

Overview of the Productive Families Economic Empowerment Program (DEEP)

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Transforming the Family Structure into a Productive Resource for Women



Manila, Philippines

2-4 June 2014

‘together we build a better future’

Presentation Outline

- **Palestinian Women economic situation, opportunities and challenges.**
- **Brief snapshot on DEEP: description & objective**
- **Women's Empowerment Measures of the Program**
- **Outcomes/achievements**
 - ✓ **Key challenges**
 - ✓ **Lessons learnt**



Socio-economic Situation of Palestinian Women

Economic

- Poverty rate 25.8% & Deep poverty 12.9%. *
- Increasing poverty due to an economy banned from development by the occupation. ***.
- 230,000 households (HH) live below the poverty line of which 65% have sufficient human & productive capacities to operate economic activities given the appropriate BDS & access to finance. **
- 9% F headed HH poorer than M HH
- Own 5% of all lands, 5.4% of the Palestinian companies & 2.5% members of CoCAI*
- 7.7% of never married females aged 18-64 years exposed to Economic abuse by a family member ***
- 37% of ever married women exposed to some form of GBV. Of which 55.1% exposed to Economic abuse from husband

Political

- Anti poor & gender biased economic regulatory environment, employment policies & legislations & de facto implementation of formal or customary laws****

Social

- The longstanding discriminatory patriarchal cultural & social norms, resulting in gendered division of labor, unequal access to resources, decent work, sharing of domestic labor, social services, infrastructure, early marriage, GBV & lack of agency.*****
- Literacy rate 92.9% F, 97.9% M. 57% of university students are females, have lower dropout rates, outrank males in academic achievement.



Status of Palestinian Women in the Labor Market

- Centralized in the lower VC of agriculture production & overwhelmingly in services. Lower skilled & paid jobs
- The average daily wage is 86.6% of that of males (M)
- Informal workers 60% F, 16% M
Risky & low paid**
- Labor force participation 18.3 % F, 70% M
- 31% of the public sector employees
- Unemployment 33.5% F, 23.1% M & 46.1% F with +13 years of schooling.

Sectors of Economic Activity in the labour force			
Economic activity	% share of employed females in 2007	% share of employed females in 2010	% share of employed males in 2007
Agriculture, hunting & fishing	34.3	21.4	12.0
Services & other branches	48.7	61.8	32.6
Mining, quarrying & manufacturing	8.5	7.5	13.3
Construction	.2	.3	13.5
Commerce, hotels & restaurants	7.4	8.1	21.8
Transportation, storage & communication	.9	.9	6.8
Total	100	100	100



Challenges for Economic Empowerment

- The TVET is unresponsive to the needs of the market, highly segregated by gender. Women from poor families' have less physical & economic access to quality education & the TVET than the non-poor. (DEEP)*
- 15% of cooperative members are women (8550). Out of the 461 registered cooperatives in the WB, **only 101 have women members**. Due to women's limited access to & control over the physical & financial resources needed for obtaining membership, prevailing patriarchal culture, keeping women at the lower end of the VC.*

Demand side barriers to access to finance

- Property Rights: access to collateral
- Limited access to networks which are male dominated
- Less financial literacy
- Domestic responsibilities
- Limits on women mobility

Supply side barriers

- Financial institutions lack technical know how to design products that suit the needs of women
- The strong link between legal framework for secured transactions & secured registry
- Government & financial sector policies
- Small number of women in the board

Brief snapshot on DEEP: description & objective

An experience that can inspire the development of similar models in other countries.



