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EUROPEAN UNION

Final narrative report

PZA 170391T

(Enhance resilience of micro businesses
and create sustainable livelihood
opportunities in the Gaza Strip -
SAWA),

(Palestine)

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list of Acronyms


MEAL	Monitoring, Evaluation, Accountability, and Learning
WAC	Women's Affairs Centre
PFI	Palestinian Federation of Industry
PAC	Project Advisory Committee
PSC	Project Steering Committee
OA	Organizational Assessment
GCE	Green/ Circular Economy
CSO	Civil Society Organization
CBO	Community-Based Organization
PSUO	Private Sector Umbrella Organization
SYP	Skilled Young Palestine
PCBS	Palestinian Central Bureau of Statistics.
EU	European Union
NPA	National Policy Agenda
PA	Palestinian Authority
OA	Organizational Assessment
TFF	Technical and Financial File
EPCGF	European Palestinian Credit Guarantee Fund
BDS	Business Development Services
ToT	Training of Trainers
TVET	Technical Vocational Education and Training
KSA's	knowledge, skills, and attitudes
SMED	SAWA Micro-enterprises Development
HQ	Headquarter
IT	Information Technology
SDF	Skills Development Fund
PPP	Public-Private Partnership
SCP	Sustainable Consumption and Production
MFIs	Microfinance Institutions
EQA	Environment Quality Authority
ToRs	Terms of References
INGO	International Non-Governmental Organization
HR	Human Resources
LoP	Life of the project
ROM	Results Oriented Monitoring
MIS	Management Information System

Summary of Intervention

Title of the intervention	Enhance Resilience for Micro- businesses and Create Sustainable livelihood Opportunities in the Gaza Strip - 'SAWA' (Arabic word for ‘Together’),
Code of the intervention	PZA 170391T
Location:	Gaza Strip
Total budget	1,650,000
Partner institution	<ul style="list-style-type: none"> • Bayader Association • Women’s Affairs Center – WAC • Palestinian Federation of Industries - PFI
Start date of the Specific Agreement	18 th December 2019
Start date of the intervention/ Opening steering committee	January 2020
End date of execution	December 2022
End date of the Specific Agreement	17 th December 2022
Target groups	<p>Direct Beneficiaries:</p> <ul style="list-style-type: none"> - (150) unemployed Palestinian youth (male and female) and women who desire to become self-employed and start their own business. - (30) innovative youth able to initiate green solutions for green/circular economy - Civil Society Organisations (CSOs) and Private Sector Umbrella Organisations (PSUO) <p>Indirect Beneficiaries:</p> <ul style="list-style-type: none"> - (6) Community-Based Organizations (CBOs) - (12) Industrial Sector Associations members of the PFI
Impact¹	<ul style="list-style-type: none"> ▪ Contributing to Economic Resilience in the Gaza Strip
Outcome	<ul style="list-style-type: none"> ▪ Enhanced Resilience and Sustainability of Microbusinesses in the Gaza Strip
Outputs	<ul style="list-style-type: none"> ▪ Empowered vulnerable women and youth for establishing sustainable and resilient micro businesses
	<ul style="list-style-type: none"> ▪ Empowered youth for initiating sustainable and innovative green/ circular economies initiatives
Total Budget	1,650,00 EUR

¹ Impact regards the general objective; outcomes regard the specific objective; output regards the expected result

Signature of the SC members

EUDEL representative	Enabel
Giacomo Miserocchi	

Self-evaluation of performance

Relevance

	Performance
Relevance	A

The project is aligned with the national policy agenda (NPA) 2017-2022 under the third pillar of the agenda; Sustainable Development, which include the two national priorities of “Economic independence and Resilient Communities” which are linked with the national policies that include building Palestine’s future economy, creating job opportunities; improving Palestine’s business environment, ensuring a sustainable environment, and adapting to climate change. SAWA worked on supporting the targeted vulnerable communities through stimulating self-employment and livelihood support while supporting entrepreneurs in tackling and addressing the challenges and opportunities in the green and circular energy.

Research and reports confirmed the need for employment and small businesses support such as SAWA. The Palestinian NGO Network (PNGO) stressed the need for such projects saying that “the employment projects associated with small and medium enterprises (SMEs) were more feasible and cost effective at the personal and national level”². In addition, World Bank also stressed the need for “More financing to be made available to promising startups and small firms.”³

Many studies and research⁴ highlighted how vulnerable Palestine, especially Gaza Strip, is to climate change, stressing the need for urgent solutions including GCE.

However, as the 2020 Palestine Country Profile on Circular Economy⁵ puts it; “Palestinians are more concerned about their economy and security. Despite the political, economic, and social conditions, some initiatives have been promoting sustainable development concepts in Palestine. But these initiatives are still very punctual and small scale, as Palestinians prioritize livelihoods on the short-term.” This explains the lack of national interest in GCE given the presence of other pressing priorities. At the same time, this gives credit to Enabel who took it on their shoulders to pilot such project in the green sector.

SAWA project is directly relevant to Enabel’s strategy which aspires to reaching a “sustainable world” through “sustainable development.” The design of each layer of the project logic is also relevant and strongly linked with the intended change to be achieved.

SAWA is in line with the key policy areas proposed by European Joint Strategy and the New Agenda for the Mediterranean, namely priority #2 (Strengthen resilience, build prosperity, and seize the digital transition) and # 5 (Green transition: climate resilience, energy and

² PNGO - [Fact sheet on Employment and job creation programs in Gaza Strip Palestinian NGO’s Network](#) / 2021

³ World Bank - [Enhancing Job Opportunities for Palestinians](#) / 2019

⁴ See Oxfam: [Towards a Just Energy Transition: Implications for communities in lower- and middle-income countries](#), 2022. And SwitchMed: [Regional Baseline Assessment 2020](#)

⁵ [SwitchMed](#): Palestine Country Profile on Circular Economy, 2020

environment); and develops further the programmatic area identified for Palestine as part of Flagship 5 – Connected economies.

Both results of SAWA are consistent with EU strategy in Palestine, as the first result is related to supporting vulnerable people through economic resilience building which is identified by EU as a priority and is supported in various EU projects. In addition, result 2, the GCE is perceived by the EU as a need to increase Palestinian's economy ability to absorb shocks and become more resilient.

Effectiveness

	Performance
Effectiveness	A

SAWA project followed good practices in the project design and implementation to ensure its effectiveness. The adopted Community-Based Approach and the Sustainable Livelihood Approach were effective in achieving the intended results. SAWA and its partners' efforts in identifying the targeted communities, and the selection of beneficiaries were effective to identify promising micro-enterprises/businesses ideas for vulnerable people as planned. In addition, the training program design and awarding process were effective in terms of building the participants' capacities and led to the establishment of successful micro-enterprises/businesses.

Under the GCE, SAWA project proved effective in terms of achieving its intended results as a pilot phase. Effectiveness was evident in the selection of the implementing partner, the mapping of GCE challenges and opportunities, the selection of GCE ideas, training and granting of the seed fund.

The partnership model followed by Enabel, and its good relations with the actors, as well as the involvement of the PAC members, contributed to increasing the project's overall effectiveness.

Efficiency

	Performance
Efficiency	A

The project took efficiency seriously and included it as an essential component through all project aspects. This was clear since the early design stages during which Enabel was keen to formulate a good understanding of the project. During implementation, Enabel and its partners were committed to the efficient use of project financial and non-financial resources which allowed them to implement all activities and achieve all required outputs within the given budget with no major changes or reallocations.

It can be said that SAWA was efficient in managing its resources under both results for vulnerable target groups and for the green and circular economy.

Potential sustainability

	Performance
Potential sustainability	B

The review team considers that the technical sustainability of the project is very good at least at the level of individual beneficiaries.

The change SAWA has contributed was not done at a wide structured level which makes it harder to sustain at community level.

- In terms of technical sustainability, the project is evaluated as very positive for the importance of capacity building at several levels, even though it is widely agreed among the interviewed that the training was not enough, and the recommendation would be to increase the days and hours and the contents of a business plan are reinforced⁶
- The project empowered the implementing partners with capacity building and experience in managing similar grants in the future in this sector, which was reflected positively on the target group either in developing their business by additional grants or providing coaching services, and TOT Training provided to SAWA team considered as knowledge transfer to partners, long term, and sustainable action.
- In the selection phase, the selection committee took into consideration the business ideas' financial viability and feasibility to ensure the profitability of the business and financial independence after the support.
- The careful selection of micro-businesses ideas is a key factor in realizing sustainability of the supported micro-businesses and GCE ideas. Their relevance to actual needs increases their good potential to be sustained. In addition, the quality training provided to the supported businesses, led to improved products quality as well as improved overall business management, which also can play a role in increasing the sustainability of those businesses.
- Moreover, in terms of financial sustainability the project ensured that all beneficiary-purchased materials, tools and equipment complied with sustainability terms, and could be used for long term, in addition to the training provided to the beneficiaries has included the topics related to business plans, financial management and procurement increased their capacity in managing their business in a sustainable method.
- It is worth noting that SAWA has tried to provide access to finance for the supported projects through networking with financial institutions, however, such efforts were not well-structured and therefore didn't bear fruit in terms of ensuring future access to finance for the supported projects. This could be further improved in future interventions.

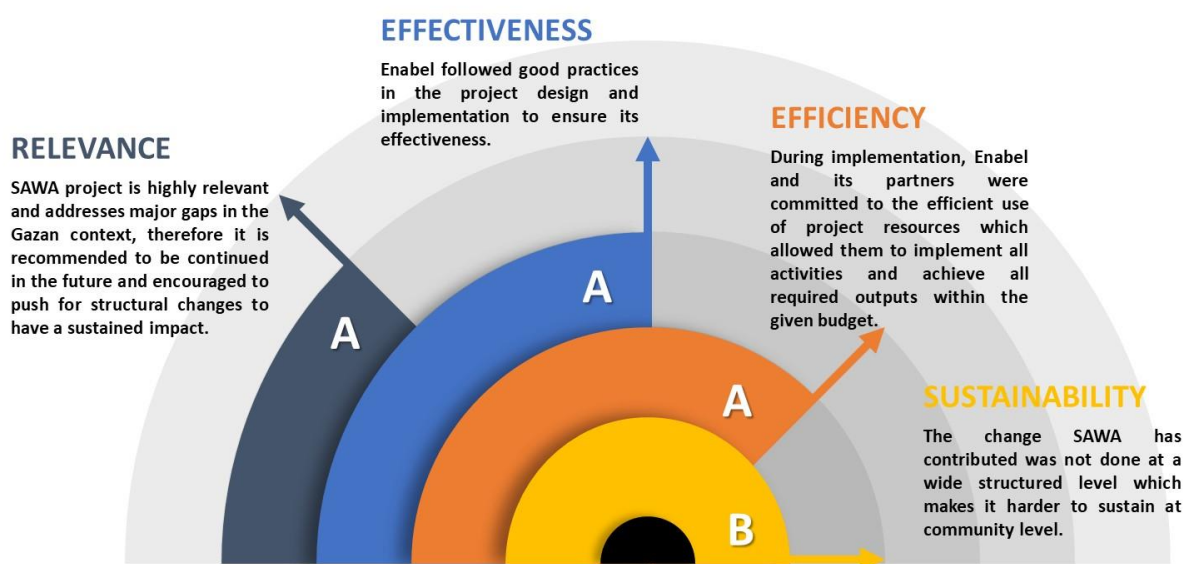
Conclusions

- SAWA project is highly relevant and addresses major gaps in the Gazan context, therefore it is recommended to be continued in the future and encouraged to push for structural changes to have a sustained impact.
- The project focused on supporting new micro-enterprises/businesses, however, working with already existing SMEs is also recommended to reduce the risk of drop out and to allow for building on already existing expertise.

