

# Entrepreneurship Index

## in the Palestinian Business Incubators



2019

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 PCSPalestine



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## Thanks and Appreciation

Significant efforts have been made to complete the Palestinian Incubator Business Entrepreneurship Index. It is the product of collective and participatory work by all institutions working in the entrepreneurial sector, whether governmental or private, in addition to the Palestinian NGOs. We would like to thank all those who contributed in this work: through attending workshops, participating in focus groups or conducting interviews, in addition to taking the time to fill out surveys and contributing to the review of the final indicator document - we appreciate all parties; therefore, we have documented their names and basic information in the index document as a sign of gratitude.

**Palestinian Consultative staff for developing NGOs  
(PCS)**



## Implementation partners and donors

The Palestinian Consultative staff for developing NGOs (PCS) is implementing the project “Promote Cross-Border Economic Coordination, Cooperation, Exchange, and Joint Ventures” in partnerships with the support and funding of the European Union - the European Peace building Initiative- (Convention No. 341-395 / 2018 / ENI), in partnership with Jerusalem Entrepreneurs Society and Technology(JEST) in East Jerusalem. In addition to six key partners of the project: Small Enterprise Center (SEC), Arab Center for Agricultural Development (ACAD), IDEA Incubator, joint work space provided by Youth Development Resource Center, Sanad Association, and Let’s Glow JEST Incubator.



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# Preface

The Palestinian Consultative staff (PCS) for developing NGOs has paid great attention to this indicator after noticing the large information gap in the entrepreneurial sector. This important sector needs a large amount of information, and with our partners, we have aimed to provide part of this knowledge through this index. The index can be used to come up with the best ways and means to develop entrepreneurship in Palestine

This effort is also part of the project “Promote Cross-Border Economic Coordination, Cooperation, Exchange, and Joint Ventures” in partnerships with the support and funding of the European Union - the European Peace building Initiative- (Convention No. 341-395 / 2018 / ENI), which aims to enhance economic cooperation in order to create a better environment for business entrepreneurship in the occupied Palestinian territories.

As we publish the first version 2018/2019 of this index, we extend our sincere thanks to the aforementioned parties that have made an effort and provided us with their appreciated time. The work was enriched by valuable information from their field experience. We would not have been able to produce it without their significant contributions.

We also note that this work and extensive effort were invested to produce this work. We hope that the actors in this sector can build on it and complete what should be completed within the framework of cooperation, integration, professionalism and partnership.



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## Executive Summary

The Palestinian economy has been facing a “severe shock” since early 2019, according to description reported in the recent World Bank report of April 2019, attributed to the decline in the flow of international support; this was further exacerbated by Israeli’s deduction of 138 million dollars of accrued Palestinian customs clearance revenues.

Hence comes the importance of “Entrepreneurship” and “Economic Empowerment” in the context of this turbulent economic situation, as areas that can constituent innovative solutions for many of the challenges and difficulties encountering the Palestinian economy. Considering them tools to use for improving economic indicators, especially those related to improving the level of productivity, embracing technology, providing job opportunities and opening new markets.

Consequently, the first edition of the “Palestinian Business Incubators Entrepreneurship Index”, which comes as an initiative from the Palestinian Consultative staff (PCS) for the development of NGOs as part of the peace-building project “promote cross-border economic coordination, cooperation, exchange and joint ventures” funded by the EU and in partnership with Jerusalem Entrepreneurs Society and Technology “JEST”, and seven business incubators/institutions working in the Entrepreneurships field.

The Index seeks to create a state of knowledge to contribute, through which, to draft strategies for the Palestinian entrepreneurship, especially in the light of establishing the Ministry of Entrepreneurships and Economic Empowerment, as part of the 18<sup>th</sup> Palestinian government. It addresses the situation of business entrepreneurship in the incubators by monitoring three dimensions. The first of which is the descriptive dimension for entrepreneurship in Palestine.

While the second covers a quantitative figure one and the third dimension addresses the availability of indicators and potential for developing them. In the context of ongoing consultation and discussion of drafting a national strategy for the Ministry of Entrepreneurship and Economic Empowerment, which was established for the first time as part of the 18<sup>th</sup> Palestinian government, the indicator, in its last part, seeks to develop a vision for the formation and shaping of relation, where roles are complementary among the organizations interested in entrepreneurship sector, in addition to proposing a simple organizational structure for the “Entrepreneurship Regulation Authority”, which can serve as a reference entity for all organizations active in this sector. Based on data revealed in the indicator, there is a state of geographic centralization for the entrepreneurship organizations, the majority of which being located in Ramallah, followed by Hebron and Bethlehem, Jerusalem, Nablus, and Jenin.

