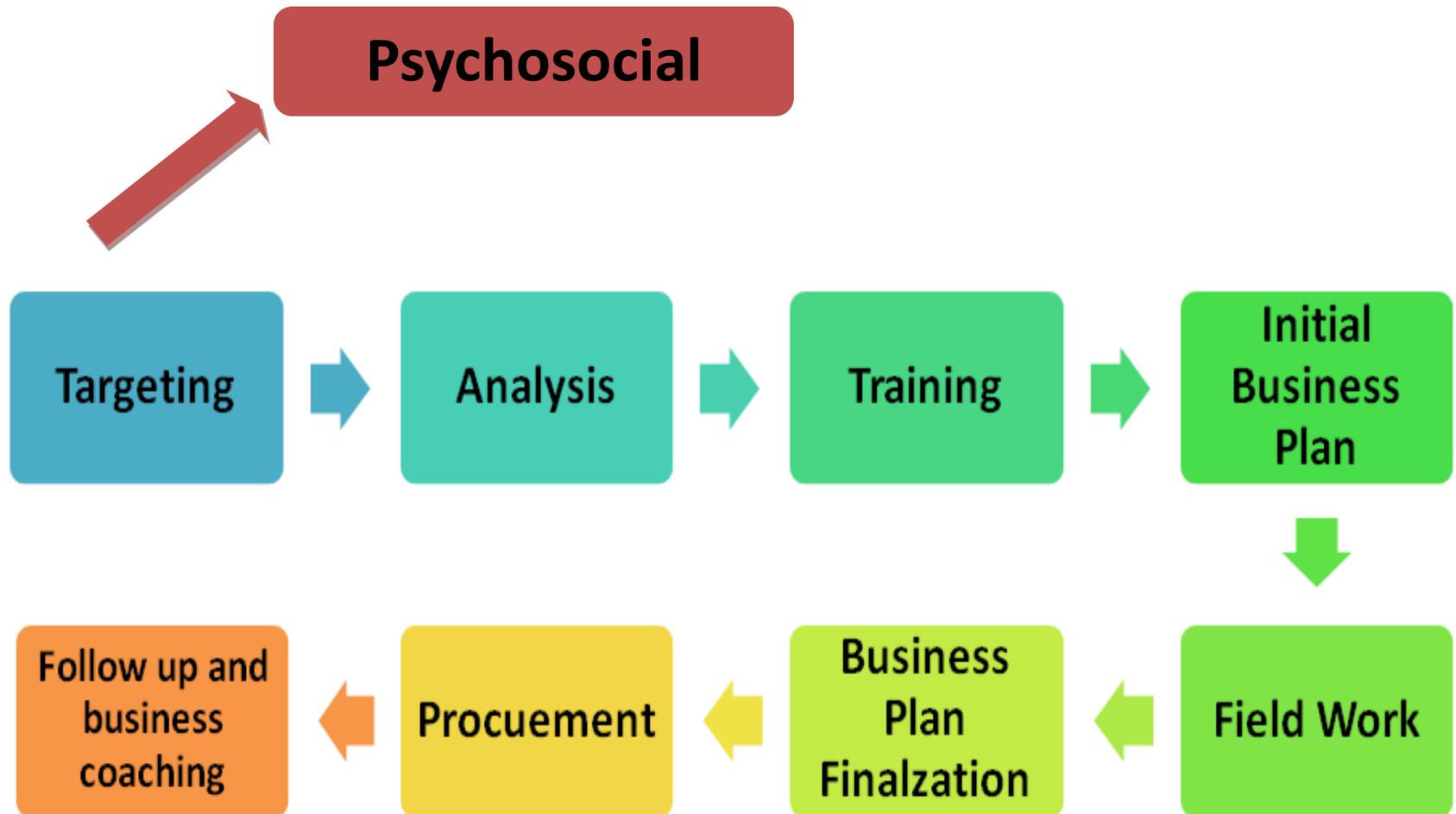
- 1) Establish a sustainable and continuous institution**
- 2) Building capacity of poor households to partner in investments**
- 3) Financing lines and contributions in the waqf Equity + Private sector investors on the local and international levels.**