⁶ Information obtained from interviews and FG and specially from the informant Doctor Sami Abu Ros under the ETR exercise

- Tapping into the green and circular economy (GCE) was innovative of the SAWA project, and this is recommended to continue in the future with an open mind to including existing businesses who have the ability to contribute with creative and green solutions to their challenges but lack the resources or knowledge.
- Besides its impact in supporting micro-enterprises/businesses, the SAWA project contributed to the production of knowledge in specific areas such as the green economy.
- The issues of access to finance and access to market to ensure should be further addresses in future interventions (SAWA II) paving the way for the supported micro-enterprises/businesses beyond the project time boundaries.
- Working in the Gaza Strip and having impactful interventions require communication and coordination with the relevant government actors. Therefore, Enabel is recommended to reconsider its no-contact policy.
- Noting its good performance in issues of gender and do-no-harm, it is recommended to study and respond to the gender needs during the selection, training, and seed funding stages. Needs such as covering care for children during the training, sensitizing project managers on gender issues, and raising awareness regarding financial independence of grantee women.

SAWA Self-evaluation of performance



Assessment of the intervention strategy

Evolution of the context

General and institutional background

The impact of May 2021 escalation on the socio-economic context of the Gaza Strip

The 11-days of intense fighting, 10-21 May 2021, between Israeli forces and Palestinian armed groups in the Gaza Strip, was the gravest since 2014. Civilians were killed and injured, tens of

thousands were displaced. Homes and vital infrastructure were destroyed or damaged, and the supply of essential services was severely disrupted.

The conflict damaged various core physical and digital infrastructure assets, particularly buildings, hospitals and health centers, water and sanitation facilities, transport, energy, and communications networks.

Beyond the human tragedy and the subsequent immediate humanitarian relief channelled to Gaza, the economic impact of these 11 days of conflict has severely weakened an economy already reduced to a fraction of its potential. Gaza is one of the most densely populated areas globally, with around 2.1 million individuals living in 365 square kilometres. For nearly 15 years, the movement of people and goods into and out of Gaza has been under restrictions imposed by Israel due to security concerns. In addition to multiple episodes of conflict and a damaging internal political divide, this isolation has created a complex humanitarian situation in Gaza exacerbated by the May hostilities.

A Rapid Damage and Needs Assessment (RDNA) was jointly conducted by the World Bank Group (WBG), the European Union (EU), and the United Nations (UN) to estimate the total damage and losses incurred in Gaza following the latest conflict. According to this RDNA, the damages are estimated at between US\$ 290 – 380 million. The Social Sectors, defined in this report as Housing, Health, Education, and Social Protection and Jobs, have borne the brunt of damage estimated at between US\$ 140 – 180 million. The Housing Sector alone represents almost 93 percent of the total damages to the Social Sectors. Additionally, the Infrastructure Sectors, covering Municipal Services, Transport, Water and Sanitation, Energy and Digital Infrastructure, have incurred between US\$ 60 – 85 million in damages. The Productive Sectors, encompassing Agriculture, Industry, Trade, and Services, and the Financial Sector, are estimated to have sustained between US\$ 75 – 90 million in damages. Finally, Cross-Cutting Sectors such as Governance and Environment have incurred damages in the range of US\$ 15 – 25 million. Economic losses amount to between US\$ 105 – 190 million.⁷

Impact of Covid 19 on the local economy and people's resilience

Coronavirus-induced social distancing and lockdown measures have further weakened the fragile Palestinian economy. Even before COVID-19, political instability, periods of violence, and Israeli restrictions on human and material movement in and out of the Gaza Strip were already causing a state of humanitarian emergency in the Gaza Strip.

Due to the health and socioeconomic crisis, the Gaza Strip's unemployment rate jumped to 49% by 2020. Likewise, the pandemic has caused wages to decline by 50% or more in nearly 40% of West Bank households.

The pandemic also intensified Gazan food insecurity. The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) reported that “food expenditure declined in 40% of surveyed households in Gaza once lockdowns went into effect.” As of early 2021, 68% of Gazans were food insecure.

Management context

⁷ Gaza Rapid Damage and Needs Assessment – June 2021, <https://reliefweb.int/report/occupied-palestinian-territory/gaza-rapid-damage-and-needs-assessment-june-2021>

Partnership modalities

During the implementation period of the project three grant agreements were signed with the three implementing partners: Bayader, WAC, and the PFI.

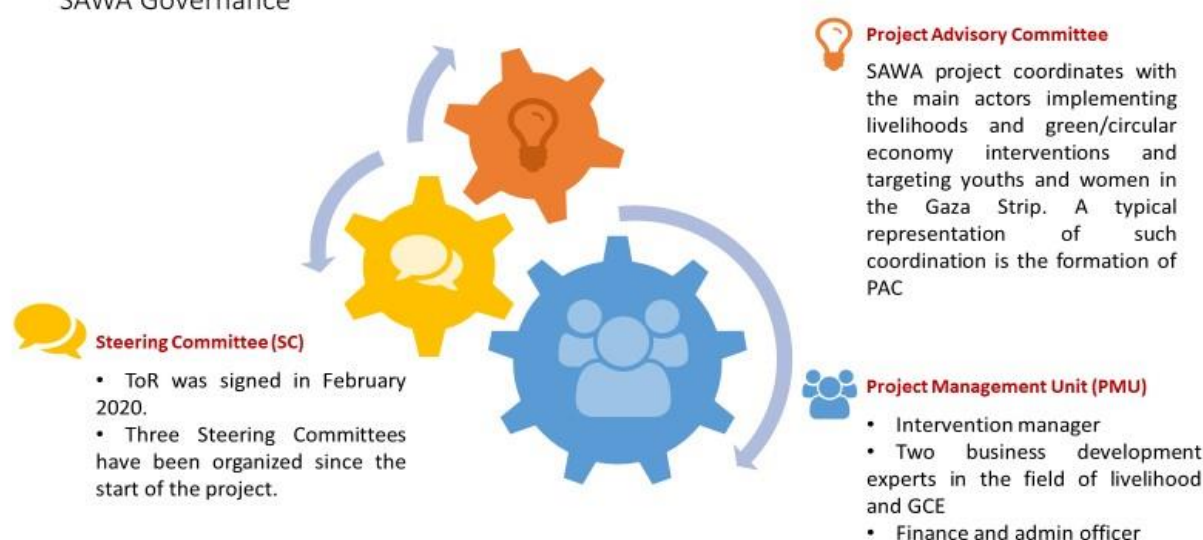
Organization	Duration	Amount	Scope
Bayader	15/9/2020-15/5/2022	EUR 369,000	the expected result of the action related to the present agreement is Results 1: “Empowered vulnerable women and youth establish sustainable and resilient micro businesses
WAC	15/9/2020-15/5/2022	EUR 369,000	the expected result of the action related to the present agreement is Results 1: “Empowered vulnerable women and youth establish sustainable and resilient micro businesses
PFI	15/9/2020-15/5/2022	EUR 172,980	the expected result of the action related to the present agreement is Results 2: “Empowered vulnerable women and youth establish sustainable and resilient micro businesses

Operational modalities

➤ Project governance

The project adopted the following governance structure:

SAWA Governance



✓ **Steering Committee (SC)**

Terms of Reference for the Steering Committee were developed and signed at the first Steering Committee meeting in February 2020. Three Steering Committees have been organized since the start of the project.

✓ **The Project Management Unit (PMU)**

The project unit consists of the following team:

- Intervention manager
- Two business development experts in the field of livelihood and GCE
- Finance and admin officer

✓ **The Project Advisory Committee**

SAWA project coordinates with the main actors implementing livelihoods and green/circular economy interventions and targeting youths and women in the Gaza Strip. A typical representation of such coordination is the formation of PAC. The main objective of the PAC within the SAWA project is to provide support and technical advice to the project team and PSC. A ToR that explains the roles and responsibilities of the PAC was developed and approved by the PSC. This committee consists of 11 representatives of local and international institutions experienced in promoting economic resilience and private sector development. Five meetings have already taken place since the start of the project, in which numerous different recommendations and technical advice were received that maximized SAWA activities' efficiency and effectiveness.

Project implementation modalities

The project followed and adopted the implementation modalities developed in the first year of the project, which succeeded in maximizing the project's effectiveness and impact as per the following.

SAWA Implementation Modalities



- **Result 1: Empowered vulnerable women and youth for establishing sustainable and resilient micro businesses.**

✓ **Transfer the know-how to the implementing partners**

SAWA project succeeded in building the capacity of the two partners in business development services by developing their tools and manuals, building the capacity of their technical team of the business development experts through the cascade approach on-job training. The modality adopted facilitated the transfer of knowledge and experience that enabled the implementing partners to systemize the process of the business development services within their program/s.

✓ **Utilization of the targeting strategy and the selection process**

SAWA project was a pioneer in developing its targeting and selection strategies during the first year that ensured the outreach of the most vulnerable women and youth in addition to inspiring them to the most promising economic sectors within their localities through the economic sectors analysis exercise executed in 2020 (part of the targeting strategy). The year 2021 verified the value-adding and the importance of the targeting strategy as the selected businesses matched the identified sectors with 71%

✓ **Adopting the best practice in private sector development**

During the second year of the project, the year of the implementation, SAWA integrated the best practices in the private sector development field by combining all three critical elements required to build start-ups: skills training, seed funding, follow-up coaching, and mentoring. International best practice in other countries has shown that all three elements are necessary for successful and sustainable private sector development.⁸

➤ **R2: Empowered youths to initiate sustainable and innovative green/circular economies initiatives.**

✓ **Transfer the know-how to the implementing partner.**

SAWA project succeeded in building the PFI's field of business development services, MEAL, green, and circular economy at different levels. Their business development capacities have been upgraded by integrating them in the same program that targeted the first result's partners through developing their tools and manuals, building the capacity of their business development experts through the cascade approach, and on-job training. In addition, the SAWA project utilized the cooperation agreement between Enabel and (VITO) (a Belgian institution specialized in GCE) to build the SAWA team's capacity in the green/circular economy concepts, to support them during the provision of the financial and non-financial support for the selected ideas and solutions with the needed

✓ **Adopting the best practice in incubation**

SAWA integrated the best practices in the incubation by combining all the elements required to build innovative green solutions for the industrial sectors' challenges: ideas generation, hackathon, after the hackathon, final selection, incubation. SAWA started the implementation of intervention with a partnership with the private sector umbrella (PFI) and with coordination and integration with their members from the industrial sectors in all the phases of the project, starting from the challenges mapping and validation, ending with the participation in the selection of the most viable solutions and providing the needed support for the selected solutions. This integration enhanced their ownership and buy-in for the project results and improved the sustainability of the SAWA.

⁸ ROM-EU

Significant changes to the intervention strategy

Following the signature of SAWA in December 2019, the project entered in the inception phase. The purpose of the inception phase was to analyse and assess the project's proposed directions and activities from the substantive time and cost viewpoints; detailing further the content and approach of specific proposed activities in consultation with various relevant stakeholders; and assessing the capacity of the implementing partners proposed in the project technical file to ensure their ability in terms of administrative, technical, and financial aspects.

The inception phase has resulted in the update of proposed activities and interventions along with better defined partnerships between SAWA project and the implementing organizations.

The logical framework (i.e. the results framework or results chain) of project remains unchanged, maintaining the same overall objective and the two areas of focus: (1) Support Livelihood and resilience for unemployed women and youth in marginalized and underserved localities, (2) Support growth in facilitating the emergence of new economic opportunities for youth graduates in green and circular economies). However, changes were suggested and made at the activities level as the result of the inception analysis and findings, stakeholder consultations, information received from partners, and the Covid-19⁹ issues which emerged at the beginning of the inception phase.