As for affiliation, 50% of the incubators follow civil entities (CSOs, municipalities, Chambers of Commerce and Industry), whereas, 40% follow universities, with the percentage dropping to 10% in affiliation to private companies, which is indicative for the private sector’s need to take more interest in investing in the different entrepreneurship area to achieve economic development, at the level of legislations and government policies. The index outlines the weaknesses reflecting the absence of clear understanding for the relation between the Ministry of Entrepreneurships and the rest of ministries and institutions working in the entrepreneurship, so far, while economic legislations in place only serve major investors, in addition to the absence of a law that regulates private sector’s social responsibility.

Additionally, there are several restrictions on nonprofit companies, while investment promotion laws are limited to promoting major projects besides the absence of laws that promote, encourage and protect entrepreneurs, especially encouraging entrepreneurs’ investment, protecting ownership and patent rights, in addition to not having a specialized law for entrepreneur companies and SMEs.

**To achieve progress in this regard, in addition to the need for solving the problem of nonprofit enterprises, there is a need to do the following:**

Simplify registration procedures for entrepreneurs for the profit enterprises, so that it includes:

- Reduce registration fees for the new enterprises
- Tax incentives up to 5 years
- Redefine the concept of startups in line with concept of entrepreneurship
- Coordinate between the Ministry of Economy and the Investment Promotion Agency to develop an exemption system for entrepreneurs.
- Build an access mechanism to access entrepreneur information in the ministries and other entrepreneur- related departments.
- In the other paradigm, the index explores accessibility for financial services by entrepreneurs and owners of SMEs. It shows that financial needs by startups can go up to 70%, where 70% of incubators depend on international external funding, while only 20% of them depend on the private sector and corporations funding, noting that incubation revenues do not exceed 20% in the best circumstances.

**This result in:**

- Small size of grants provided for entrepreneurs, not exceeding 10,000\$
- Absence of private sector investment in entrepreneurship.
- Guarantees and securities for lending institutions hinder entrepreneurs and SMEs, as well as having long term lending systems.
- Reluctance of funding institutions in supporting startups and non-alignments of their programs to the needs of entrepreneurs.
- Non implementation of financial inclusiveness policies, as well as inability to benefit from the solidarity financing mechanism.

**In order to overcome that, the index provides a number of opportunities, within the framework of funding, as follows:**

- Networking with active Palestinian businessmen and investors in diaspora and within the Green Line.
- Acting for developing the solidarity funding potential.
- Acting for relative diversifying of funding opportunities in the entrepreneurs' sector and not to let be limited to international funding.

**As for the interrelations between institutions active in the entrepreneur sector, the indicator found the following problems:**

- A large number of organizations active in the entrepreneur sector, in the absence of coordination.
- Negative competition characterizing relations between the institutions.
- The ambiguity of entrepreneur identity at the national as well as the institutions' level, as well as the absence of specialization.
- Reliance on alternative opportunities, which makes entrepreneur projects exposed to unsustainability.

**These weaknesses can be developed by:**

- Participation versus negative competition between institutions working in entrepreneurship
- More accurate outlining for priorities and combating the phenomenon of working as contractors in the institutions, without a clear identity.
- Representation of entrepreneurs in the decision-making positions.
- Focusing on addressing community culture and its impact on entrepreneurship, avoiding it being a temporary state.
- Networking through an innovative active electronic network.

The potential of the entrepreneurship Index to diagnose the reality and put forward visions to capitalize on for developing the Palestinian entrepreneurship situation in the future, requires working for complementary strategic framework, launched by an actor that enjoys high trust and acceptability, the following up of which spins from commitment for development of this sector, with the objective of developing the Palestinian economy, which entails establishing a Palestinian regulatory agency for the entrepreneurship in Palestine.

## 1- Introduction

In light of efforts made by The Palestinian Consultative Staff for Developing NGOs with its partners to achieve economic development based on innovation, launching the Palestinian Business Incubators of Entrepreneurship Index in Palestine hopes to contribute in providing a qualitative data to knowledge in this sector.

Palestinian entrepreneurship is still not subjected to disciplinary standards although it has come a long way in establishing many principles since its inception in 2004. This indicates the need to develop more visions and programs through which methodological/systematic work can be established to reach future goals.

The preparation of this index coincides in its first edition with the establishment of the first Ministry of Entrepreneurship and Empowerment along with the formation of the 18<sup>th</sup> Palestinian government. This step gave hope to handle policies differently in the business entrepreneurship sector a deficient legal and legislative situation.

Globally, the entrepreneurship index represents an important and fundamental measure to measure the entrepreneurial environment and its context in different countries. The global entrepreneurial index is considered the most important measure for entrepreneurship and it has comprehensive indicators which are measured on the national level (Macro level). Also, these indicators give a general overview of the entrepreneurial environment which requires the government to follow it up constantly if it was willing to develop business entrepreneurship.