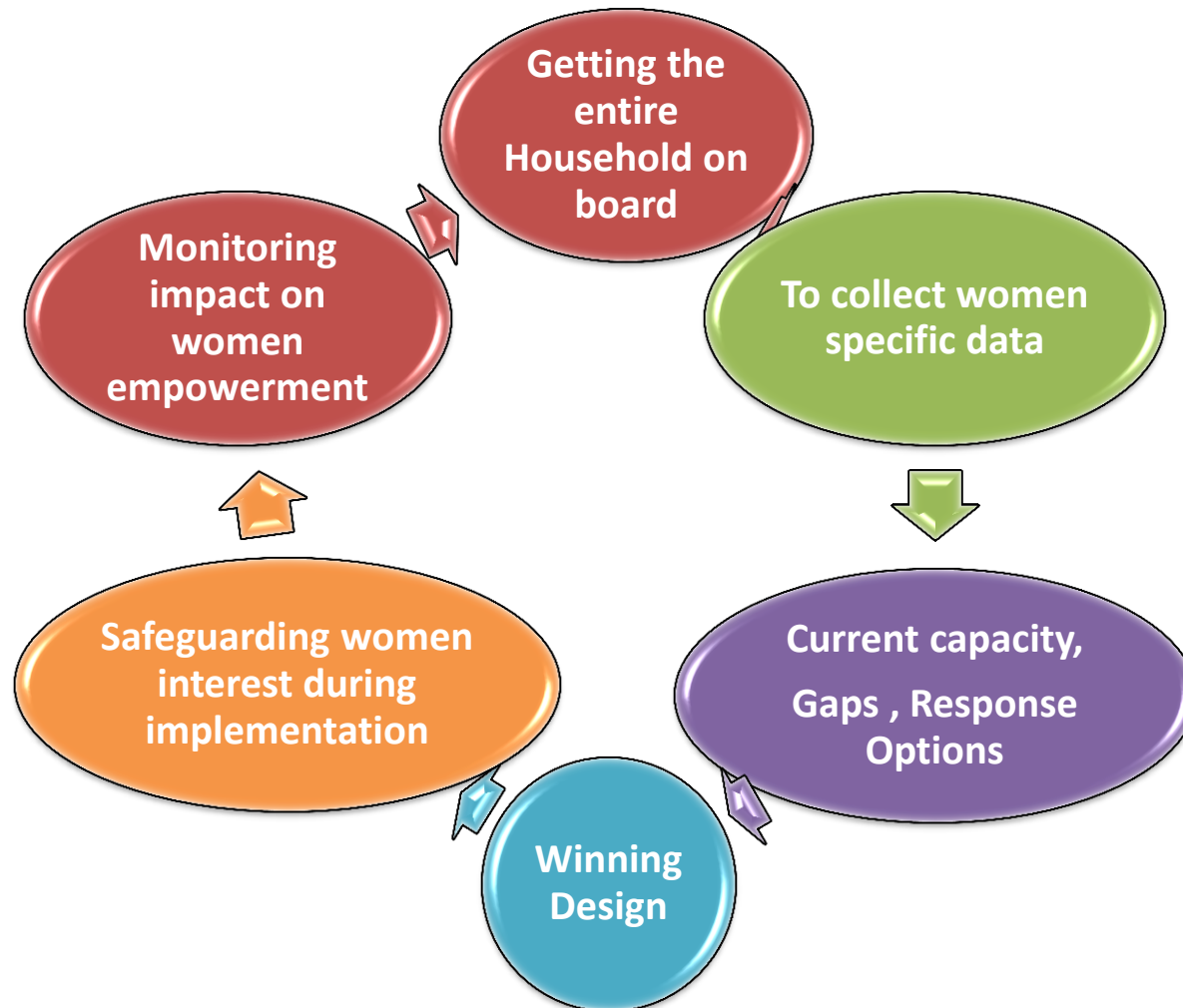
Deep is an ongoing Economic Empowerment Program, implemented over all the oPt including area C, Jerusalem & GS. It is a partnership between the Islamic Development Bank, UNDP & the PA represented by the MoSA, MoL & MoPAD.

The DEEP modality provides an inclusive, participatory & sustainable approach to combating Poverty in Palestine through empowering women & men entrepreneurs & low productive income families to secure sustainable income & employment for their members to become less dependent on aid & emergency assistance.

DEEP challenges dominant top down approach of state building economy and passive beneficiaries, where 2 million Palestinians receive food aid from humanitarian organizations to an economic empowering model centered on notions such as self reliance , participation & resilience.

DEEP principles: poverty focus, gender mainstreaming, diversified interventions, capacity development, adaption, neutrality, transparency, outreach, sustainability, effective targeting of poor HH, linking livelihoods with MF & partnership building. Linkage to MDG1(poverty reduction), MDG2 (primary education), MDG3 (GEWE).