The following table summarizes the main changes:

<i>Change</i>	<i>Reasons</i>	<i>Effect</i>
Conduct green and circular economy study within the industrial sector	<i>During the inception phase of SAWA, the identification of the challenges facing the industrial sector was a challenge as there were no previous studies/ research addressed such challenges. Having a study that identifies the key challenges and opportunities facing the industrial sector in the Gaza Strip was important.</i>	The results of the mapping were used to guide Gaza entrepreneurs to generate their solutions to the identified challenges. This has ensured efficiency in the selection of the winning ideas, which saved lots of efforts from SAWA partners who had solid evidence (the study findings) on what is needed, and the hackathon participants who knew what they are applying for.
Developing targeting strategy for the first result	<i>SAWA is need-driven, responsive, and tailor-made project. The tailor-made approach of SAWA project entails a thorough, well-informed, and evidence-based targeting strategy for project beneficiaries. The main objective of the strategy was to ensure the effectiveness of targeting, the most</i>	The targeting strategy contributed to maximize the efficiency and effectiveness of the project, as it enabled the project to target the most vulnerable beneficiaries and

⁹ Coronavirus disease 2019 (COVID-19) is an [infectious disease](#) caused by [severe acute respiratory syndrome coronavirus](#) (SARS-CoV-2). It was first identified in December 2019 in [Wuhan, China](#), and has resulted in [an ongoing pandemic](#). The first confirmed case has been traced back to 17 November 2019. As of 18 June 2020, [more than 8.32 million cases](#) have been reported across 188 countries and territories, resulting in [more than 447,000 deaths](#)

	<p><i>vulnerable groups (women and youth) in the most vulnerable localities and the efficiency in mobilizing all the resources to improve their livelihood conditions through establishing a needs-driven, sustainable, and resilient micro businesses. The targeting strategy included the identification of the most vulnerable localities and the identification of the most promising economic sector per each identified locality.</i></p> <p><i>SAWA understands that each targeted geographical area in the Gaza Strip has its social and economic context. SAWA respects this diversity and adopts a “one size doesn’t fit all” approach. One of the underlying principles of SAWA project, is the community-based approach in which the local CSOs and CBOs will act as the main vehicle in creating a sustainable change within their communities towards improving their livelihood conditions.</i></p>	inspired them towards the best business ideas.
Management Information system – MIS	<p>At the beginning of the second year of the project, the team got the approval from the EU to start working on MIS to enhance and improve the efficiency in delivering the business development services for the beneficiaries and the community members. During SAWA I, due to time and budget limitation, only the analysis of the system was achieved and the development and use of the system will continue in SAWA II</p>	<p>The MIS will facilitate the implementation of the businesses development services in addition to reducing the use of paper in the project (going Green) by digitization all phases such as selection, supporting, training and follow up.</p>

Achieved results:

Performance of outcome



➤ Achieved indicators:

Progress indicators/markers	Base value	Final target	Final value attained	Comments
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70% of beneficiaries generated monthly income (profit) above NIS 660 from their micro-businesses after completing the coaching and mentorship sessions	0	70%	80%	
90% of beneficiaries (4 areas) who established their micro-businesses increased their social wellbeing, activities/ practices and build relationships with their communities (at least by 30%)	0	90%	96%	
70% of beneficiaries increased their livelihoods (at least by 30%) compared to a reference level (baseline level)	0	70%	93%	
30% of project beneficiaries received registration and taxes facilitations by MoNE and other relevant local institutions	0	30%	34%	
20% of project beneficiaries have facilitated access to investment opportunities offered by MoNE and other local institutions	0	30%	10%	
50% of green solutions maintained protected intellectual properties	0	50%	55%	
50% of green solutions commercialized into micro-businesses	0	50%	55%	

➤ **Analysis of the achievement of the outcome**

SAWA project contributed to economic resilience in the Gaza Strip through enhancing the resilience and sustainability of micro businesses in the Gaza Strip and initiating sustainable and innovative green/circular economy initiatives.

SAWA contributed to achieve the following two main results:

SAWA Outcomes



Intermediate Outcome (1): Empowered vulnerable women and youth for establishing sustainable and resilient micro businesses.

Under this result, the project supported the creation of viable and economically feasible livelihood microbusinesses (100 micro-business) through providing capacity building, skills enhancement, seed funding, coaching, and mentoring to vulnerable and marginalized women and youth (44 male and 56 female).

In this component, SAWA followed the community based and sustainable livelihood approach, the civil society organizations (CSOs) take the lead on the process of providing high quality of business development services after building and equipping them with the needed system and procedure to deliver such services to project beneficiaries.

Progress indicators/markers	Base value	Final target	Final value attained	Comments
100% of project beneficiaries succeeded to start their own micro-businesses (50% per partner)	0	100%	100%	
70% of project beneficiaries became capable to manage successful and profitable businesses	0	70%	96%	
90% of project beneficiaries satisfied with BDSs package they received (at least by 70%)	0	90%	98%	
30% of project beneficiaries addressed their legal business environment challenges	0	30 %	48%	

30% of beneficiaries have facilitated access to, and established linkages with, MFIs	0	30 %	59%%	
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Intermediate Outcome (2): Empowered youth create sustainable and innovative green/circular economy solutions prototypes.

Under this result, the project contributed to adopt the Green and Circular Economy (GCE) in the industrial sector in the Gaza Strip. It was clearly noticed that this sector is relatively new in the Gaza and there were no interventions in place in this field. Therefore, SAWA started pilot intervention with small budget to explore the opportunities, challenges, and the potentialities to adopt this model. SAWA encouraged youth to provide green solutions to the industrial sectors' challenges in the GCE.

In this component, the Palestinian Federation of industry (PFI), the umbrella of industrial sector, was capacitated and equipped with the needed technical skills and manuals that empower them to implement the project activities. The industrial sector became aware of the GCE concepts and benefits and the importance of the application of the green practices within their industries. PFI took the lead to identify the main challenges facing their sector in the field of green economy which mainly categorized under four main categories (material consumption, energy consumption, GHGEs and waste management). Catalog with the most important 30 challenges was developed including profile for each challenge (consist of the identification of the challenge, causes, impact and opportunities).

3-days hackathon was conducted targeted entrepreneurs who can create innovative solutions ideas for the identified problems. The Selected 11 group of entrepreneurs received a package of financial and non-financial support to having their ideas transferred into prototypes and valuable businesses (5 prototypes and 6 businesses).

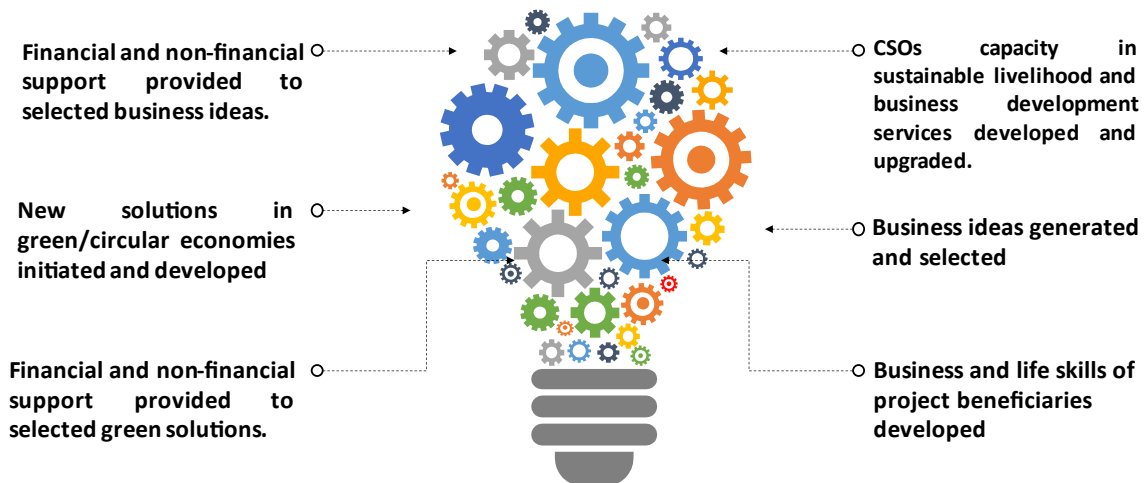
Progress indicators/markers	Base value	Final target	Final value attained	Comments
10 of innovative and feasible green solutions created	0	10	11	
3 of innovative and feasible green solutions endorsed or recognized by the local authorities	0	3	3	
90% youth satisfied with the services provided to them in relation to green economy and innovation (at least 70%)	0	90%	98%	
80% of created solutions paired with or sponsored by PS companies	0	80%	80%	

Performance of output



The following outputs were achieved under the above-mentioned outcomes:

SAWA Outputs



9

Output (1): CSOs capacity in sustainable livelihood and business development services developed and upgraded.

➤ **Achieved indicators.**

Indicators	Base value	Final target	Final value attained	Comments
2 of Civil Society Organizations capacitated in the field of business development services	0	2	3	
2 of CSOs increased their capacity in the field of BDS (by at least 20%) Ongoing process (Demand-driven)	0	2	3	
6 of CSOs Employees participated in the training Ongoing process (Demand-driven)	0	6	8	
6 of CSOs staff increased their knowledge and skills in the field of BDS (by at least 20%)	0	6	8	

2 of Civil Society Organizations capacitated in analysing business environment barrier	0	2	2	
2 of Civil Society Organizations capacitated in advocating for business enabling environment	0	2	3	
2 of Civil Society Organizations developed their BDSs procedures	0	2	2	

➤ **Analysis of the realisation of the output**

In light of the SAWA project goal and its adopted approaches (community-based and sustainable livelihood) to enhance resilience for micro-businesses and create sustainable livelihood opportunities in the Gaza Strip, SAWA contributed to build the capacity of SAWA implementing partners in economic resilience to ensure their ability to provide sustainable BDSs for their communities on two levels:

1. An individual level: Building the capacity of partners' staff through the following:
 - Conduct ToT for partners' business development staff to upgrade their capacity (knowledge and skills) in sustainable livelihoods development approaches, micro-enterprises development, economic resilience, mainstreaming gender and protection in sustainable livelihoods interventions. The training allowed them to effectively use the training curricula and widely deliver the training to project beneficiaries.
 - Conduct MEAL training: Within the consultancy activities of "Development and set-up of monitoring, evaluation, accountability, and learning (MEAL) framework for SAWA project, the MEAL Consultant conducted a 24-hour (4-day) training course for SAWA partners. The MEAL training aimed to build the capacity of the partners staff to develop, plan and implement MEAL activities in the SAWA project.
2. an organisational level (i.e. institutional strengthening for the SAWA implementing partners' manuals, procedure, tools, and templates) through the following:
 - Disseminating the concept of targeting and selection strategies that have been endorsed to partners' system and procedures
 - Developing the ToT materials that were used by the CSOs staff in the training activities of the project beneficiaries. The ToT materials consists of (Trainer Facilitation Guide, PowerPoint presentation, Handouts, exercises, and templates for training sessions, activities, and learning exercises and Model Business Plan Template tailored to micro-businesses development in vulnerable communities)
 - Developing SAWA Micro-enterprises Development (SMED) training curricula package which used during the life skills and business plan training delivered to SAWA selected beneficiaries. The package consists of two main parts: the first part is designed mainly to be used by the project selected beneficiaries during the life skills and business plan training. It consists mainly of a trainee handbook, training manuals, guides, methods, tools, and materials. The SMED trainee handbook should cover 4 modules (namely: sustainable livelihoods, life skills, micro-enterprises development, and transversal/cross cutting topics). This training curricula was used for the capacity building program that was provided to the selected project

beneficiaries before they receive the seed fund in addition to the content of the coaching sessions that were delivered by the CSOs after the financial support.

- Developing MEAL manual to track the progress made against the project's outputs and results.

Output (2): Business ideas generated and selected.

➤ Achieved indicators:

Indicators	Base value	Final target	Final value attained	Comments
150 of Business ideas generated from the sensitization sessions selected to receive soft and business skill training	0	150	150	
40 Sensitization sessions conducted with the communities (20 per partner)	0	40	56	
800 Participants attended the sensitization sessions (400 per partner)	0	800	1200	
3 of events conducted with local actors to secure their buy-in	0	3	3	

➤ Analysis of the realisation of the output

Developing targeting strategy:

To ensure an effective targeting and a successful implementation of SAWA project, a thorough, well-informed, and evidence-based targeting strategy for project beneficiaries was developed by SAWA and implementing partner teams. The main objective of this strategy is to ensure the effectiveness of targeting, the most vulnerable groups (women and youths) in the most vulnerable localities and the efficiency in mobilising all the resources to improve their livelihood conditions through establishing needs-driven, sustainable, and resilient micro businesses.