As a result of the lack of a regular and comprehensive global index of Palestine, and as a civil society working in economic entrepreneurship according to youth right to work perspective, and in order to ensure access to entrepreneurship as one of the economic and social rights that are linked to the reality of youth empowerment in the business environment, we have initiated to develop an entrepreneurship measure index at the level of business incubators taking advantage of the different approaches in this framework.

As a civil society, our concern is the individual and the institution in the field i.e. “How the entrepreneurial machine function in the practical field regardless the positivity or negativity of the national entrepreneurial context?”

Often, the national index needs a more specific index that examines the situation to have a full picture. All the indicators and the studies done on the macro level, which usually relies on the government data and the statistics centers are accompanied with other indicators and studies on the micro-level that assert and support information which we have worked hard to reach.



## 1- Concept and Terms Definition

**Entrepreneurship:** according to Arabic dictionaries it is defined as leadership and presidency. When it is associated with the labor market and production, it becomes a feature ~~for~~ of the institution or the firm or ~~for~~ the individual because they are the pioneers of a particular industry or they are in the forefront of who shows a new product or a new service which is referred to in English “first-mover advantage”.

According to the Organisation for Economic Cooperation and Development, entrepreneurship is the process of continually identifying economic opportunities, building on them to develop, produce, and sell the new goods and services. It is also defined as the ability to collect or make use of the resources to obtain job opportunities or it is the ability to find self-employment opportunity.

**Business Incubators:** specially designed institutions to foster the growth and the success of the entrepreneurial firms through a series of supportive resources and services that include: the necessary space, funding, training, public services, and communication networks.

**Startup:** it is a term used to identify newly established companies that have great potentials for growth and prosperity. Startups are viable companies where they grow in a very fast and efficient way compared to a small, medium-sized, and traditional company. Startups enter the labor market to look for capital using technology techniques for growth and finding funding.

**Non-profit Companies:** The Decision of the Council of Ministers No. 3 of 2013 Concerning the Non-Profit Companies Law defined it as a private shareholding company that shall apply to its registration, its capital and the fees collected for its registration, the provisions of private shareholding company.

According to law, the purpose of the establishment of any non-profit company should be for the provision of service, or economic, social, cultural, civic, developmental activity or other. It should also improve the citizens' status in the society in the social, health, professional, financial, technical, athletic, cultural, or educational context without aiming at profit-making even if it yields revenues that may not be distributed to its shareholders.



## Definition

**Global Entrepreneur Monitor (GEM):** research initiative that involves hundreds of researchers from more than 75 countries all around the world. The annual report provides an analysis of the entrepreneurial activity level; that is, to identify the policies that may assist the governments and the interested in economic development to strengthen the leading role in job creation. In 2009, Palestine joined 13 other MENA countries where the Palestinian Economic Policy Research Institute became the one to present a case study of Palestinian entrepreneurship; its last report was in 2012 as a result of the lack of funding a lack of funding to continue its publication. The Middle East and North Africa the report as the Palestine Economic Policy Research Institute (MAS) submitted a study concerning the Palestinian entrepreneurship which was in 2012; this report was the last one it produced due to lack of funding resources to continue issuing such reports.

### 1-2 Index Goals

**The General goal: contributing to enhancing the economic entrepreneurship in Palestine to achieve a knowledge and a competitive economy based on innovation which can be achieved through:**

1. The identification of determinants of economic entrepreneurship in business incubators in Palestine.
2. An objective Examination of the weights of entrepreneurial determinants in Business Incubators in Palestine.
3. The incubating environment for entrepreneurship in Palestine and its ability to promote.
4. Promotion of competitiveness in innovation against monopoly.
5. To what extent is the local or external funding reflected on the sustainability of entrepreneurship in the business incubators.

Available options to policy makers to promote entrepreneurship in the business incubators.

### 1-3 Methodology and Measurement Tools

The index in the preparation phases depended on a composite methodology that combines participatory diagnoses, analysis, and description in order to achieve greater realism as it establishes a strategic work in the coming phase especially in light of the formation of the new Ministry of Entrepreneurship and Empowerment to promote entrepreneurship sector.

Diagnoses tools:

1. The construction of three types of analytical questionnaires for the incubators' managers, entrepreneurs, and experts in the entrepreneurship sector.
2. In-depth interviews with entrepreneurs and experts along with specialists in the economy sector to a further



### Index Arbitration

Following the completion of the index preparation in its initial version, it was presented to a group of experts, entrepreneurs, and managers of institutions working in the entrepreneurship sector along with several of incubators' managers taking their observations into consideration to modify and develop the report contents.