Promoting Women Empowerment



DEEP-women specific program

Outcome & outputs of DEEP Women



Impact: Poor Palestinian Women empowered to exercise their choices & reach their economic life potential through benefiting from more equal, efficient, & effective access to & control over economic resources.

Outcome: # Targeted Palestinian women entrepreneurs belonging to low income families from Gaza, Area C & Jerusalem enabled to access needed financial & technical resources to start their businesses, & adopt positive & sustainable livelihoods strategies.

Targeted women receive BDS & technical support to start their businesses

- Entrepreneurial & project management Training
- Business case development (feasibility analysis & planning)
- Partnership building (access to finance, knowledge, markets, network, business opportunities, fairs)
- Coaching (onsite), one-on-one consultations
- Referral for other social needs

Targeted women have access to finance:

- Grants for individual startups.
- Risk-sharing solidarity finance for entrepreneur existing projects.
- Group financing schemes

financial literacy, vocational training, technical skills & decision-making, long-term BDS, legal counseling, management & financial management, costing, pricing, marketing, risk identification, dealing with government offices...

Women's Empowerment Measures of the Program

contributing to their broader empowerment, agency, voice, & to better welfare outcomes for them, their households & their wider communities



Processes

- Gender-sensitized implementing partners, technical team, gender specialist.
- Work plans/budgets & implementation guidelines address gender issues in program sub-components
- An adapted SLA mechanisms for collecting, analysing & disseminating gender-disaggregated data (women as the unit of analysis)(Category of enquiry/indicators : roles & responsibilities, “productive, reproductive & community”, access& control , power & decision making, needs & priorities “practical & strategic”)
- Discussions within families involve women & men
- Role modelling, exchange visits & gradual approaches using local innovators & leaders
- Bottom-up approaches , up scaling to partnership investments, women cooperatives & clustering, to integrate women into high-value production. (The National 1st initiative, house renovations, scholarship program, BD, training & psychosocial support).

Achievements

- Increased control by women over benefits:
 - improved HH nutrition
 - children’s education
 - improvements to housing (next slides)
- Measures for positive discrimination (quotas for outreach to poor women & access to MF & grants)
- HH based extension services developed for gender empowerment & strengthening sustainability.
- Greater participation of women in decision-making processes
- Engage in policy dialogue - attention brought to women’s needs
- Work & resources fairly distributed between women & men

Women's Empowerment Measures of the Program

Social impact on the woman borrower & her family: Agency, participation & voice



Processes

Achievements

- Increase poor women capacity development *
- Increase reach out to poor women, by supporting 1 NGO & 2 MFIs to open branches **
- **Asset Development:** Financial assets (cash, savings..) Physical assets (property, livestock, home gardens..)

- Enabled self-employment, self-sufficiency & Income Patching (10,810 paid & sustainable jobs for women 47%)
- 50 women found suitable jobs in their areas of expertise.

Family's ability to save	65%
Family's ability to access the basics of life saving food & medicine	65%
The ability of families to emerge from the lower levels of poverty	53%
Increased financial capacity of the borrower	35%
Loan helped positively the borrower's relationship with family	57%
Purchase supplies and requirements of children & the family	67%
Purchase of special needs	67%
Buying a house or property or to improve the housing situation	24%
Contribute to the education of their children	46%
Boost confidence & the borrower's ability to communicate in a community	64%
<u>Enabled the borrower to social decision-making within the family</u>	59%
Positively changed the perspective of society as a result of the borrower's taking a loan	55%

Improvements in women's role in the HH (a greater voice in expenditure decisions)

Increased confidence for women gained, through the economic success of their business & through increased access to community services & collective action with other women. Changes at the community level in the perceptions of women's role

Main Achievements

Business Effectiveness & Sustainability

Partnering with 5805 individual HH women owned projects (43%)

In addition to initial 49 million, the program attracted an additional 72 million USD in investment

84% Operating projects after 3 years

37% graduated from poverty

79% of targeted families closed poverty gap by more than 50%

79% of the beneficiary F/M families improved their average income by **64%, from US\$250 to US\$412**