Therefore, SAWA project team and its implementing partners have adopted several steps to develop a clear and consistent targeting strategy that includes the following:

1. Actors mapping: SAWA team conducted light mapping for actors working in the field of livelihoods and economic empowerment in the Gaza Strip. The purpose of the light actors mapping is to understand who does what and where in order to learn the scope and scale of the current relevant programmes to inform the SAWA project targeting strategy.
2. Vulnerability mapping: SAWA team identified the most economically vulnerable localities and communities in the Gaza Strip. The purpose of the vulnerability mapping was to inform SAWA project targeting strategy and assist implementing partner teams to select geographical target areas and to target the most vulnerable communities in vulnerable localities.
3. Economic sector analysis: In the identified target areas and communities, the purpose of the economic sector analysis is to inform SAWA project targeting strategy and assist

implementing partner teams to identify community needs and prioritise economic sectors or sustainable livelihoods opportunities in terms of self-employment or micro-businesses initiatives in the most vulnerable areas.

4. Sensitisation sessions plan: SAWA partners developed a well-informed and evidence-based sensitization plan including outreach activities, tools, and methods to cover the SAWA geographical target area and target groups. The purpose of these sessions is to mobilise for sustainable and economically feasible business ideas in the identified target areas/communities. The sensitisation sessions plan includes learning from the vulnerability mapping and economic sectors mapping to inform the planning, preparation, and implementation of the sensitisation sessions.

Steps for Business ideas generating and selecting

ANNOUNCEMENT AND APPLICATION

- 3800 applications were submitted to WAC (North and Gaza governorates).
- 25000 applications were submitted to Bayader (Middles and Southern governorates).

CONDUCTING SENSITISATION SESSIONS

- 56 sensitization sessions were conducted.
- 1200 of vulnerable women and youth were reached

DEVELOPING TARGETING STRATEGY

- Actors mapping.
- Vulnerability mapping
- Economic sector analysis
- Sensitisation sessions plan



SELECTION OF THE BUSINESS IDEAS

- More than 6000 applications passed the eligibility criteria.
- The eligible applications have been assessed based on the pre-identified prioritization criteria.
- Top-ranked applications have been further validated through field visits by the implementing partners' teams.
- The validated application went through quick interviews.
- 150 beneficiaries selected for SMED training, the following charts show beneficiaries classification based on gender and geographical areas.

Conducting Sensitisation sessions:

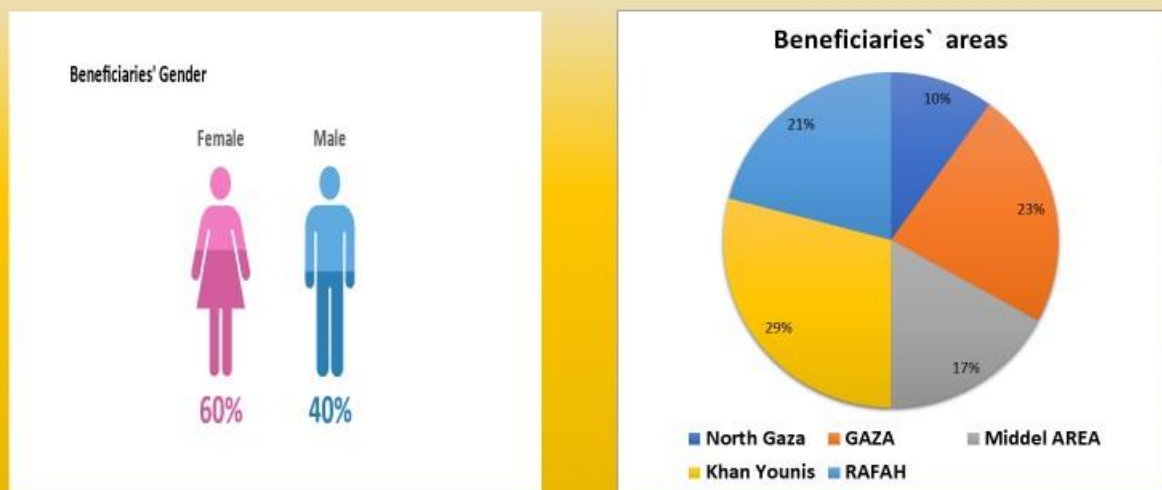
- **56 sensitization sessions** (40 by Bayader and 16 by WAC) have taken place at local CBOs and CSOs in the most vulnerable communities in the Gaza strip targeting women and youth. The objective of the sensitization sessions was to inform the selected communities about SAWA project and encourage them to get benefits from the financial and non-financial support services that SAWA will provide to enhance their livelihood conditions. The sensitization sessions have been facilitated by SAWA implementing partners in partnership with CBOs active in the identified localities; this helped the project reach out **1200 of vulnerable women and youth**.
- Application: A unified application has been developed and announced by the two implementing partners with support from the Enabel team. The application was open for a period from February 15th, 2021, till March 1st, 2021. It was designed to reflect the eligibility criteria identified, including personal information, socio-economic situation, proposed business idea, and relevant experience. **3800 applications were submitted to WAC** (North and Gaza governorates), and **25000 applications were submitted to Bayader** (Middles and Southern governorates).

Selection of the project beneficiaries

The selection process of the project beneficiaries was done following the selection strategy developed in 2020 as to the following:

- 1- SAWA team conducted an initial screening of the submitted applications and assessed the applications against eligibility criteria such as age, education, place of residence, and employment status. **More than 6000 applications passed the eligibility criteria.**
- 2- The eligible applications have been assessed based on the pre-identified prioritization criteria (vulnerability criteria such as sources of (and level) income, family size and number of dependents, chronic health diseases or disabilities of applicant or dependents, women breadwinners in the household, and living conditions and feasibility criteria such as applicant qualification, practical experience in the field of micro-business and applicability and feasibility).
- 3- the top-ranked applications have been further validated through field visits by the implementing partners' teams.
- 4- The validated application went through quick interviews to ensure the passion and willingness of beneficiaries to improve their knowledge and skills in business development.
- 5- 150 beneficiaries selected for SMED training, the following charts show beneficiaries classification based on gender and geographical areas.

RESULT 1 Beneficiaries



Output (3): Business and life skills of project beneficiaries developed.

➤ **Achieved indicators:**

Indicators	Base value	Final target	Final value attained	Comments
90% of beneficiaries improved their knowledge and skills related to business and life skills (by at least 20%)	0	90 %	84%	
150 of participants received business and life skills training	0	150	150	
90% of project beneficiaries satisfied with the training (at least 70%)	0	90%	90%	
75% of beneficiaries improved their knowledge and skills related to business legal environment (by at least 20%)	0	75%	64%	
100 of viable microbusiness plans selected for the next stage	0	100	100	

➤ **Analysis of the realisation of the output**

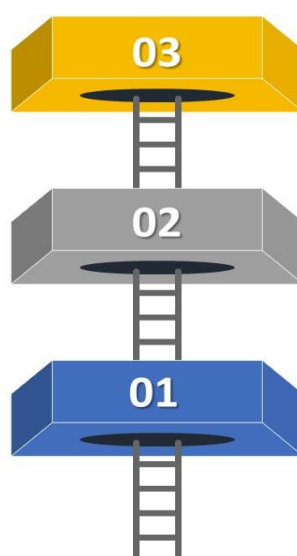
Developing business and life skills of project beneficiaries

BUSSINISSES SELECTION

100 business plans were selected by an evaluation committee

SMED TRAINING

SMED training was provided to **3 groups** on beneficiaries.



BUSINESS PLANNING AND BUSINESS DEVELOPMENT TRAINING

By the end of the training, the beneficiaries developed and submitted a business plan

- SMED Training: Following the SAWA approach in building the capacity of their implementing partners in the field of BDSs; The contracted BD consultant delivered one cohort of SMED training per partner in attendance of their teams to the first group of project beneficiaries in each area. For the second and third groups, SMED training has been delivered by SAWA implementing partners with full support and facilitation by the BD consultants.
- The 150 selected beneficiaries have been divided into six groups: 3 per partner. A total number of 150 beneficiaries (60% female, 40% male) received 10 -day training that increased their knowledge and skills i/n the field of business planning and business

development, covering the following topics: (financial management, bookkeeping, business planning, digital marketing, risk management, and life skills) a pre-post-test was done for all beneficiaries to measure the change occurred on beneficiaries' knowledge on the field of business development. ***The result of the pre-post-test shows that an average increase of 41.5% was reported for the 150 beneficiaries who received the SMED training.*** By the end of the training, the beneficiaries developed and submitted a business plan that presented the required materials and equipment, running cost and operation plan, marketing plan, and financial management related to their business ideas.

- Selection committee: SAWA implementation team formulated the selection committees (including the SAWA partner team and external experts) to evaluate and select the most feasible business plans to receive financial and non-financial support. As a second step after assessing the business plans, the selection committee conducted personal interviews with each beneficiary to assess their passion and personal competencies to manage their businesses. After completing the training for 150 beneficiaries, the selection committee evaluated beneficiaries' business plans after finalizing and approving. After selecting the 100 business plans, SAWA partners signed contracts with the selected beneficiaries to receive financial and non-financial support.

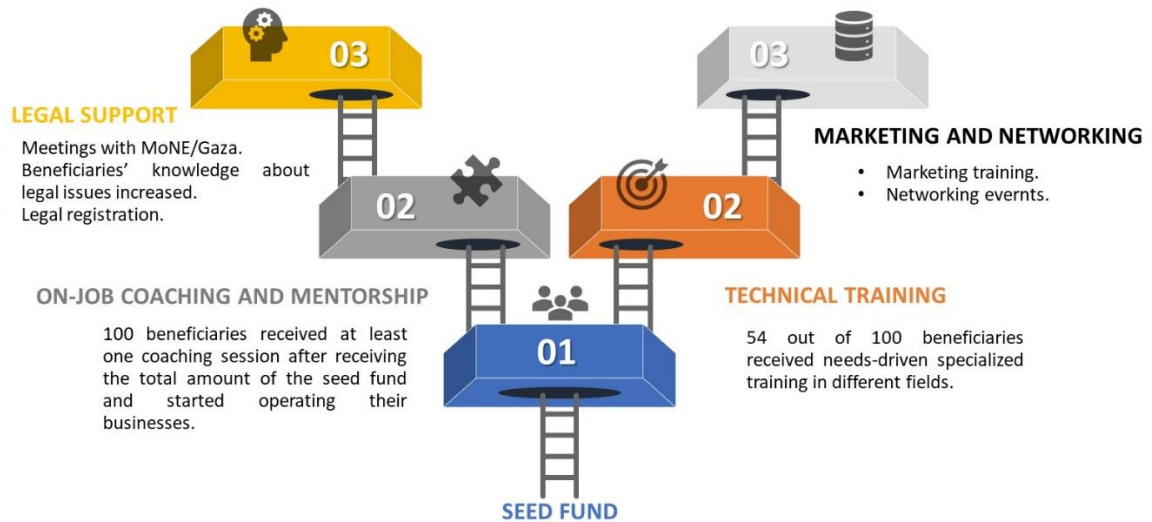
Output (4): Financial and non-financial support provided to selected business ideas.