### The index sample

A sample of 25 items was distributed according to figure (1):

understanding of the role of the entrepreneurship incubators in the national economy structure and its future implications.

3. Participatory diagnose: a series of individual and collective discussions including a discussion through a series of workshops attended by more than 50 people between incubators' managers or entrepreneurs, or institutions working in the entrepreneurship sector or institutions being funded by the Ministry of Entrepreneurship.

4. The international and national reports issued on the reality of entrepreneurship. Although these reports are rare in Palestine, they form a preliminary resource to know several aspects related to the entrepreneurship sector in Palestine.

5. Academic production, studies, and researches.

6. The observation tool as it is one of the adopted research and diagnostic tools.



### Geographical distribution of the sample

Regardless of the Palestinian political and economic instability, reports of the World Bank (2019) recorded an increase in Palestinian business activities. Palestine was ranked 114 out of 190, which means it has achieved positive progress compared to the last year in which it ranked 140 as well as other previous years.

At the beginning of 2019 Palestinian economy faces a severe shock according to the World Bank report issued in April 2019. The report indicated that due to the decrease of global aids, the situation got exacerbated in light of Israel's deduction of \$138 million annually of clearing revenues owed/due to the Palestinian Authority from the customs tax revenues of the year 2019; that is 65% of the overall Palestinian Authority clearing revenues.

The World Bank warned in its report that "unless this crisis is resolved, the financing gap will increase from 400 million dollars in 2018 to more than one Milliard dollar in 2019".

Figure No. 2 shows the shape and nature of geographical distribution on which the methodology of preparing the index depended.

## 2- The reality of business environment in Palestine

The World Bank's Doing Business report 2018 recorded a decline in the overall economic activity in Palestine in the world ranking from rank 140 to 114 of the economy of 195 countries.

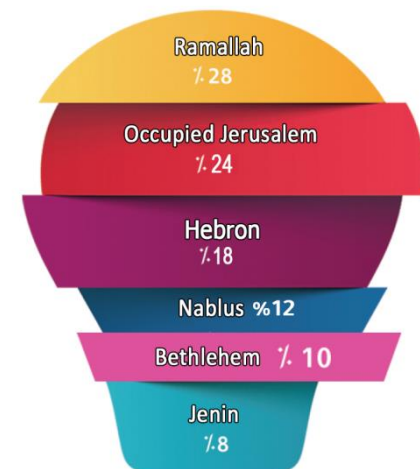


Figure (2)



The report shows that time and transaction cost factors, in addition to the business start-up procedures, are expensive factors for the start-up and operation of the activities of the Palestinian private sector.

In another related report, the Business Startup Index, a measure of the challenge that an entrepreneur may face in launching his business initiatives, indicates that Palestine's rating fell to 170 out of 189 from an economy in 2016, meaning that Palestine has fallen 11 ranks compared to 2015. This rank is significantly lower than other Arab countries such as Morocco (43rd), UAE (60th) and Jordan (88th).

Moreover, the Investment Climate Assessment report, Fragmentation and Uncertainty, showed that investment opportunities in private sector activities are facing severe difficulties due to the instability of the political climate, the continuous availability of energy and electricity services, high tax rates, difficulty in accessing finance, and access and resource constraints, access to markets, fragmentation and isolation, political risks, and loosening of the role of the private sector through investment in capacity building, skills, entrepreneurship and innovation.

Despite the sluggish economic growth, fragility and uncertainty surrounding the business environment in Palestine due to the above weaknesses, the current analysis, according to Portland and Trust 2015 report, indicates that there are strong economic and investment opportunities inherent in five promising economic sectors that may add about \$ 8 billion to GDP

At the same time, these five sectors can create about 150,000 vacancies by 2030. They can provide about 40% of the jobs needed to reduce the unemployment rate to 10% by 2030. They provide the maximum possible growth and employment opportunities and the largest scope for the involvement of the private sector, investors and property within existing restrictions, including Israeli restrictions on freedom of movement.

In light of this volatile/turbulent reality, "Business Entrepreneurship" and "Economic Empowerment" became important as areas that can constitute innovative solutions for many of the challenges and difficulties encountering the Palestinian economy in light of the previous information, raising the level of production, providing job opportunities, and opening new markets.

In recent years, a state of interest in the entrepreneurship areas emerged in Palestine, that its sectors started to join several programs. However, this situation has often been held hostage to experiments or simulations of other Arab or international models. Self-sufficiency or exportation affects directly self-employment, sustainable job creation opportunities, economic growth achievement, and social capital enhancement.