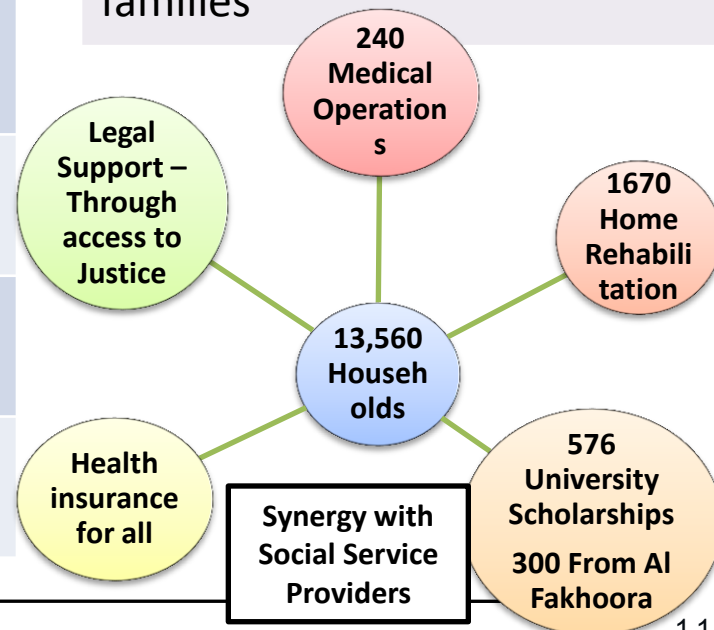
22 million contribution to GDP per year in the last 4 years.

96% of the F/M Beneficiaries reduced their dependency on others by more than 75%.

Efficiency: Piloting Stage

17% For Capacity development, management & M&E

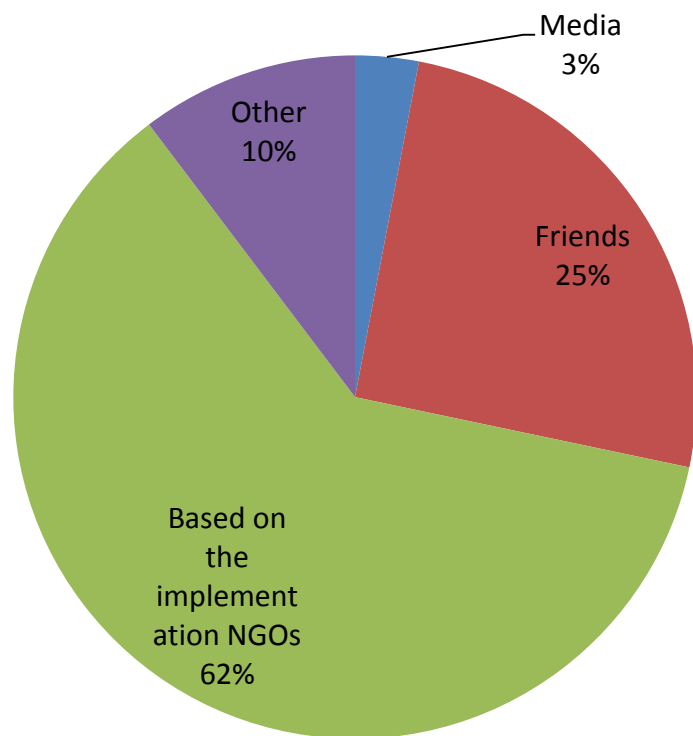
83% For income generating activities i.e. 40 Million USD invested with active-poor families