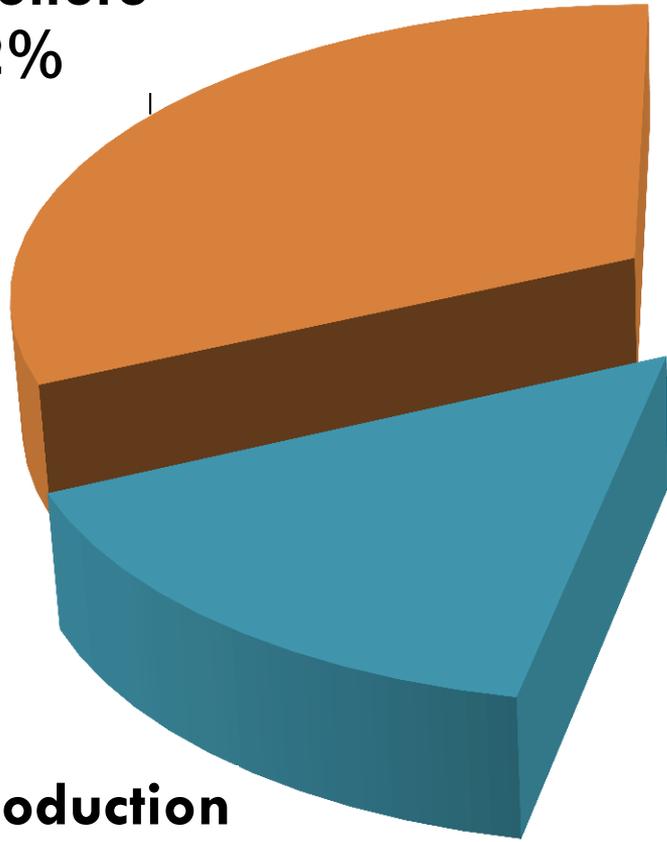
First Phase: Pilot with project level exit strategy

- 1) Capacity development for implementing agencies**
- 2) Build capacity of beneficiaries – Social safety nets.**
- 3) Financing activities for economic activities – experimentation with new investment tools with the Poor**