Many scientific studies and literature, which have probed this experiment, show that there is a Palestinian entrepreneurial environment abounding with ideas, part of which have become actual incubators on the ground or startups that have formed success stories. However, due to the ongoing circumstances and fluctuations experienced by the Palestinian economy, these activities were limited to small and medium enterprises, which represent about 98% of the total projects operating in Palestine. Therefore, it is considered the primary engine in the economy and the actual engine for investment and economic growth (Palestinian Business Forum 2014). On the other hand, the statistics show that the unemployment rates among graduates exceeded 55% in 2017.

As for business incubators, in 2004, the Palestinian experience of business incubators launched, and it contributed to the establishment of 28 small companies. It also provided financial, service, technical, and administrative support for 87 projects. These incubators were funded by the World Bank and the European Union (EU) through the Info Dev program and Quality Improvement Fund program in higher education. The funding of most incubators activities was limited to local and international institutions such as SPARK, USAID PALTRADE, Intel Google, and Microsoft.

Entrepreneurship work still suffers from problems related to the legislative aspect and related policies in Palestine and weak incentives in light of the educational environment and general culture that increase risk. Moreover, these environments do not allow the private sector to partner in managing the overall economic situation out of fear, monopoly, lack of proper guidance, or the gap between the public and private sectors.

International support is limited to certain sectors. The developmental vision, which can support the partnership of the private and public sectors, is also absent. For instance, the private sector received 8% of total international support for Palestine, and most of the funding was for several community programs while the share of the economic development was low. However, this rate increased significantly in the recent years as donors tend to support economic empowerment and entrepreneurship programs.

Most CBOs' interventions were in economic empowerment and entrepreneurship in the agriculture sector, agricultural production, and small and micro enterprises support. The micro enterprises term has more than 25 international definitions; however, it still has no definition in Palestine and most Arab countries.

Based on this vision, the Palestinian government in April 2019 developed a new ministry called the Ministry of Entrepreneurship and Empowerment, which aims at achieving an aim focusing on stimulating, nurturing, and enabling innovative initiatives in all fields that allow the implementation of new small and medium-sized enterprises. Besides, it aims at the enhancement and development of existing projects to build a national economy that depends on production and achieves as much self-sufficiency as possible and enables export which will have a direct impact on self-employment and creation of sustainable job opportunities, economic growth achievement, and social capital enhancement.

## 1-2 Challenges and obstacles

The obstacles affecting the entrepreneurship in Palestine are divided to major and procedural constraints. Major obstacles are:

- The political, institutional, and social context.
- Financial support.
- Government policies.
- Potential to initiate a project.
- The community culture.
- The incubating environment of entrepreneurship.
- The educational system that focuses on the banking education.

The main procedural obstacles are:

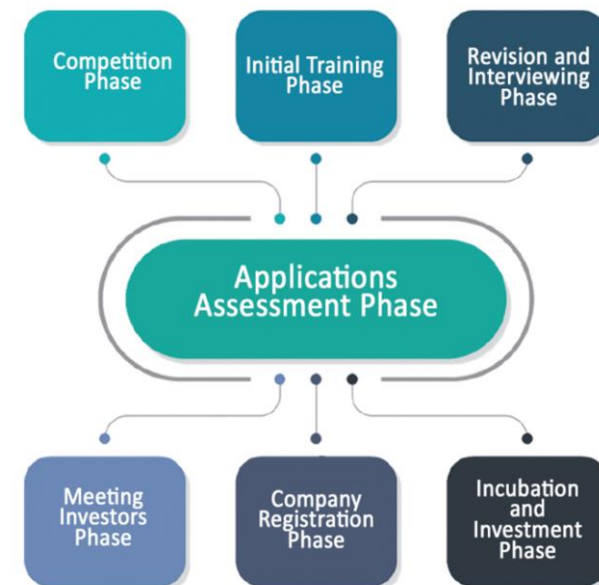
Enterprise registration procedures such as:

- The need for an enterprise's address which needs a prior lease contract and thus Initial financial cost before starting work.
- The high license fee is a \$ 150 registration fee with one thousandth of the capital. In addition to the allocated fees paid to lawyers and the Bar Association, an average of \$ 1000 per company.
- A non-entrepreneurial tax system, for example, the tax is paid directly at the commencement of services or the sale of products even if the company is in a pilot phase.
- The tax does not recognize the losses of the companies. Usually, in case of loss of the company in the first years, the financial statements are yellowed; meaning that the companies cannot recover the taxes they paid.
- Microfinance is very expensive, more than bank loans, with banks ranging between 4% and 7% and small loan companies between 15% and 20%.
- The law does not protect patents and there is no way to protect ideas
- Investment promotion laws focus on attracting capital. Large corporations are exempted from a large part of taxes during their first years of operation based on the capital of \$ 250,000 or employ 25 employees, while there is nothing similar to the startup.