➤ **Achieved indicators:**

Indicators	Base value	Final target	Final value attained	Comments
100 of microbusiness ideas received financial and non-financial support	0	100	100	
100 seed funds provided to selected feasible business ideas	0	100	100	
30 of businesses receive technical training	0	30	54	
100 of business received coaching and mentorship session	0	100	100	
100 of businesses receiving marketing and networking services	0	100	0	

➤ **Analysis of the realisation of the output**

Providing financial and non-financial support to the selected business ideas

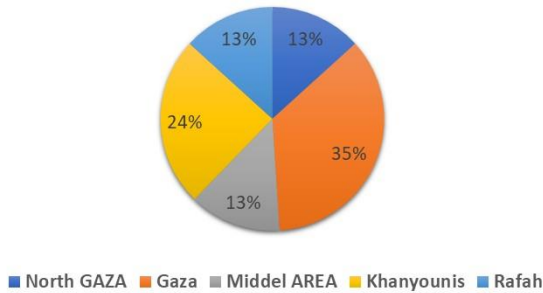


SAWA developed an intervention plan for each beneficiary that is considered as a road map for SAWA intervention with the selected beneficiaries. The intervention plan is a tool designed to identify all types of needed support (financial and non-financial support) and the interventions that were to be made to meet the identified needs. This plan will be used as a reference for the SAWA team to measure the value of money invested with each beneficiary and assess the further support needed for the established businesses to be integrated in SAWAII.

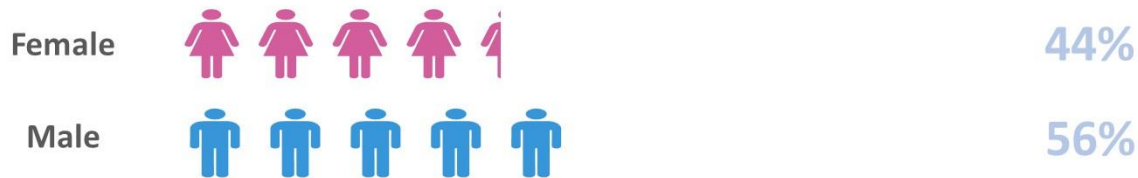
Financial support – seed fund

100 beneficiaries received the total amount of the seed fund based on their needs identified in their business plans to start their businesses. SAWA project developed procedures manual for the disbursement of the seed fund. The manual contains the required procedures and documents for all instalments such as price offers, invoices receipts... etc. SAWA adopted a reimbursement approach for the seed fund instalments. The average of the seed fund was 5000 Euro divided into three instalments. The following figures classify the project beneficiaries according to economic sectors, geographical location, and gender.

Distribution of selected businesses over governorates



Distribution of selected businesses over sectors



Non- financial support

- **Technical training to the selected micro-business:** SAWA team conducted an in-depth need assessment to identify SAWA beneficiaries needs of technical support; the identified technical needs for each beneficiary were mentioned in their intervention plan. **54 out of 100** beneficiaries received needs-driven specialized training in different fields. Such specialized training aims to upgrade SAWA beneficiaries' technical skills to help them maintain and expand their businesses.

The following table shows the provided technical training:

Target Economic Sector	Training topics
Agricultural	pest control
	Beekeeping and the use of safe treatments
Industrial	Food processing
	Cosmetics Production
	Cleaning materials
Service	Montessori Methodology
	Photography and Graphic design
All sectors	Solar Energy maintenance
	Digital marketing
	First-aid and firefighting

- **On-job coaching and business mentorship sessions:** With support from the consultancy company, SAWA implementation team started to provide coaching and mentorship sessions to the project beneficiaries. 100 beneficiaries received at least one coaching session after receiving the total amount of the seed fund and started operating their businesses. During the sessions, SAWA team provided the needed advice to the

beneficiaries (including financial management, bookkeeping, networking, linkages, and marketing). The coaching sessions are integrated into the intervention plan for each beneficiary to help partners track the resilience and sustainability of the supported businesses.

- **Legal support:** To enhance the enabling environment for micro-business supported by SAWA project. SAWA implementing partners under the guidance of the SAWA project, works on three different levels of the legal environment:
 - 1- policy level: SAWA partners conducted several meetings with MoNE/Gaza and succeeded in obtaining free registrations fees for one year for SAWA beneficiaries.
 - 2- knowledge and awareness level: SAWA team focused during SMED training and coaching and mentorship sessions to increase SAWA beneficiaries' knowledge and raised their awareness on the legal environment, including the following topics (registration requirements, legal forms, who is responsible for given registration.....etc.)
 - 3- Operational level: during the reporting period, 21 of SAWA beneficiaries obtained legal registration /licenses from related actors
- **Marketing and networking:** to provide the beneficiaries with the necessary skills and knowledge that would enable them to market their services and products and expand the scope of their customers and consumers, SAWA project focused on building the capacities of beneficiaries in marketing and networking through the following activities:
 - Digital marketing training: SAWA contracted with an expert in digital marketing to conduct 30 training hours (6 training days) targeting 6 beneficiaries, in addition to 24 beneficiaries of the first result. The training focused on several topics such as using different platforms for digital marketing, using sponsored ads, presenting business brand and product/service, measuring online presence and reputation, digital Content Creation, creating promotional photos and videos using your mobile phone, developing visual identity, action plan, content plan, using of various promotional tools includes Facebook, Instagram, WhatsApp Business, LinkedIn, Twitter, TikTok
After completing the training, and based on the needs of the beneficiary, the consultant provided on-the-job coaching and mentoring sessions for 5 beneficiaries over a period of 15 hours (3 hours for each beneficiary).
 - Networking and marketing events: SAWA organized a one-day joint event focusing on marketing and networking targeting SAWA beneficiaries. The activity aimed to build relations and network between the beneficiaries adopting the business-to-business concept on the one hand, and to create linkages with main actors in the field of business development services focusing on financial and legal support. The specific objectives were:
 - Emphasize the importance of marketing, legal, and linkages for the new businesses with the key actors and MFIs.
 - Encourage beneficiaries peer-to-peer networking and learning
 - Introduce the legal requirements for MSEs in Palestine
 - Raise the beneficiaries' awareness about registration and license
 - Raise the beneficiaries' awareness and knowledge of services provided by MFIs and banks that are related to access to finance
 - Raise the beneficiaries' awareness of membership in the PSUs.
 - Collect the participants' feedback and recommendations from actors
 - Encourage beneficiaries to conduct agreements and to obtain memberships at PSUs.

Output (5): New solutions in green/circular economies initiated and developed.

➤ Achieved indicators:

Indicators	Base value	Final target	Final value attained	Comments
10 of feasible and applicable solutions selected	0	10	11	
30 challenges identified from the sectors	0	30	30	
30 solutions participated in the Hackathon (80 youth)	0	30	30	
30 of attendees from the industrial sectors	0	30	35	
10 solutions received coaching and mentorship sessions	0	10	11	

➤ Analysis of the realisation of the output

As SAWA project implemented a new model of green/circular economy (GCE) in Gaza Strip. The activities were implemented by the project team were as follow:

Building the capacities for PFI staff:

The capacity of SAWA partner in the field of business development, MEAL, and green and circular economy has been upgraded in different levels through integrating the PFI team in the pre-mentioned capacity building programs (under result 1) that related to ToT in business development and the MEAL to increase benefits for these programs. Considering SAWA approach to transfer knowledge for SAWA team and to expose them to outside expertise and knowledge, the project contracted with external institutions (VITO) from Belgium, who has extensive experience in the field of the green/circular economy, to build SAWA team's capacity in the green/circular economy concepts, to support them during the provision of the financial and non-financial support for the selected ideas and solutions.

Developing targeting strategy:

To ensure an effective targeting and a successful program the implementation of SAWA project, SAWA team developed a well-informed, evidence-based targeting strategy for project beneficiaries. The main objective of this strategy is to ensure the effectiveness of targeting the green entrepreneurs and innovative TVET college/university students and graduates and promote the efficiency in mobilising all the resources to facilitate new economic growth opportunities in the field of GCE. The targeting strategy consisted of:

- 1. Industrial sectors' challenges mapping:** This domain of intervention is relatively new and the raw data and the studies on the industrial sectors challenges in the field of GCE are limited in the Gaza Strip. Therefore, SAWA conducted a mapping study to identify the main challenges/opportunities within the industrial sector in the Gaza Strip in terms of GCE and the possibility to transform these challenges into business ideas for Gaza entrepreneurs to be commercialised into real micro businesses and stipulate any efforts, endeavours, and practices in place to address these challenges. The study targeted the industrial sectors in the Gaza Strip (which includes 15 industrial sub-sectors, of which only 11 are active in the Gaza Strip) and was conducted in full coordination and collaboration with the SAWA partner, the Palestinian Federation of Industry (PFI).

SAWA designed a clear and well-prepared challenges catalog including profiles of the most important 30 challenges circulated during sensitization sessions.

2. Actors/interventions mapping: SAWA team mapped actors working in the field of GCE in the Gaza Strip. The purpose is to understand who does, what and where in order to learn the scope and scale of the current relevant programmes to inform the SAWA project targeting strategy. SAWA partner conducted consultation interviews (using a semi-structured interview form) and meetings with key actors in the field of GCE to identify GCE opportunities, explore their experiences, and discuss any challenges they faced during the implementing the GCE projects and initiatives.
3. Sensitisation sessions plan: SAWA partner developed a well-informed, evidence-based sensitisation plan including outreach activities, tools, and methods covering the SAWA target groups. The sensitisation sessions plan includes learning from the industrial sectors' challenges mapping and actors/intervention mapping to inform the planning, preparation, and implementation of the sensitisation sessions. The sensitisation sessions aim to mobilise for sustainable, innovative, and economically feasible green solutions for the industrial sectors' challenges.

Conducting sensitization sessions:

SAWA team conducted **8 sessions** (virtual and in-person) to present and disseminate the key challenges of the green and circular economy within the industrial sector and mobilise for sustainable, innovative, and economically feasible green solutions for these challenges. The sessions were conducted in partnership and cooperation with universities, TVET colleges, incubators, and industrial sectors umbrellas; this helped the project reach the targeted groups, including entrepreneurs, students, graduates, and industrial sectors members. During the sessions, **490 youth (215 M, 275 F)** were further exposed to the challenges and were able to initiate their solution ideas to compete in the hackathon.

Organize Hackathon for green/circular economy solutions:

1. **Application**: An application has been developed and announced by the SAWA partner "PFI" team with support from the Enabel team. The application reflected the eligibility criteria identified, including personal information, the proposed business idea, and the relevant experience. **390 applications** were received from all over the Gaza Strip.
2. **Selection of hackathon participants**: The selection process of the applicants to participate in the hackathon went by the selection strategy developed in 2020 as to the following:
 - SAWA team conducted an initial screening of the submitted applications and assessed the applications against eligibility criteria. Based on the pre-identified prioritization criteria (viability and feasibility criteria), the SAWA team shortlisted the top-ranked applicants, conducted interviews with them, and shortlisted 30 solutions (100 potential candidates) to participate in the hackathon.
 - SAWA team conducted an initial screening of the submitted applications and assessed the applications against eligibility criteria such as age, education, and employment status.
 - The eligible applications have been assessed based on the pre-identified prioritization criteria:
 - viability criteria including applicant team qualification, applicability, and feasibility of the solution.

- Feasibility criteria including applicability and feasibility of the Solution, availability of and accessibility to resources, and infrastructure and support services.
- SAWA team shortlisted the top-ranked 56 applicants, conducted interviews with them, and shortlisted 30 solutions (100 candidates) to participate in the hackathon.
- 3. Forming jury of the hackathon: Based on the categorization of the selected solutions and as a preparatory step for the hackathon, the SAWA team formulated juries to be responsible for the selection process of the most viable green solutions/ideas in the hackathon and after the hackathon based on the pre-identified technical criteria. Two juries were formed; each committee consisted of 5 members: 3 fixed members (business expert, green/circular economy concept expert, and practical experience in the green solutions expert) and two variable members (based on the industrial sector and type of challenges).
- 4. Recruiting mentors for the hackathon: Based on the categorization of the selected solutions, the SAWA team recruited three types of mentors (business, technical and industrial sector) in the hackathon to support participants during the Hackathon to develop the business models of the submitted solutions:
- 5. Conducting orientation session: as preparation for the hackathon, the SAWA team conducted an orientation session for the selected 30 solutions teams. The session aimed to present and introduce the Hackathon idea and mentors for participants.