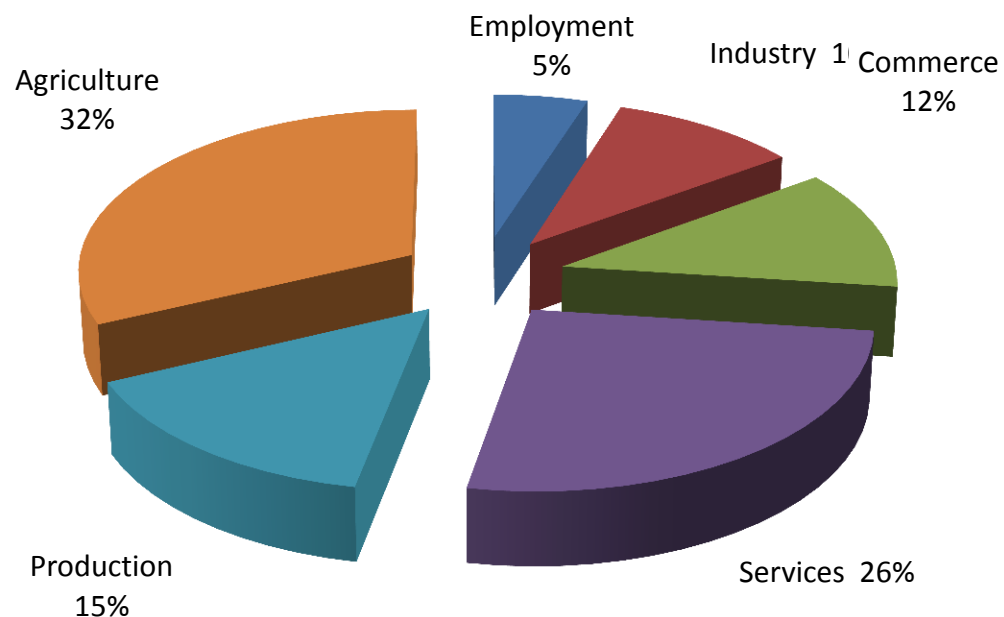
DEEP-Gender Disaggregated Data



1-How do the families know about DEEP?