In general, the government support for this sector is limited to social responsibility by some banks and big companies or NGOs and this means a developmental vision that is based on the funded projects that follow the donor vision, and thus in many cases discontinuity.

## 2-2 Business Incubators Work Mechanism

The incubation stage of entrepreneurship goes through several steps that may vary from one incubator to another in their names. However, they are similar in the contents that pertain to each of these stages and can be summarized as shown in Figure (3)



## Types of Business Incubators

Some classify them according to their specialization, rules of procedure, open or closed workplace or their affiliated bodies or according to stages. The following are the main divisions:

**First: division based on the specialization:** based on the nature of the incubated projects in the sectors of technology, scientific techniques, agriculture, industry, and public works.

**Second: division based on the incubator role towards the incubated projects:** “Early Incubation” which receives projects from the beginning of the first idea down to advanced stages. Some are categorized as “General” which receives existing projects and develops them. The third type is the Business fast-forward which incubates existing projects and aims at expanding them and increasing the production percentage through supporting it financially.

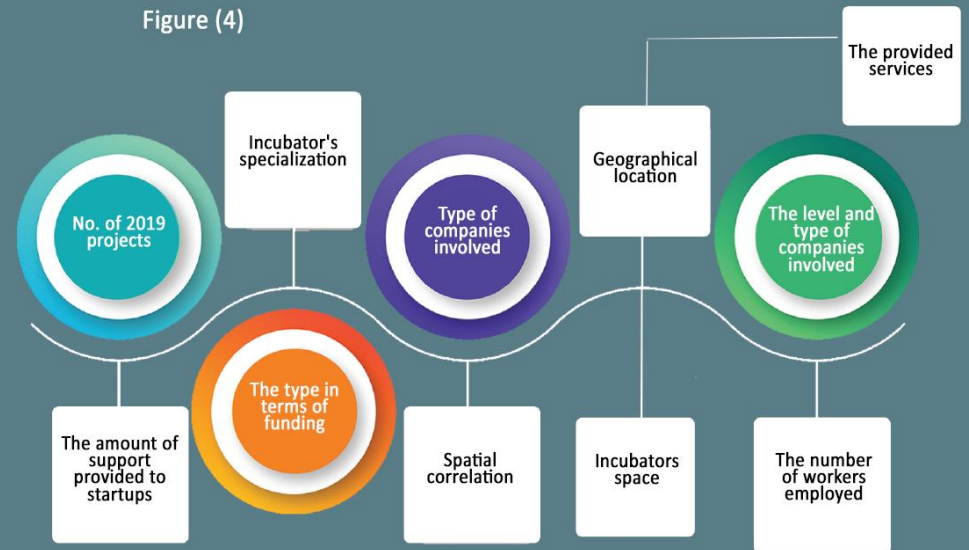
**Third: division based on affiliates :**for instance, there are incubators that belong NGOs, universities, or private sector companies.

## 3. Entrepreneurships index for incubators

### Cognitive data of incubators:

- Figure (4) shows the cognitive data upon which the index was based. The aim of this is to determine the environment in which incubators function; also, to examine the reflection this has on the entrepreneurial status.

Figure (4)





### 3-2 Cognitive Data Matrix of Business Incubators in Palestine

Table (1)



	Main indicator	Sub-indicator	Explanation
<b>1</b>	Type of incubator based on association to a certain entity	<ul style="list-style-type: none"> <li>-incubators in universities</li> <li>-incubators related to private companies</li> <li>-incubators related to NGOs</li> <li>-incubators related to large companies</li> </ul>	<ul style="list-style-type: none"> <li>-the largest proportion of incubators related to NGOs and local organizations is represented in: municipalities, chambers of commerce and industry, NGOs, and associations.</li> <li>-the previous proportion is followed by incubators related to universities, including (Palestine Polytechnic University, Arab American University, An-Najah National University, and Bethlehem University).</li> <li>- The low number of incubators related to private and large companies (see figure 5).</li> </ul>
<b>2</b>	Type of incubator based on specialization	<ul style="list-style-type: none"> <li>-incubators specialized in specific fields (technology, industry, agriculture, provision of consulting services, etc.)</li> <li>-general/mixed incubators (that aim to integrate projects).</li> </ul>	<ul style="list-style-type: none"> <li>-information technology incubators are the most common type, and the most involved in the field of Palestinian entrepreneurship.</li> <li>-the general/mixed incubators are as common as the previous one, which integrates several sectors altogether.</li> <li>-the number of incubators specialized in direct developmental, whether it is industrial or agricultural sector, is decreasing though they are becoming more common lately. (see figure 6)</li> </ul>
<b>3</b>	Type of incubator based on financing source	<p>Incubators provide services in the form of:</p> <ul style="list-style-type: none"> <li>-Incubation returns</li> <li>-services for the private sectors</li> <li>-studies, counseling, and training returns.</li> <li>-goods selling returns</li> </ul>	<p>Business incubators, till now, highly rely on external financing, specifically funding provided by international organizations. A small percentage of incubators still rely on the private sector or incubation returns. (see figure 7)</p>