Business Development Approach

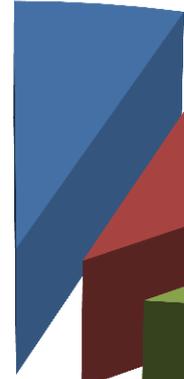


Agriculture
32%

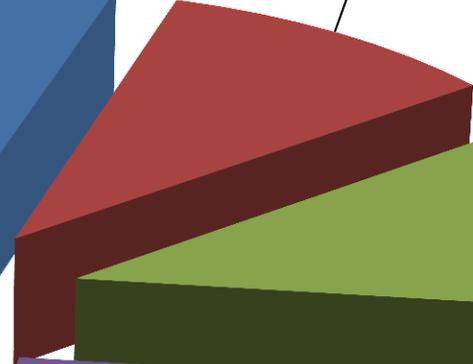


Production
15%

Employment
5%



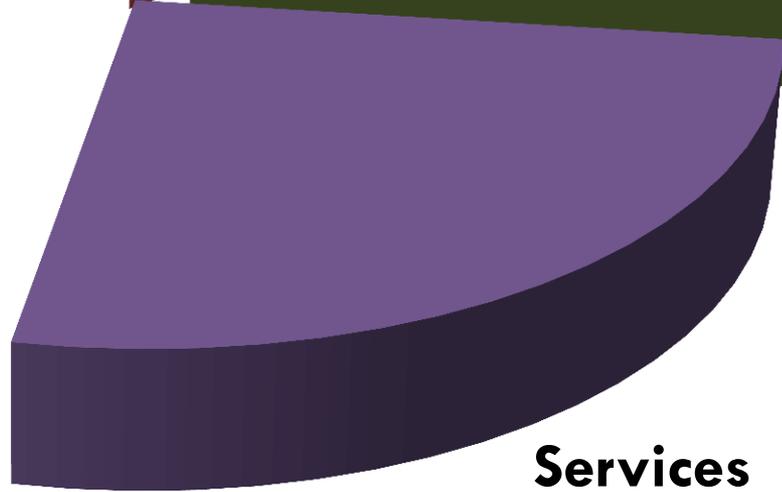
Industry
10%

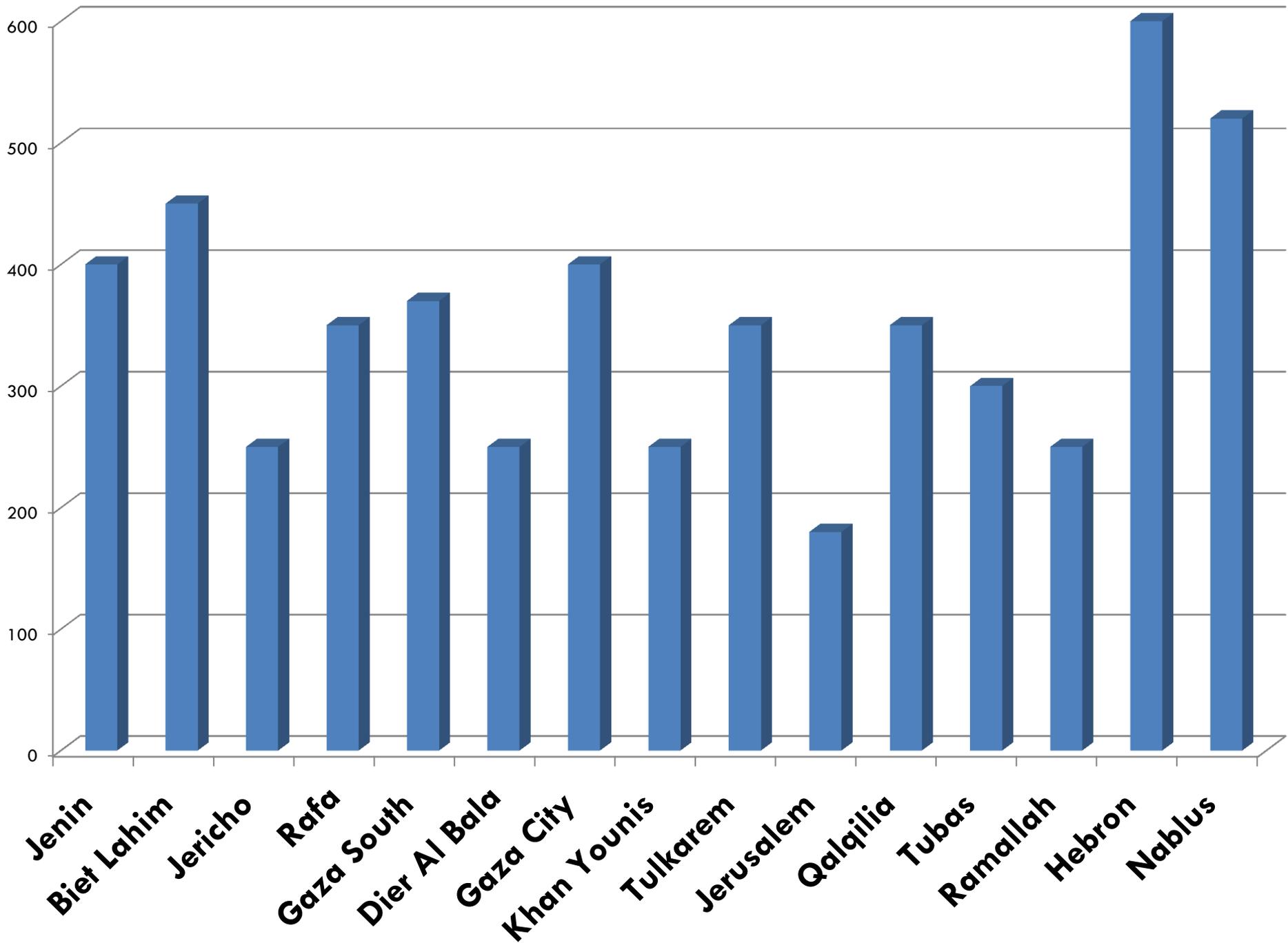


Commerce
12%



Services
26%



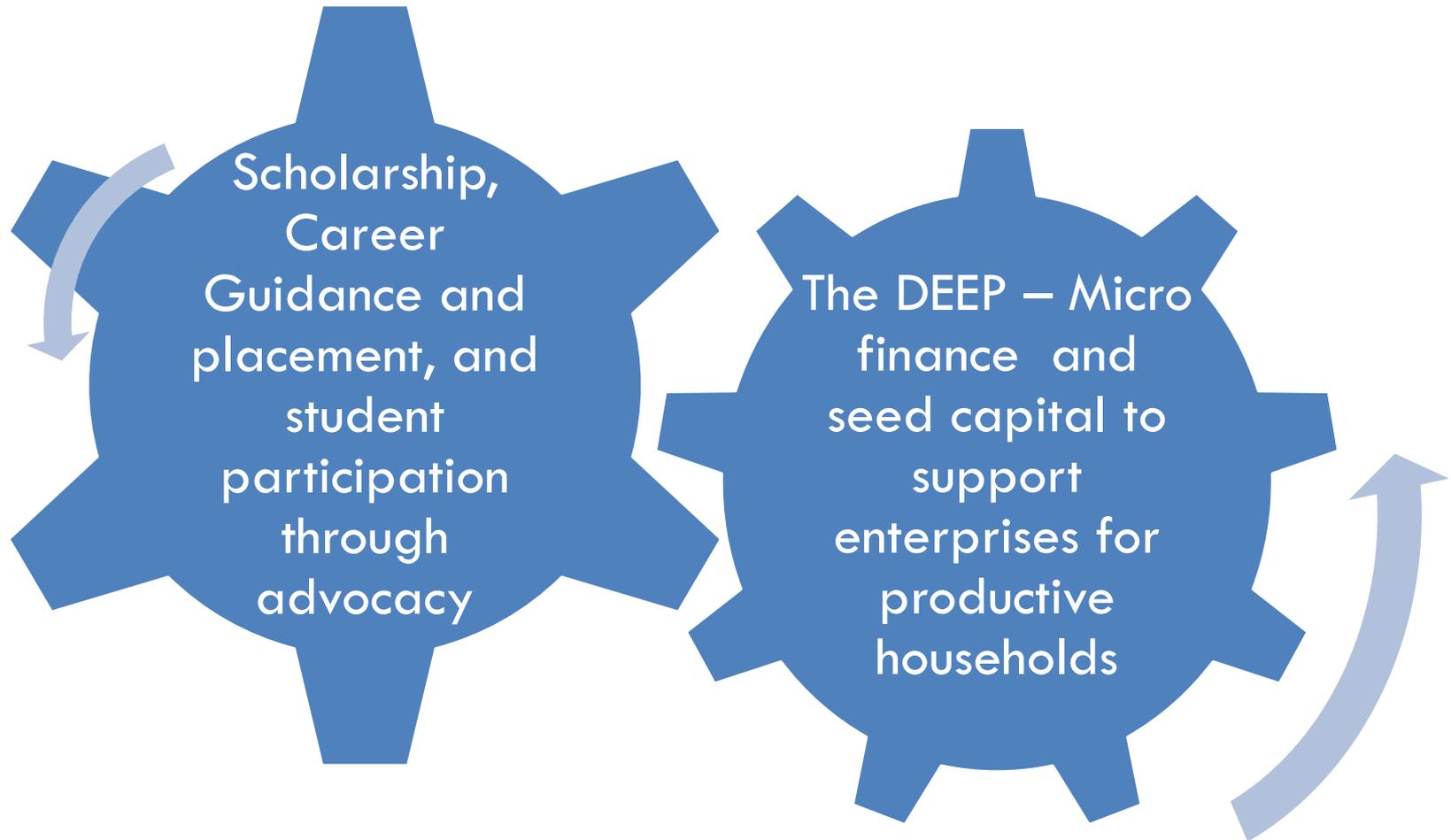


Guiding Principles

- Provide sufficient support for Graduation of Household – Close poverty Gap
- Start the design process based on the aggregate wealth of household capitals
- Depend on the household resourcefulness during implementation – obtaining inputs and determining design
- Changing the knowledge, attitudes, practices, and expectations of youth, households, implementing partners, and also the government to shift from relief mentality to sustainable empowerment and development.
- Building and developing the capacity of national arms involved in empowerment – their services and overall approach to employment and poverty reduction.
- Build models that are scalable and replicable on the national level.
- Utilize the existing social protection services to serve benefiting households and provide jointly a social protection network (health, education, psychosocial, housing, charity and training)

The twining between the DEEP and AI

Fakhoora - Dynamic Futures



Components of Dynamic Futures

AlFakhoora Scholarship

Coverage of tuition and other costs

establishment of Al Fakhoora Students Society

Student Performance Monitoring System

Student Professional development

Supplementary professional development programs

career guidance and counselling

soft skills training

Labor Market Dynamics

Building the required systems to narrow the Gap between Labor market and skilled labor

Help universities and vocational centers to develop curriculum and quality of education to match market demand