2-IGPs by sector

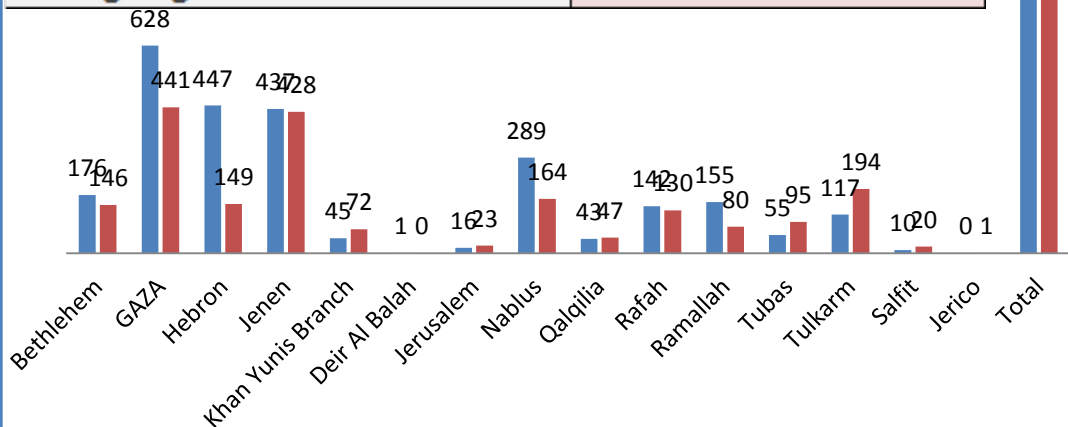


3- MSEs: Access to MF by gender & governorate

Female Male

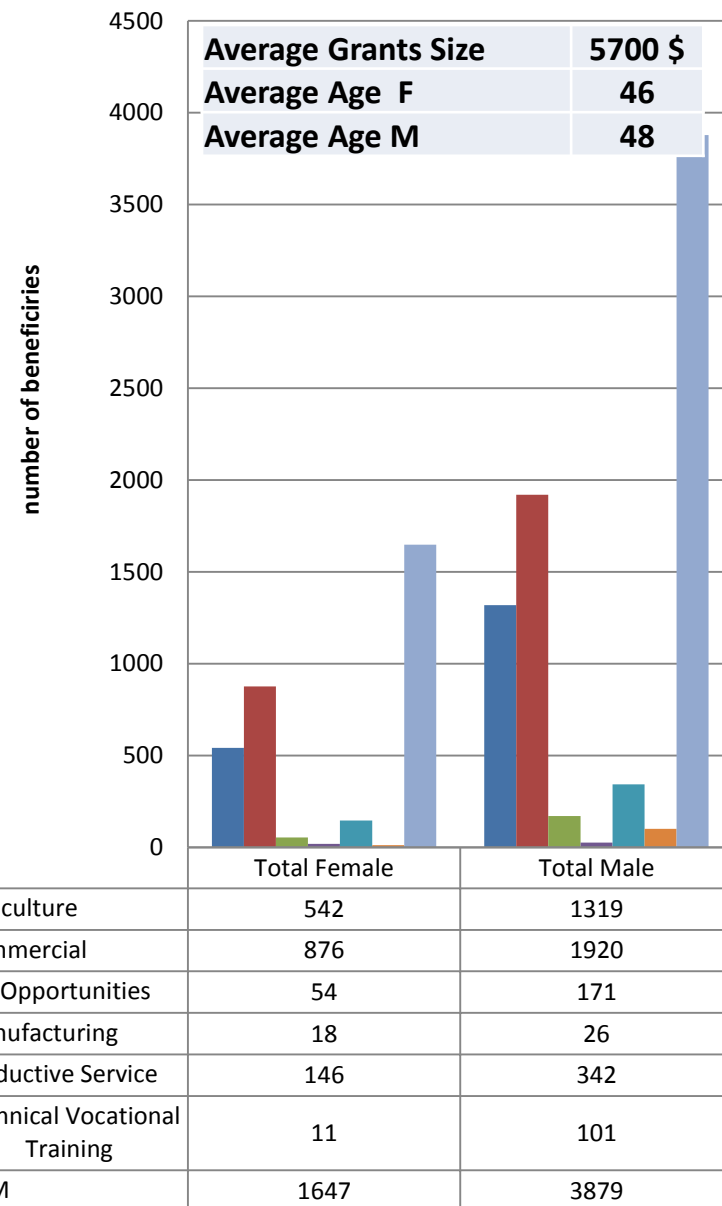
MF: 56% for businesswomen & women HH with financial services for their projects.

Average Loan Size : (6770-980)	3550 \$
Repayment Period (4.5-33m)	2 years
Profit Margin :	5% - 12% per Year
% rate of default for loans :	2%
# Of New Job Created :	5489
Average Age For M	37
Average Age For F	37



4- MSEs: Access to Grants by economic sector & sex

Grants: 30% for women with BD services.





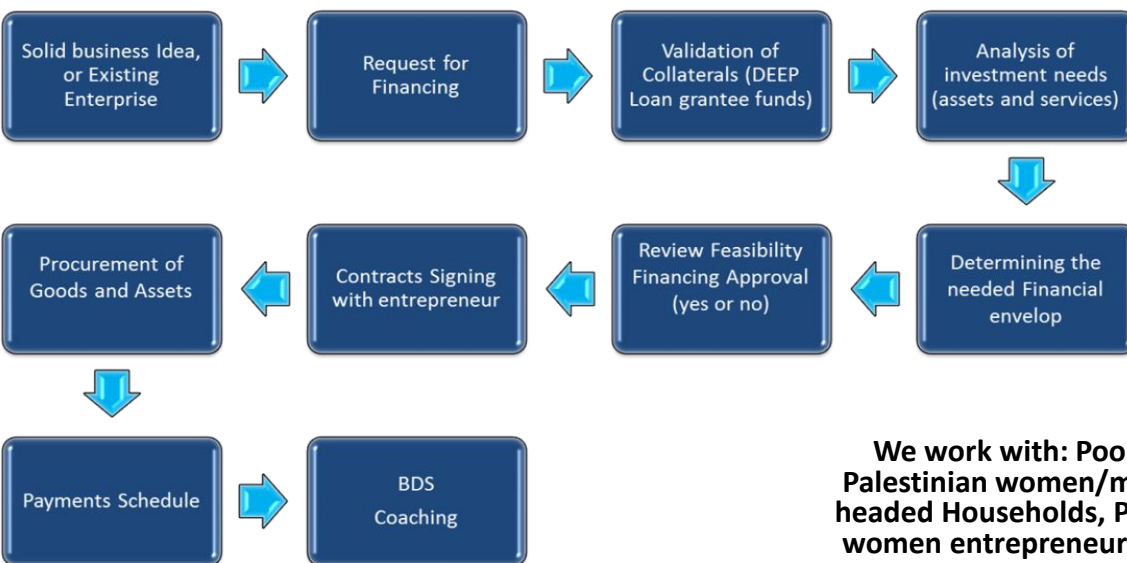
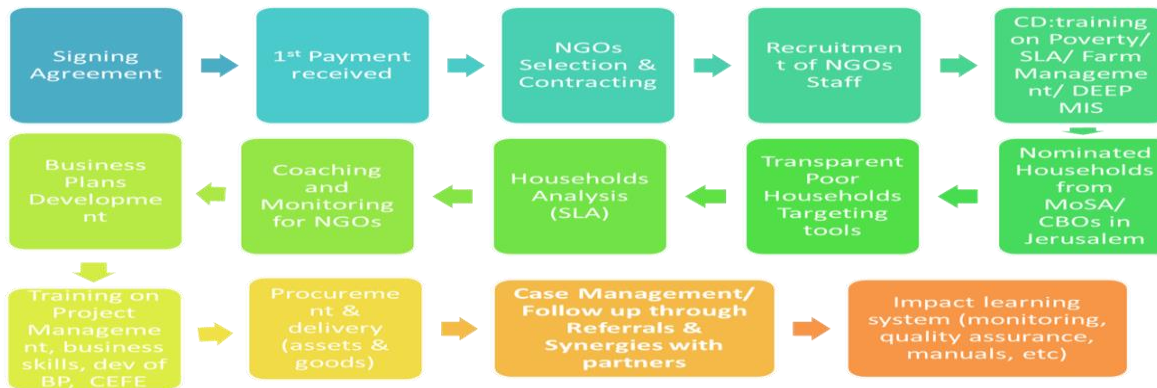
Key Enablers