### 3-2 Cognitive Data Matrix of Business Incubators in Palestine

Table (1)



	Main indicator	Sub-indicator	Explanation
		External financing in the form of: -international organizations financing -private sector companies	
4	Incubator's space		The available spaces of incubators vary from 30 square meters to 1600 square meters. This has to do with several factors; these are: -the practical history of incubators; those which have functioned for more than 10 years have larger space than the new incubators. -dependency of the incubator: incubators associated with universities or NGOs, for example, the chamber of commerce and industry and municipalities have larger space than those related to some associations. (see figure 8 )
5	The number of projects in 2019	In the incubator: -periodic -permanent Projects outside the incubator	The number of projects within the incubator is 20 - 60 in both the hosting phase and permanent projects, which depends on the available space. The number of projects increases outside the incubator; it could reach 100 projects as the incubator is not committed to providing projects with space.(see figure 9)
6	The type of incubator based on specialization	Startups: tourism, education, technology, etc. Inside universities: researches, development, agriculture. Existing	Startups are considered to be in the forefront type of companies that are incubated as they provide a suitable environment to launch companies and turn ideas into reality. The number decreases when it comes to developmental research projects; the success rate for projects is 2-4%. Very small number rarely exceeds this percentage, especially in institutions with long term experience who are capable of building quality financing and marketing networks. (see figure 10)



### 3-2 Cognitive Data Matrix of Business Incubators in Palestine

Table (1)



	Main indicator	Sub-indicator	Explanation
7	Geographical location of the incubation	<ul style="list-style-type: none"> <li>-proximity to city centers</li> <li>-proximity to universities.</li> <li>-proximity to large companies.</li> <li>-proximity to NGOs or governmental institutions.</li> </ul>	<ul style="list-style-type: none"> <li>-The largest proportion of incubators is spatially connected to large cities of developed economy and service sectors such as (Ramallah, Hebron, Bethlehem, Nablus, Jenin, and Jerusalem); while connections get weaker in other governorates and cities.</li> <li>-Some incubators are directly connected to universities which allow them to function within the university setting.</li> <li>-Other incubators, associated with large companies, are considered to be part of these companies such as the one in Jawwal.</li> </ul>
8	Characteristics of the building where the incubator is located	<ul style="list-style-type: none"> <li>-buildings with standard specifications.</li> <li>-prepared with the basic infrastructure.</li> <li>-connected to communication networks.</li> <li>- parking services are available</li> </ul>	Such specifications help in providing the appropriate place as well as the work needs. According to the analytical reading, most incubators have the required specifications but which vary in quality and tools.
9	Services provided to non-incubated companies	<ul style="list-style-type: none"> <li>-Services are provided only to incubated projects.</li> <li>-Services are provided to non-incubated projects</li> </ul>	Most incubators usually provide services to incubated projects; especially those associated with private companies and universities. However, some incubators, associated with NGOs, also provide services to non-incubated projects.
10	The number of employees in the incubator.	<p>Working employees in:</p> <ul style="list-style-type: none"> <li>-management</li> <li>-Plan and strategy developers</li> <li>-financial and logistic service providers</li> <li>-marketing staff</li> <li>-project managers</li> </ul>	The number of incubator employees including management employees, technical staff, and developers ranges between 2-25 employees. This depends on the size of the incubator and the incubated projects.



3-2 Cognitive Data Matrix of Business Incubators in Palestine Table (1)



	Main indicator	Sub-indicator	Explanation
11	Size of financing for startups	The average of grants for projects varies according to its classification as: -startup projects -medium projects -advanced projects (seed investment)	-startup projects: 3,000 \$ - 5,000\$ -Medium projects: 5,000\$ -10,000\$ -Advanced projects(seed investment):20,000\$ - 25,000\$ (see figure 11)

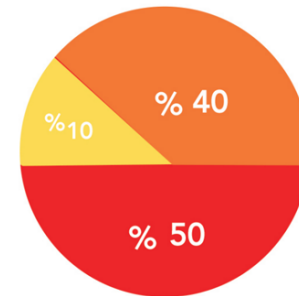


### 3-3 Quantitative Diagnosis of Incubators' Cognitive Data

According to figure (5), the largest proportion of incubators in Palestine is associated with civic institutions (NGOs, municipalities, chambers of commerce and industry). In the second place are incubators associated with universities or research institutions, while those associated with large companies constitute a less proportion.

