

# A PLAN FOR WOMEN'S MICRO-ENTERPRISE DEVELOPMENT IN PALESTINE

## OVERVIEW

Across the West Bank, recent <Organization Name> (ORG) projects have resulted directly in the creation of hundreds of jobs and significant increases in income for women. These successes have given many women their first job and the unprecedented ability to add to and often be the only source of family income. Despite this progress, there is tremendous unrealized opportunity to create additional opportunities for sustainable economic and entrepreneurship for women in the West Bank. ORG's experience has underscored significant capacity and motivation among Palestinian to break the cycle of poverty and build a better life through microenterprise development.

Our goal is to help Palestinian women in the northern West Bank achieve financial independence and security by helping them build skills and resources to start microenterprises. ORG respectfully seeks funding from the <Foundation Name> to provide training for over 200 women entrepreneurs, help establish 100 new businesses, and create 300 new jobs for women.

## THE CHALLENGES

Palestinians in the West Bank face significant economic challenges—mobility, access to capital, and access to markets and technical information. Israeli security measures, particularly the separation barrier, have put unprecedented burdens on Palestinians, 46 percent of whom are unemployed. For Palestinian women, the challenges are even greater.

Historically excluded from economic opportunity, they struggle to maintain a household and have few opportunities to develop job skills. Less than 10 percent of women work outside of the home, and even when drawn into the labor market to support families and fill labor gaps, they are often the first to lose their jobs in times of economic difficulty. More and more Palestinian women are working without pay. One-third of Palestinian women work as unpaid laborers.

## THE OPPORTUNITY

Since 2005, ORG has helped Palestinian women increase their income through training in job skills, business management, and income diversification. During this time, ORG has developed a proven model for creating permanent jobs and income—based on business management training, small grants, and microfinance.

Through its West Bank School Feeding Program (2006-2010), ORG worked with 24 women's associations across the West Bank to provide daily nutritionally fortified snacks for more than

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50,000 schoolchildren in nearly 200 schools. ORG trained and mentored members of these associations to become both businesswomen and effective partners for children's nutrition, creating jobs for 2,000 women in the process.

During this process, ORG established very close relationships with women and women's associations across the northern West Bank. When major funding ended, we used modest resources to continue training women in organizational management, business management, and income diversification. The women were able to put their new knowledge and skills to work immediately to create dozens of jobs through independent small business – bakeries, school canteens, greenhouses, fitness centers, and soap manufacturing

### **WHY NOW?**

Timely action is important for two reasons. First, with the peace talks at an impasse, it is a critical time to help Palestinians find ways to survive. Our local partners want to move beyond the political impasse. ORG is ready to work with them at this juncture to build lasting solutions to poverty and hunger by securing financial freedom for Palestinians.

Second, the women ORG has trained have reached a point where independence is within reach; yet they need additional coaching to become self-sustaining. Their success can serve as an example to other women. Soon they will be able to mentor others through business associations and independent businesses.

ORG has been able to provide follow-up support to 10 of its 24 partner women's associations. Our current objective is to consolidate the gains achieved with the initial 10 associations, to expand business development activities to the remaining 14 associations, and to recruit additional association partners.

We will begin in activities in four clusters of communities in the northern West Bank – <community>, <community>, <community>, and <community>– where ORG has established relationships and gradually expand to neighboring areas. Key to the success of this program is developing ongoing peer mentorship to launch a new generation of women entrepreneurs

### **PROJECT GOAL:**

ORG aims to provide microenterprise development training and support systems to help members of women's associations in the northern West Bank create micro. Through enterprise development and micro financing that will create jobs and generate incomes, ORG aims to reach out to new and existing women's associations. ORG will build upon the successes of the pilot group of 10 associations and reach out to the 14 remaining women associations, and reach out to other associations in the region.

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### Balata Women's Association

The women's association of <community> started working with ORG in 2004, one of 24 women's associations in the West Bank that ORG supported to prepare and distribute nutritionally fortified snacks through the World Food Program's school feeding program. When funding ended in 2010, Balata women used their experience to establish concessions in primary schools, providing nutritious snacks to children as a private business. With training from ORG, they have created jobs for 26 women and a revenue stream to invest in social development activities that benefit all.

### PROJECT OBJECTIVES AND ACTIVITIES

Our proven strategy has four objectives: conducting a regional economic assessment to identify opportunities for microenterprises, building skills in business development, increasing access to micro-credit for microenterprise start-up, and introducing micro franchises.

#### OBJECTIVE 1. CONDUCT REGIONAL ECONOMIC ASSESSMENT

To initiate the project, the ORG team will lead members of each target community – particularly members of community women's associations – in an assessment to identify **high-potential economic opportunities** that harness a community's **competitive advantage**, catalyze broad-based economic growth and create jobs. The process will be organized as a self-assessment to guide aspiring entrepreneurs in identifying areas of opportunity and constraint. The assessment will help community members evaluate strategic business niches, with a specific focus on opportunities for women.

**Activity 1.1. Cluster workshops.** ORG will organize 4 1-day workshops (1 per cluster) to assess economic constraints opportunities in target clusters.

**Activity 1.2. Microenterprise identification.** On the basis of the assessment, community members will identify promising areas for microenterprise development by women – either businesses that fill gaps in communities (e.g., internet centers) or activities that leverage competitive advantages of the communities (e.g., agricultural specialties).

#### OBJECTIVE 2: BUILD WOMEN'S SKILLS IN MICRO ENTERPRISE DEVELOPMENT

Based on the economic assessment outcomes, ORG will invite applications individuals and small groups from women's associations (not limited to current partners) to participate in **trainings in microenterprise development and business management**. The aim of this training is to build skills among rural Palestinian women to start and management microenterprises in their communities. We will work with community and association leaders to select at least 200 participants, based on the feasibility of their business ideas and their capacity to implement them. In addition, participants from the initial pilot project will be trained as mentors, so that they can provide support to newly trained entrepreneurs.

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**Activity 2.1. Training workshops in microenterprise development.** We will work with and through ORG's partner women's associations to organize quarterly training workshops for aspiring women entrepreneurs in each of the four clusters of villages (<community>, <community>, <community>, <community>). During five days of training, participants learn about entrepreneurship, business finance, management skills, and microfinance.

**Activity 2.2. Develop business plans.** Microenterprise development training is structured around the development of a business plan. In each module, participants develop sections of their business plan. The business plan follows a simplified, standardized template including: (1) description of the business; (2) description of the product or service; (3) a market study and feasibility analysis; (4) an implementation strategy (e.g., marketing strategy, budget figures, and dates); and (5) a financial plan, including profit and loss, balance sheet, analysis of business ratios, and cash flow forecasts. Based on prior experience, we anticipate that 75 percent of trainees (150 individuals) will produce a sound, "bankable" business plan.

**Activity 2.3. Support microenterprise start-up.** The primary vehicle for promoting new business start-up will be through existing microcredit facilities, which are numerous in the West Bank though largely unknown to rural women (see Objective 3). Following the initial training, ORG staff will provide individualized continued business coaching to help put business plans into action. ORG's experienced business development specialists will monitor, coach and advise the women entrepreneurs in the management of their business by providing technical and business management support.

**Activity 2.4. Establish women's business support network.** While we help trainees grow their businesses by introducing sound business practices, we will also seek additional participants, engaging current partners and participants to guide new ones through peer training.