Go-Green Hackathon:

SAWA launched Go-Green hackathon on the 5th of April 2021. 30 groups of entrepreneurs participated in the hackathon to develop their ideas/solutions (30 solutions) for the industrial sector challenges in the green/circular economy field in the Gaza Strip. The participants developed their business models during the first and second day with support from the business and technical mentors. On the 3rd day, The Juries assessed the participants and their business models against the pre-identified technical criteria and selected the top-ranked 15 solutions to participate in the second phase of the selection process (detailed business planning). The technical criteria of the hackathon were:

- Completing the hackathon sessions, i.e., Attendance rate 100 %
- Receiving endorsement and positive evaluation from mentors
- Submission of a viable business model reflects applicable solution to receive seed-fund
- Passing business model evaluation and getting approval from the selection committee that was based on the following technical criteria:
 - Viability of the business plan,
 - Technical and economic feasibility,
 - Experience and motivation of the participant,
- Technical and financial requirements to star their prototypes (Within the average of the seed fund)

Screening and selection for feasible solutions:

The 15 groups of entrepreneurs selected from the hackathon developed their detailed business plans for their solutions within 4 weeks with support from the technical and business mentors. After that, the jury reviewed the submitted business plans and conducted interviews with the entrepreneurs; they selected the top 10 feasible solutions (based on market, technical, and financial feasibility criteria) to receive financial and non-financial support.

Note: Due to the savings in the seed fund item in the budget, the SAWA team targeted additional solution from the shortlist to be benefited from the SAWA financial and non-financial support, so the total number of the selected solutions is 11.

Provide coaching and mentorship sessions to selected ideas (before final selection)

As the green and circular economy is considered a new domain in the Gaza Strip, coaching and mentorship are essential to start from the earlier stage (idea generation). Coaching and mentorship aimed at providing the ideas with the needed support, advice in business development, financial management, market analysis, technical and industrial relative aspects to ensure that the ideas provided can be applied in the industrial sector. Based on the categorization of the submitted ideas/solutions, three types of mentors were recruited to support entrepreneurs and to provide them with all types of coaching and mentorship.

- Business mentors: to provide the needed support in the business development aspects (e.g., financial management, market analysis, marketing, SWOT analysis.... etc.)
- Technical mentors: to provide technical support for the participants based on the category of solutions (e.g. energy, recycling, reusing, mechatronics, green and circular economy concepts).
- Industrial sector mentors: to provide the needed information, statistics and data that related to the challenges itself and the industrial sector and to facilitate any needed coordination, communication and linkages with the industrial sector and companies. SAWA engaged the industrial sectors mentors to ensure that the ideas provide solutions to their challenges and can be applied in the industrial sector. Also, to increase their ownership and buy-in of the project results and achievements to ensure the sustainability of the intervention.

Output (6): Financial and non-financial support provided to selected green solutions.

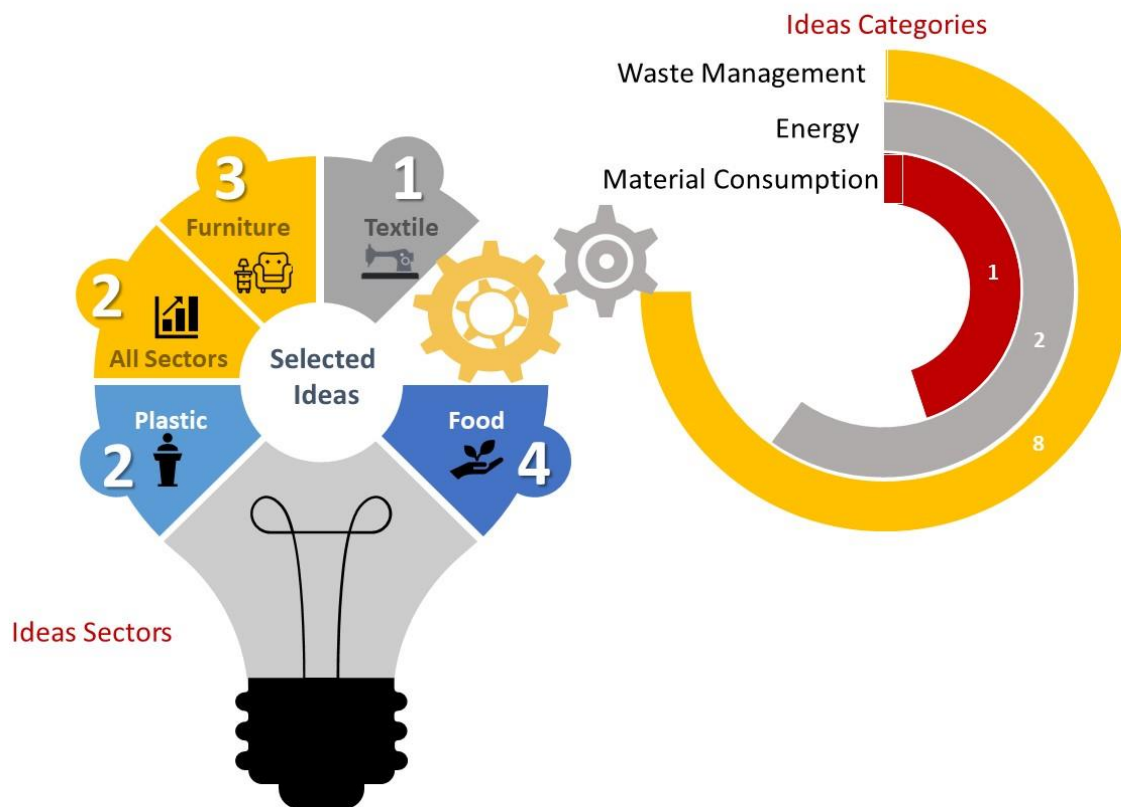
➤ Achieved indicators:

Indicators	Base value	Final target	Final value attained	Comments
10 green solutions received financial and non-financial support	0	10	11	
10 green solutions received legal business support	0	10	10	
10 seed funds (grants) provided to selected solutions	0	10	11	
10 businesses received technical training	0	10	11	
5 solutions have facilitated access to, and established linkages with, MFI	0	5	3	

➤ Analysis of the realisation of the output

Sign grant agreement with each selected solution/idea: After the finalization of the business plans, SAWA partner signed grant agreements with the selected 10 ideas/solutions to start the financial and non-financial support. Additionally, one idea has been added to benefit from the project after the surplus (savings) in the budget of the seed fund. As per the first result, SAWA

developed an intervention plan for each selected idea/solution that is considered a road map for the proposed SAWA intervention and support for the chosen beneficiaries. The figures below classify the selected ideas based on the industrial sector and the type of the challenges.



Provide seed fund to selected solutions:

The 11 groups of entrepreneurs started to receive the seed fund payments according to the budget planning in their business plans. 3 of the 11 created their businesses/prototypes and received the total amount of the seed fund and the remaining created their businesses/prototypes, and their final payment (reimbursement) are under processing. SAWA project developed procedures manual for the disbursement of the seed fund. The manual contains the required procedures and documents for all instalments such as price offers, invoices receipts... etc. The average of seed fund amount was EUR 12,000 divided into three instalments for each idea/solution. Some delay occurred on providing the payments of the seed fund to the selected ideas because of the massive increase of the prices of the equipment and raw material required to establish them. The increase in the prices occurred due to the border closure after the last escalation on the Gaza Strip (May 2021), which reduced the value of money of the planned seed fund should be provided.

Provide non-financial support for the solutions:

Talking about non-financial support to the selected solutions will mainly cover the following support overall the project duration:

- Demand-driven technical training, coaching, and mentorship
- Legal support
- Marketing and networking
- Facilitate access to finance.

Demand-driven technical training, coaching, and mentorship

VITO has conducted the first coaching sessions for the selected solutions to identify the needed technical support in relation to the green/circular economy provided for the entrepreneurs during the establishment period of their prototypes and their micro-businesses. Based on the results of the assessment sessions, VITO provided the ideas with technical support during the upcoming period. In addition, SAWA contracted local technical consultants to give the entrepreneurs needs-driven technical support to help them transform their ideas into actual businesses/prototypes and overcome any challenges they may face during the implementation. With the support from the VITO, SAWA team started to provide on-job coaching and mentorship sessions to the selected ideas/solutions. During the sessions, SAWA team provided advice and guidance to the beneficiaries related to their prototypes/businesses (including financial management, bookkeeping, networking, linkages, and marketing).

Legal support

One of the key elements of SAWA project is to enhance the enabling environment for micro-business supported by SAWA project. Under the guidance of the SAWA project, SAWA implementing partners works on three different levels of the legal environment:

- **policy level:** SAWA partners conducted several meetings with MoNE/Gaza and succeeded in obtaining free registrations fees for one year for SAWA beneficiaries.
- **knowledge and awareness level:** SAWA team focused during coaching and mentorship sessions to increase SAWA beneficiaries' knowledge and raised their awareness on the legal environment, including the following topics (registration requirements, legal forms, who is responsible for given registration.....etc.)
- **Operational level:** during the reporting period, 5 out of the 11 SAWA beneficiaries obtained legal registration /licenses from related actors.

Marketing and networking:

Since marketing and the networking with stakeholder (private sector, public institutions, financing instruments, academies, customers. Etc.) are considered very important to ensure the success and sustainability of business and prototypes, the SAWA project focused on building the capacities of beneficiaries in marketing to provide them with the necessary skills and knowledge that would enable them to market their services and products and expand the scope of their customers and consumers. Therefore, the SAWA project carried out several activities:

- **Digital marketing training:** SAWA contracted with an expert in digital marketing to conduct 30 training hours (6 training days) targeting 6 beneficiaries, in addition to 24 beneficiaries of the first result. The training focused on several topics such as using different platforms for digital marketing, using sponsored ads, presenting business brand and product/service, measuring online presence and reputation, digital Content Creation, creating promotional photos and videos using your mobile phone, developing visual identity, action plan, content plan, using of various promotional tools includes Facebook, Instagram, WhatsApp Business, LinkedIn, Twitter, TikTok

After completing the training, and based on the needs of the beneficiary, the consultant provided on-the-job coaching and mentoring sessions for 5 beneficiaries over a period of 15 hours (3 hours for each beneficiary).

- **Networking and marketing events:** SAWA organized a one-day joint event focusing on marketing and networking targeting SAWA beneficiaries. The activity aimed to build relations and network between the beneficiaries adopting the business-to-business concept on the one hand, and to create linkages with main actors in the field of business development services focusing on financial and legal support. The specific objectives were:
 - Emphasize the importance of marketing, legal, and linkages for the new businesses with the key actors and MFIs.
 - Encourage beneficiaries peer-to-peer networking and learning
 - Introduce the legal requirements for MSEs in Palestine
 - Raise the beneficiaries' awareness about registration and license
 - Raise the beneficiaries' awareness and knowledge of services provided by MFIs and banks that are related to access to finance
 - Raise the beneficiaries' awareness of membership in the PSUs.
 - Collect the participants' feedback and recommendations from actors
 - Encourage beneficiaries to conduct agreements and to obtain memberships at PSUs.

Synergies and complementarities

With other interventions of the Portfolio

SAWA project looked for coordination and synergy opportunities with other projects within Enabel Palestine.

1. **Skilled Young Palestine (SYP):** “Improving Resilience and Job opportunities for Youth,” aiming to support Palestinian youths in gaining economic autonomy and building their resilience. The intervention targets Palestinian youth (with a focus on vulnerable youth, including women) from disadvantaged areas in Palestine. It aims to facilitate the transition to employment and self-employment through improving skills and competencies among Palestinian youth. The level of synergy between the two projects has taken place through the dissemination of green and circular economy concepts to SYP partners as an introductory to Green TVET and green skills.
2. **Enabel new Portfolio (2022-2026):** following the Minister's letter of instructions dated March 19th, 2021, Enabel prepared a new Cooperation Portfolio for 2022-2026 with a budget of 70 MEUR. The portfolio development was done in a participatory and consultative manner, where Enabel team (HQ and field) engaged in a series of consultation meetings with national and international partners to identify the strategic orientation and the specific interventions for the new cooperation program. The new portfolio is composed of 2 main pillars and 2 global objectives that correspond to our 5 global challenges, and are in full alignment with the SDGs, national strategic priorities, and priorities of the Belgian Minister of Development cooperation. The project under Specific Objective 3 “Pathways to Employment in Palestine “More young women and men in Palestine are employed in decent work conditions or have their own income-generating business” and specific objective 5 “Green Gaza – Enabling environment for GCE” will be implemented in close coordination with SAWA.