Advocacy for Right to Education

AlFakhOora Students Society to lead advocacy component

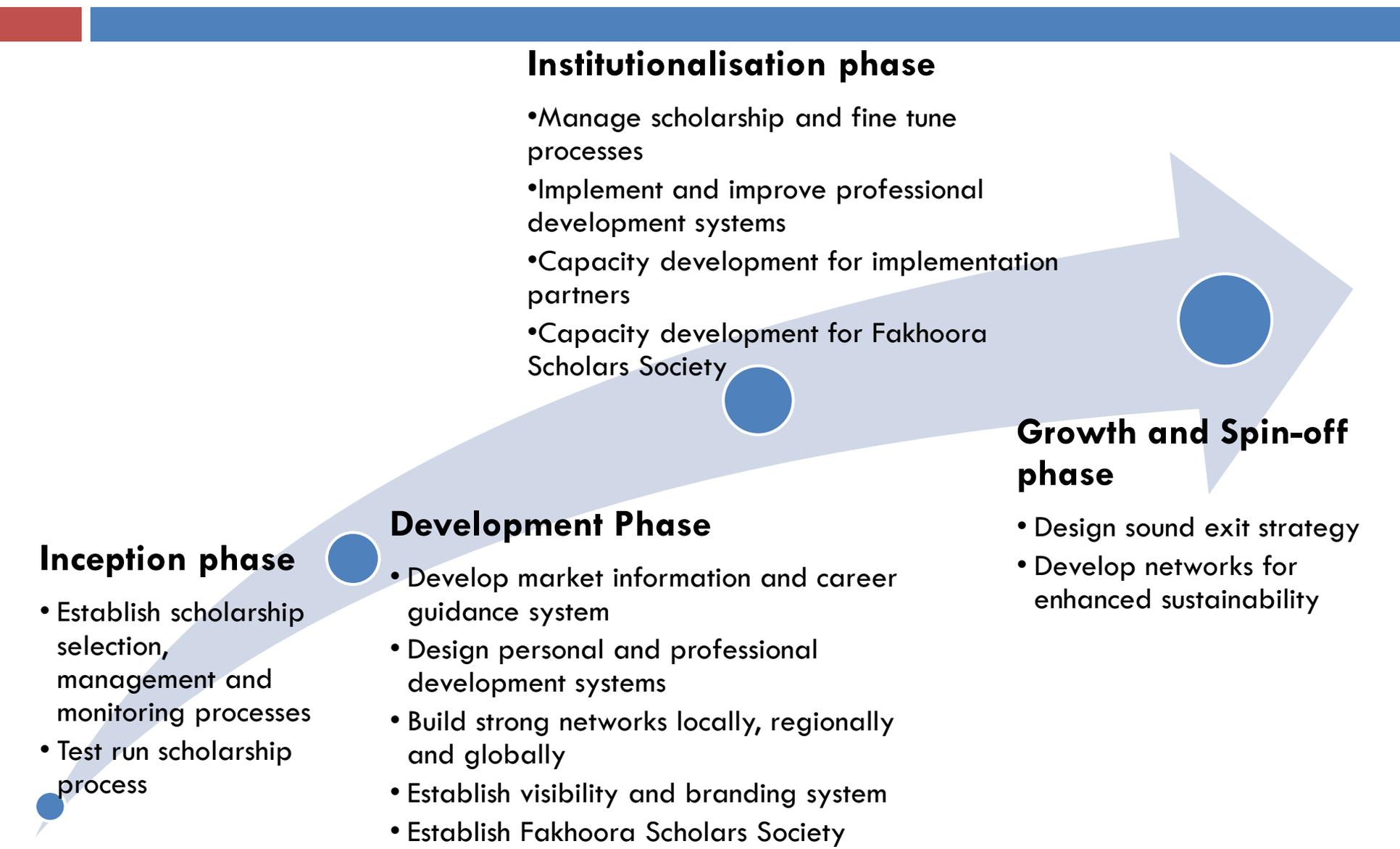
advocacy training

advocacy campaigns

Programme Work – Labor Survey

- Activate and build the capacity of career advisory and placement services at local universities and vocational training centers
- Scale up the programs for building the capacity of graduates to prepare them for job market
- Guide and ease the job hunting processes through information sharing facilities
- Develop the Labor market signaling system – be used to guide curriculum and course development in Universities.
- Retraining and qualifying of unemployed graduates to cater to needed specializations and rare professions

Gradual Growth of Program



Inception phase

- Establish scholarship selection, management and monitoring processes
- Test run scholarship process

Development Phase

- Develop market information and career guidance system
- Design personal and professional development systems
- Build strong networks locally, regionally and globally
- Establish visibility and branding system
- Establish Fakhoora Scholars Society

Institutionalisation phase

- Manage scholarship and fine tune processes
- Implement and improve professional development systems
- Capacity development for implementation partners
- Capacity development for Fakhoora Scholars Society

Growth and Spin-off phase

- Design sound exit strategy
- Develop networks for enhanced sustainability