- **Key Enabler 1: Agile governance & partnership structure with dedication & commitment to enhance the standard of living for female & male headed households**
 - Gender cross cutting, scale up vision, nation wide coverage, multisectoral, timely response & alignment to national priorities
 - A structure with a political will to engage & empower women through all business processes
- **Key Enabler 2: A gender sensitive capacity development (CD) package to strengthen poverty reduction approaches**
 - Technical & financial assessment of the partners capacities including gender sensitiveness*
 - Recruitment of qualified **gender sensitive** partners (45 f, 41 m)**
 - DEEP has built the competencies of 320 staff (approx. gender parity) from 30 executing partners in the field **of SLA with a gender lens**, Feasibility study, Poverty concepts ,Assessment, Analysis & alleviation, ToT to coach beneficiary women “CEFE”, Islamic MF modalities (i.e. Murabaha “cost plus”, Musana’a, Muraba “profit sharing” etc.)
 - Tools, manuals, forms to ensure the proper targeting & assessment of the poor families & **women who are the poorest of the poor**, & harmonization of the execution modalities.
 - A CD program designed for MoSA to meet their technical needs in the EE & establish links between the program & existing social protection & psychosocial services
 - Monitoring: DEEP user friendly dynamic & regularly updated MIS. Adapted by MoSA.

Key Enablers: Transforms the perception about poor HH from cost society towards successful business partners



Key Enabler 3: Gender sensitive, Effective, Flexible Locally adapted GRANTS & MF business process & methodologies



We work with: Poor Palestinian women/men headed Households, Poor women entrepreneurs & Women Cooperatives & MSEs

- The business process ensures **gender sensitiveness, V4M: 4Es, sustainability, Environment & Anti-corruption measures**
- MFIs for the first time in Palestine influenced by the DEEP to accept loans rather than grants
- Islamic MF being a win-win approach, culturally accepted by the poor people.
- MFIs working with DEEP. Targeting **Existing & start up** enterprises owned & managed by the poor families/women HH
- Risk-sharing solidarity Islamic MF for entrepreneur existing projects. **Could support group financing, especially women cooperatives.** Service bundling & service delivery

Challenges & Lessons Learnt: projects level

This is **NOT** a relief program, any issue in the value chain can cause it to become unsustainable! As such, the investment required to create a sustainable model is more costly than relief-oriented projects.