With third-party assignments

The EU-funded YEP project (Youth Empowerment Program), starting in 2022, aiming at enhancing Palestinian young people's employability and economic empowerment.” through the 2 following specific objectives:

- SO1: Young women and men are better equipped to access inclusive and decent employment opportunities.
- SO2: Resilience of Small and Medium Enterprises (SMEs) is enhanced

With third-party assignments

1. **Coordination and synergies with key actors in the field of livelihood and GCE through (PAC):** SAWA project coordinates with the main actors implementing interventions in the fields of livelihoods and green/circular economy and targeting youths and women in the Gaza Strip. A typical representation of such coordination is the formation of PAC. The role of the PAC continues in 2021 to provide support and technical advice to the project team and PSC. In 2021, three meetings were conducted; the last meeting was organized in a distinctive way in which a tour was organized for all members to a group of the established businesses through SAWA. Such a tour gave the opportunity for further synergy and networking, in addition to making use of the diversified expertise of the members by giving technical and financial advice directly to the beneficiaries.

2. **Team Europe Initiative - TEI in Palestine “Sustainable Growth, Jobs and Resilience”:** is the flagship of the Team Europe approach. They deliver concrete results for partner countries, in line with their strategic and national priorities, and promote the ‘Team Europe’ brand. The joint analysis leading to the identification of a TEI at the country level should identify a critical priority (bottleneck) that is limiting development and where a coordinated and coherent effort by Team Europe would ensure a transformative impact. Within the private sector development pillar of the EU strategy, five thematic areas were identified by the EU as priority areas to be coordinated and synergized between the European countries. Belgium through Enabel was selected by the EU to take the lead on the entrepreneurship sector considering the experience of SAWA.

Priority themes

The environment and climate change

SAWA considered the environmental theme overall project execution phases; this started from building the capacity (knowledge and skills) of SAWA project partners’ team to consider the environmental theme in sustainable livelihoods interventions.

- One of the business development curricula modules that the consultant developed for SAWA partners pays special attention to the environmental theme in SAWA intervention. This module raised awareness of environmental considerations and promoted mitigating the possible environmental harms due to SAWA project activities.
- The project under the second result of the SAWA project adopts a new model of green/circular economy in the Gaza Strip. The project facilitated new economic growth opportunities in the circular/green economy field by providing green solutions to

problems and challenges identified by the industrial sectors related to the environmental aspects and sustainable consumption and production.

- SAWA encouraged and ensured coordination and cooperation with stakeholders and the key actors in the field of interventions related to green and environmental issues to facilitate the creation of networks and draw synergies.
- since this project is designed in the concept of “Do no Harm”, the selected business ideas were evaluated by environmental experts to ensure the impacts on the local environment at accepted level and comply with the local criteria and conditions, and therefore excluded businesses ideas that indicate a negative impact on the environment, also the environmentally friendly ideas were encouraged and were given additional scores in the evaluation phases which has been considered an asset.

Gender

SAWA has taken into account that the region in which the intervention is carried out is dominated by a conservative culture in which a common practice is the separation by gender in public spaces, however — always trying to maintain a respectful approach to culture and issues of local gender-, the project has been implemented with a non-segregation methodology, creating a normalizing space for relationships between equals.

Enabel followed its gender strategy where gender inclusion was an important part of the programme. In addition, SAWA took one more step in terms of promoting gender, through involving a women organization as an implementing partner which is the Women’s Affairs Centre (WAC). Additionally, the intervention aimed that the proportion of women taking part in the programme is equal or superior to 50% (selection criteria). During the preparatory phase, Enabel identified the most promising sectors for women to open a business, such as agricultural projects, ICT, and solar energy. Moreover, the selection criteria were adapted in order to enhance the opportunity to women.

SAWA project considered gender as a priority over all the phases of the project and the staff was flexible and supportive in terms of facilitating the access for participation to women included in the project. For example, a junior inclusion expert was recruited to work basically in making sure the gender mainstreaming through all the activities of the project. Also, most importantly, special attention was given to women with vulnerabilities (unemployed youth graduates and unemployed women breadwinners, and the activities were organized in a reasonable measure to maximize the opportunities for these women and making sure that they are all in good conditions to benefit from the activities.

In the first stage of the project, the scoring system was targeting the encourage of women to apply for the project. Moreover, women have been encouraged to attend the sensitization sessions.

The project has helped to strengthen women's self-esteem and improve their confidence. They were given equal opportunities through the project to have access to knowledge and develop skills necessary for their work and economic activities. The women participated transparently in almost all project stages, and their financial contributions through their investment in the project added to their energy and persistence to succeed.

Digitisation

- Digital solutions for project management and implementation were adopted, such as online applications for project beneficiaries.
- Testing a digital tool for the benefit of follow-up and monitoring the project beneficiaries. Such digital tool inspired SAWA project to work on customized MIS that will include all functions/specifications to support the follow-up and tracing for SAWA beneficiaries. The MIS will be developed during 2022 and will serve SAWA II.

Do No Harm and Human Rights based approach

The human rights and do no harm transversal issues were accounted for and taken into consideration in the intervention, and considering the situation of the Gaza strip, the project implements this approach based on the recognition of the vulnerabilities, the humanitarian relief, the development process, and the peacebuilding.

SAWA focuses on the work needed to coherently address people's vulnerability before, during and after the situation of crisis in the strip. It challenges the status quo of the aid system, to deliver an intervention which is development focused. Therefore, it can be said that SAWA adopted a human rights-based approach and follow the do no harm principle.

On the other hand, the intervention didn't have an exit strategy to ensure smooth exit with the beneficiaries.

SAWA has followed the rights-based approach through which beneficiaries are recognized as holders of basic rights. This can be seen, for example, by giving the beneficiary and their family the option to create their own micro-businesses and encouraging the green economy despite the limitations imposed by the siege and the social stigma of circular economy.

In addition, the project design recognized the right to decent work, and aimed for achieving that through its implementation, thus, serving and preserving the rights of the participants.

Sustainability

Achieved results/ impact.

SAWA project activities were designed and implemented based on careful identification and addressing the targeted group needs in a collaborative and participatory approach of the local partners.

SAWA delegated the implementation responsibility to local CSOs and PSUO as key vehicles to deliver community-based business development support. Working with local CSOs and PSUO had a significant advantage for the sustainability of the intervention and its results when knowledge and experience related to sustainable livelihoods and micro-businesses empowerment are transferred to local partners who are enabled as community development agents and business development services providers after the end of the intervention. Although some of the business development experts hired by the implementing partners left for other organizations, the SAWA project still succeeded in creating a pool of experts in community-based business development services and systemizing the approach within the implementing partners.

Enabling environment

SAWA contributed to creating an enabling environment for the supported projects through:

- Establishing the PAC which enriched the project design and guided its implementation.
- Created a model practice to be followed, especially from the PAC members who had the opportunity to witness the implementation from the inside, and therefore could be inspired and encouraged to follow SAWA's model and/ or further improve it.
- Providing facilitations to the supported projects to become legally registered.
- Mapping the challenges and opportunities in the GCE, which paved the way to selecting promising ideas, and will continue to guide future interventions in the field of GCE as well.

This enabling environment is expected to be sustainable and to keep benefiting other interventions on the long run.

Investment in local capacities

SAWA considered empowering local organizations and participants to use a community-based approach and that have also the capacity to support more young people and replicate what they have acquired during the project as an approach towards sustainability. Also, included the private sector in this capacity building activities represented by PFI, was a complementary approach that could strengthen the Gazan economy. Moreover, it is highly relevant the fact that the implementing partners are taking part in providing the participants with coaching and mentoring, so that empowers both the partners and participants and will make them responsible for a part of the project.

The sustainability of the project has benefited from the attention to the design, the care taken in the assessment process to identify the needs of the businesses needs and their individual communities and the investment made in cultivating strong connections with the implementing partners and the private sector and their community. Building on the early engagement and transparency with local actors and participants, there was a noted sense of ownership among the participants.

This is particularly remarkable as these are youth and women driven, so this high level of acceptance and integration of their work helps establish and reaffirm women's role within the economic sphere. This helps envision a positive outcome beyond the life of the project as the work is not seen as a separate 'vulnerable women's and youth project,' but rather as a viable economic opportunity for the community as a whole. Additionally, as the projects of the businesses provided and responded to real services and goods needed in the targeted areas, there is a realistic assumption to be made that they are likely to continue. The beneficiaries participated transparently in all implementation stages, and their financial contributions through their investment in the project added to their energy and persistence to succeed.

The projects implemented modern technology techniques and equipment such as new machinery for the carpentry workshop for instance. There was particular attention given to the businesses made up of women, in order to ensure that they received training in their productive specialties, which focused on sustainability and environmental issues.

The project has provided all what is needed regarding human resources, financial resources, continuous quality improvement, well-developed strategies, this is to ensure the sustainability

of these projects at the targeted businesses. Furthermore, the steps taken to raise awareness, create market linkages and build capacity have helped formalize the enterprises and have increased their ability to plan and sustain their initiatives.

Moreover, the action has a high level of sustainability in terms of GCE by the transfer of the know-how to the different partners and the awareness about the potential environmental and economic benefits that GCE has in the Gaza strip. As mentioned, Gaza suffers from a chronic electricity and socio-economic crisis caused by the siege during decades that also limits the land and energy resources, so it is crucial to provide the option to facility access to another type of resources that can be currently exploited and that could make the socio-economic situation healthier.

Therefore, the project has fostered and enhanced the ownership and buy-in of the participants both from the local community and the private industrial sector, by making them participants in all the phases of the project and by especially building innovative green solutions that improved the sustainability of SAWA.

Moreover, synergies have been created between the private sector, implementing partners, and local authorities (at a minor level) that increase the probability of success in reducing obstacles in the future.

Enabel investment in its partnership with PFI the umbrella organization of the industrial sector in the Gaza Strip proved sustainable in terms of the provided capacity building provided to PFI as well as the GCE training and networking with international experts in the field. Such investment is expected to continue beyond the SAWA project and will have a ripple effect in the future.

Operational sustainability

- In terms of technical sustainability, the project is evaluated as very positive for the importance of capacity building at several levels, even though it is widely agreed among the interviewed that the training was not enough, and the recommendation would be to increase the days and hours and the contents of a business plan are reinforced¹⁰.
- The project empowered the implementing partners with capacity building and experience in managing similar grants in the future in this sector, which was reflected positively on the target group either in developing their business by additional grants or providing coaching services, and TOT Training provided to SAWA team considered as knowledge transfer to partners, long term, and sustainable action.
- In the selection phase, the selection committee took into consideration the business ideas' financial viability and feasibility to ensure the profitability of the business and financial independence after the support.
- The careful selection of micro-businesses ideas is a key factor in realizing sustainability of the supported micro-businesses and GCE ideas. Their relevance to actual needs increases their good potential to be sustained. In addition, the quality training provided to the supported businesses, led to improved products quality as well as improved overall business management, which also can play a role in increasing the sustainability of those businesses.

¹⁰ Information obtained from interviews and FG and specially from the informant Doctor Sami Abu Ros.

- Moreover, in terms of financial sustainability the project ensured that all beneficiary-purchased materials, tools and equipment complied with sustainability terms, and could be used for long term, in addition to the training provided to the beneficiaries has included the topics related to business plans, financial management and procurement increased their capacity in managing their business in a sustainable method.
- It is worth noting that SAWA has tried to provide access to finance for the supported projects through networking with financial institutions, however, such efforts were not well-structured and therefore didn't bear fruit in terms of ensuring future access to finance for the supported projects. This could be further improved in future interventions.