- When possible , avoid traditional women businesses, scaling up ,systematising & refining the approach to WEE* is essential to achieve IsDB mandate in defending women's interest including lobbying & advocating for **Collectively** owned/managed businesses between family members, women only enterprises & cooperatives within a community/sector
- Given women's unequal position within the family, women's loans may be ultimately controlled by male
- Despite increases in income, some women participants report an increased overall workload.
- Self-employment may not be women's (or men's) 1st choice. (A job in the formal sector with more security, benefits & protection)
- Change mindset from MoSA cash transfer → promote productivity & economically self-sustaining
- Limited MoSA outreach to poor women & families in Area C & limitation of BD opportunities. Creating opportunities requires further investment in local economic development (community development approaches), CSOs & clustering of women owned SMEs & cooperatives
- Cultural barriers: Adapt coaching methodologies & training materials "CEFE" to be suitable for rural women. Women reluctance to own & manage the project avoiding potential conflict with the males. **Safeguarding women interest in family based businesses where other household members are involved in day-to-day operations.**
- Balancing between investing more in innovative project ideas, which requires women skilled/specialized human capital, without marginalizing unskilled & traditional women entrepreneurs.

WEE issues	Further needed Equality measures
Type of technical, training & financial services offered	<ul style="list-style-type: none"> • Recognize women's specific barriers to participation. i.e. Mobility, operations close to women's homes, suitable time, trainings to compensate for lower education levels, help increase confidence, life skills etc. • Simple application forms, flexible repayment schedules when needed • Access to non-collaterized MF • Explore additional financial services, including savings schemes • Enhance VC linkages with other women suppliers & producers • Incorporate gender equality issues into training – both for women & for men
Social services non-finance support	<ul style="list-style-type: none"> - A more complementary set of social services & referrals to the multi dimensional aspects of chronic poverty: i.e. child care, health, education, shelter, social, cultural, GBV, psychosocial, participation in decision making, easier mobility & access to markets
Nature & mandate of the NGOs, MFIs managing the MF program	<ul style="list-style-type: none"> ▪ Encourage links between female participants in MF initiatives & women's orgs. with a broader agenda of gender equality. ▪ Conduct PGA* for NGOs, gender sensitization/response plan ▪ Actions to increase women's access to formal channels of finance, specific targeting of innovative initiatives ▪ Train staff administrating the MF to increase their understanding of women's economic potential & how to meet their specific needs. ▪ Participatory monitoring, to provide an opportunity for women to voice concerns & offer suggestions for change.

Policy Challenges to WEE

Challenges

- Pace of change given social norms
- Care economy: Is measurement & awareness raising enough to bring about change
- Is growth of the informal sector an inevitable & permanent trend
- The interface between law & customary regimes/women property rights
- Structural gender inequalities in the labor market *, policies, institutions & processes influencing access to assets

Response

- Research on WEE packaged & communicated for policy-makers i.e. Policy briefs/ V4M of potential interventions
- Evidence most accessible & useful
 - Accurate & reliable sex & age-disaggregated data
 - ownership versus use of productive assets
 - A life-cycle/age-segmented approach to research on WEE
- Sectors with the most impact & engage women in higher value activity
- Ensure that getting economic assets to women does no harm
- Gov. commitments to reach the UN target of 0.7% of GNI in ODA with gender equality objectives
- Engage men & leaders in this agenda
- NFE, TVET, women business incubators, time & labour saving technologies that most benefit women
- Strengthen advocacy , policy dialogue & consultations with key planning & sectoral ministries, GRB, & other national women machineries NGOs.

TEXTILES FACTORY –WOMEN’S CLOTH

Ms. Sawsan El-Khatib

Family Members: 5 (4 Children)

South of Hebron – West Bank

Value of investment 7,000 USD

Murabaha - Microfinance

Monthly income: 1,700 USD

Number of Employees: 28 Paid Women



"The most important thing I got from DEEP was self-confidence and courage to open my own business."

The National First Initiative: a business partnership between the low income women cooperatives & the private sector



The National First Initiative
Targets women cooperatives.
Executed in partnership between DEEP, FAO & MoA & in cooperation with PADICO one of the biggest private sector companies that owns a number of 5 star international hotels in Palestine. The initiative supports the enhancement of women cooperatives products quality & quantity, certification standardization, networking, & marketing opportunities, including women products to the PADICO hotels.



THANK YOU!

شكرا والسلام عليكم