Replicability

Finally, as mentioned before, the mechanisms for replication and perpetuation of some activities are very relevant.

The micro business trainings, combined with start-up capital were the main vehicle to sustainably improve social and economic living conditions of youth.

Youth were trained to help them find employment or to start their own business.

The phased design which enabled youth to access the grant only after reaching certain selection process was aimed to ensure a sufficient time for viable take off, while being provided mentorship and guidance.

The local partners worked during the implementation to find further initiatives to network micro business owners with their peers across Gaza to exchange their experiences, also through beneficiaries (BNFs) accounts on SAWA electronic forum, to market their products or services.

o Lessons learned.

Challenges

- MSEs Access to Finance.
- Cooperation Resistance from EU funded programs
- Enabling environment for MSEs.



Sucessess

- Project general performance.
- First green study
- Filling the gap in local knowledge on GCE.
- Project governance
- Beneficiaries' needs driven
- Investing Partners
- Beyond seed fund
- Targeting strategy and outreach.



Successes:

- Targeting strategy and outreach:

SAWA developed its targeting and selection strategies that ensured the outreach of the most vulnerable women and youth in addition to inspiring them to the most promising economic sectors within their localities through the economic sectors analysis exercise executed in 2020 (part of the targeting strategy). The year 2021 verified the value-adding and the importance of the targeting strategy as the selected businesses matched the identified sectors with 71%

- Implementation Modalities (beyond seed fund):

One of the key successes of SAWA is the adoption of a tailor-made approach for their beneficiaries. The support provided was identified according to the technical, financial and management needs for each beneficiary. This has been translated into intervention plans combined the financial and non-financial support for each beneficiary. Such approach maximized the value of money per beneficiary therefore enhanced the efficiency of the project.

- Investing Partners:

Enabel designed SAWA intervention to build implementing partners' capacities at different levels such as business development services, MEAL system and seed funding procedures. This approach helps to create strong partners who has the sufficient expertise to provide business development services to SAWA beneficiaries and local communities.

- BNFs' needs driven:

In addition to traditional support related to business management and life skills, SAWA gave more attention on beneficiaries' technical need driven, through identifying their needs by conducting technical needs assessment and creating intervention plan for each beneficiary followed by providing the needed technical support which improved businesses sustainability and support beneficiaries to overcome early-stage challenges.

- Project governance:

The adoption of the collaborative governance through the project advisory committee that gathered the key actors and players in one platform contributed to the success of SAWA through sharing knowledge, seeking advises, validating the activities and raising recommendations. Such platform has been replicated to other EU funded projects implemented by other INGOs (e.g Gaza resilience project)

- Filling the gap in local knowledge on GCE:

As the domain of intervention in GCE is relatively new and there is a lack in the national expertise and capacities in this field. SAWA contributed to bridge the gap in the field through contracting Belgium consultancy company (VITO) to train the staff of Enabel and partner on the GCE concepts and to give the entrepreneurs needs-driven technical support, guidance and advice. This approach enabled the partner to take the lead in implementing other GCE interventions and allowed us to expand our work with them to implement the second phase of the project. In addition, this helped the entrepreneurs turn their ideas into actual businesses/prototypes and overcome any challenges they faced during implementation.

- First green study

SAWA conducted the first mapping study to identify the main challenges/opportunities in the industrial sector in the Gaza Strip in terms of GCE. On the one hand, the study served as a roadmap for the intervention and a reference for other donors and for other Enabel interventions (mainly in the design phase of the green component of the portfolio). On the other hand, it helps entrepreneurs turn these challenges into business ideas then to be commercialized into real micro businesses and create job opportunities for them.

- General performance:

SAWA end term review concluded that it was properly designed, efficiently implemented, and effective in achieving its intended results. This conclusion relies mainly on the following points:

- ✓ SAWA managed to achieve its all-project performance and success indicators at all levels.
- ✓ SAWA activities were implemented based on careful identification and addressing the targeted group needs in a collaborative and participatory approach of the local partners.
- ✓ SAWA worked closely with local CSOs and PSUO which had a significant advantage for the sustainability of the intervention and its results when knowledge and experience related to sustainable livelihoods and micro-businesses empowerment are transferred to local partners who are enabled as community development agents and business development services providers after the end of the intervention.
- ✓ SAWA project succeeded in creating a pool of experts in community-based business development services and systemizing the approach within the implementing partners.
- ✓ Enabel followed good practices in the project design and implementation to ensure its effectiveness.
- ✓ The adopted Community-Based Approach and the Sustainable Livelihood Approach were effective in achieving the intended results.
- ✓ Under the green and circular economy, SAWA project proved effective in terms of achieving its intended results as a pilot phase. Effectiveness was evident in the selection of the implementing partner, the mapping of GCE challenges and opportunities, the selection of GCE ideas, training and granting of the seed fund.
- ✓ The partnership model followed throughout SAWA contributed to increasing the project's overall effectiveness.
- ✓ All activities and all required outputs were achieved within the given budget with no major changes or reallocations.
- ✓ SAWA team managed to successfully overcome the major risks resulted by COVID-19 pandemic and the Israeli aggression which took place in May 2021 and ensured participants' safety and the continuation of the project by adopting well organized emergency response measures.

Challenges

- Access to finance:

SAWA worked to strengthen relations between its beneficiaries and Gaza's financial institutions. To accomplish this, numerous activities relating to access to finance were conducted such as meeting with banks and MFIs. Also, the banks and MFIs conducted awareness sessions about their financial services for SAWA beneficiaries. Those activities were implemented in SAWA As Enabel believes in the financial inclusion for beneficiaries, however we couldn't make any breakthrough in access to finance rather than awareness with beneficiaries due to loans condition, guarantee requirements and high interest rates.

- Cooperation Resistance from EU funded programs

In order to maximize the benefits of the projects funded by the European Union and to strengthen the presence of the European Union in Gaza, Enabel took the initiative to activate the coordination between these projects and the exchange of knowledge and experience. In addition, Enabel proposed to activate a referral system among these interventions. They were also invited to be part of the PAC of the SAWA project and to participate in SAWA events and activities. Unfortunately, these efforts faced many challenges and obstacles, and we were unable to achieve any kind of cooperation agreements with them. This was for many reasons: In some cases, we encountered resistance on their part to share experiences, lessons learned and any information about the scope and methodology of their intervention. In addition, there was no interest in working in Gaza as some of these interventions are implemented in the West Bank such as Switchmed.

Therefore, SAWA has adopted an alternative approach by involving local and international actors, experts, research centers, industrial sector umbrellas, incubators, colleges, and universities in the field of intervention.

- Enabling environment:

Although SAWA invested in creating an enabling environment for the supported MSEs, it's hard to say that SAWA succeeded in this. Especially when it comes to helping these project in joining the formal Palestinian economy¹¹ and getting the legally registered in the Ministry of Economy. SAWA team managed to obtain obtaining some facilitations and exemptions from the MOE for the MSEs who are interested in being a legally registered business, however the SMEs did not show enough enthusiasm to take this opportunity since the offered facilitations is related to the registration process itself and they are still concerned about the legal and financial obligations that follow the registration which will threaten the sustainability of their business.

From another hand, and given the fact that the project is targeting vulnerable groups who are relying on aids from both governmental and non-governmental organizations in the Gaza Strip, these groups tend to avoid registering their businesses since having their own business will affect their eligibility to receive such aid.

SAWA II will build on this experience and will invest more in the dialogue with the concerned parties to address beneficiaries' concerns and to achieve a better and encouraging environment for the MSEs in the Gaza Strip.

Summary of lessons learned.

Lessons learned	Target group
<ul style="list-style-type: none"> • Having an updated mapping and vulnerability assessment at the level of localities and communities, can be used to better inform and guide the project interventions. 	SAWA II, SYP, YEP, and PEP teams

¹¹ The part of an economy of which the government is fully aware and that is regulated by government authorities, particularly in the areas of contract and company law, taxation, and labour law.

<ul style="list-style-type: none"> Careful selection of implementing partners and their engagement in the design and implementation of the project are key factors to ensuring true ownership and success of interventions. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Informed selection of targeted communities and sectors based on consultations with main stakeholders, ensures maximizing the impact, and reduces possibilities of service duplication. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Targeted participants (youth and vulnerable women) engagement in the design process is a must, and their consultation provides valuable insights that can enhance the intervention design. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Sensitizing the targeted communities regarding the project and its requirements and potential; improves efficiency and effectiveness of the selection process and reduces invalid applications. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> When assessing applications for participants, project ideas should be assessed firstly, and those accepted move on to the socio-economic assessment of the applicants. This will ensure selecting the most promising ideas, instead of selecting the most vulnerable candidates, which will lead to improved efficiency and higher success rates. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Coaching and mentoring periods are essential to provide as much support as possible to the seed funding recipients especially as grantees need specialized support after receiving the funding and during the starting phase of their business, which is the most critical phase. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Having experienced business developers and advisors in the process of assessing applications, and coaching, increases the benefit provided to the participants, and ensures providing them with actionable information and good guidance to sustain their micro-enterprises/businesses. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Being responsive to the emerging needs of the supported micro-enterprises/businesses is a must and ensures quick adaptation to micro-enterprises/businesses' needs. This also required budgeting and planning for un-expected emergencies such as fluctuation in exchange rates, and price variations. 	<i>SAWA II, SYP, YEP, and PEP teams</i>

<ul style="list-style-type: none"> Legal awareness and literacy for supported micro-enterprises/businesses owners is a must and supporting them to become legally registered improves their sustainability on the long run. 	<i>SAWA II, SYP, YEP, and PEP teams</i>
<ul style="list-style-type: none"> Having specialized MEAL functions in the project and within the implementing partners ensures progress tracking and better capture of learning. 	<i>SAWA II, SYP, YEP, and PEP teams</i>

1 Recommendations

Recommendations	Actor	Deadline
<ul style="list-style-type: none"> SAWA has tapped into an important sector which the GCE. This sector carries a potential to cover already existing gaps in the Palestinian economy and is yet to be further explored. Therefore, the EU is recommended to continuing working in the sector as well as share the lessons learned to bring attention to the matter. EU is recommended to establish and nurture linkages with the different financial instruments funded by the EU to better link the supported micro-enterprises/businesses with them, as well as better identify the needs of the sector from a closer look. As an active actor in the field of economic empowerment, EU is encouraged to support establishing unified communication and information sharing channels among such projects to promote learning and effectiveness. 	EU	During SAWA II
<ul style="list-style-type: none"> To promote the project impact and sustain its results, capacity building for local partners should be accounted for and included in the design of the project. This should be informed and guided by capacity needs assessment and linked with relevant capacity building plans which are responsive to the identified needs. To promote the project impact and sustain its results, capacity building for local partners should be accounted for and included in the design of the project. This should be informed and guided by capacity needs assessment and linked with relevant capacity building plans which are responsive to the identified needs. A certain balance should be available between selecting the targeted communities and the overall business needs. As focusing only certain communities 	Enabel	During SAWA II

will be a limiting factor in selecting relevant/ suitable business ideas later on.		
<ul style="list-style-type: none"> • Ensure the sustainability of the BD specialists to ensure the sustainability of the intervention. • Supported micro-enterprises/businesses biggest challenge after the seed funding is marketing and access to market. This usually appears after the incubation period when the intervention has ended. Therefore, linking the micro-enterprises/businesses with clients and promoting their access to marketing should be well-covered and addressed in the project design and activities. Having networking events can help, however, structured intervention in this regard is recommended. • In order to promote its sustainability and ripple effect; it is important to adopt strategic approach towards creating structural changes in the sector of economic resilience, livelihood, and job creation. This requires working to changing policies and changing existing structures to improve relevant policies and practices. • Communication with the government actors is a requirement to create long-lasting impacts and structural changes. 	Partners	