**The factors that contribute to forming such percentages are:**

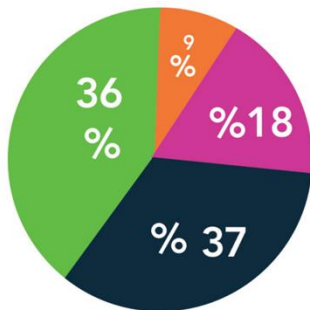
- The connection between NGOs as well as local authorities and funding international organizations. Incubators started to appear in such institutions in 2004.
- Competitiveness and the ongoing pursuit of funds.
- With regard to universities, attention to this topic came from the research and academic situation as well as creative youth energy.
- Large companies have moved from providing support and grants to incubators in other institutions to the incubators within these companies, which is a new experience.



Type of incubator in terms of the association point

Figure (5)

Local bodies Large companies In universities



Type of incubators in terms of specialization

Figure (6)

General incubators Technology Agriculture Industry

According to figure (6), there are two types of incubators: the first has a specific specialization, such as information technology incubators which constitutes the larger proportion (37%), while agricultural incubators are in the second place (18%), and industrial incubators constitute 9%.

The second type of incubators is mixed or general incubators which are 36%. Such incubators host various projects.

**Many factors contribute to determining the type of the incubator in relation to specialization, some of which are:**

- Risk ratio: information technology projects are the least risky and most profitable projects, while risk increases in agricultural and industrial projects.
- Access to market: fast and easy marketing of products and access to the global market.
- Profit-making duration: encouragement to accept projects that make profit in the shortest time duration possible.
- Low cost: cost varies depending on the different sectors and project specialties. For example, information technology projects only require providing a place and logistic services such as internet connection and electricity. Agricultural and industrial projects, on the other hand, require a higher cost and incubation needs.
- As a result of the above mentioned factors, general/mixed incubators come in second place. The aim of this is to make a balance between high cost projects with lower cost and quick profit-making projects.
- Another factor to mention is the constant search for funds; which makes incubators prefer a mixed system to attract funding.

Figure (7) shows the types of Palestinian incubators in terms of funding resources. 70% of incubators rely completely on international funding, specifically European funding as American support has ceased. Whereas, 10% relies on incubation revenues, which are usually, but not always, from returns of services provided: consultations, training, and studies. 20% relies on the private or local sector; such incubators are associated with private companies.

These results can be read through various determinants:

- Palestinian investors are unaware of the importance of business incubators and their impact on the Palestinian economic situation.
- Projects are easy to market to the international granting institution, unlike local ones.
- International institutions recognition of the importance of embracing and better marketing of creative ideas.
- The private sector, especially companies, seeks fast financial returns, and thus it is directed to guaranteed development projects of low risk percentage.

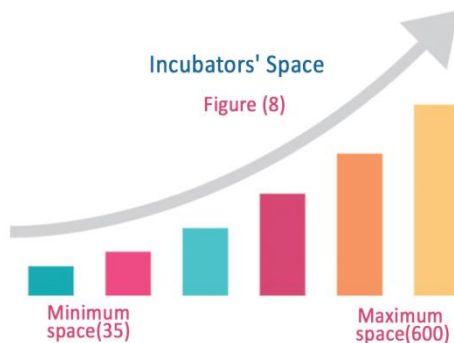
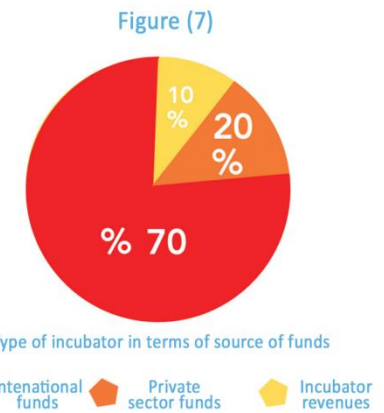


Figure (8) shows that the area of incubators in Palestine varies from 35-600 square meters as the smallest space to 600 square meters as the largest space. The availability of space depends on various determinants:

- Chronological age of incubators since their establishment, and its work history.
- The incubator's association; those associated with local bodies (municipalities ,chambers of commerce and industry, large companies) and universities usually have a larger area than others as a result of the constituent budget of such incubators.
- The nature of the incubator's work also has an impact. Information technology incubators do not need much space, while incubators that provide consultation services and trainings require more space.
- The number of projects located in the incubator, and their financial profit.

According to figure (9), the number of projects associated with incubators in Palestine is between 15-60 projects annually.

Several factors may influence the number of projects:

- The annual budget for incubated projects.
- The nature of the projects and the budget allocated to each project.
- Increase in private sector contribution to the incubator budget.
- Entrepreneurs themselves contribute to the development of their projects.
- Available space for incubation.

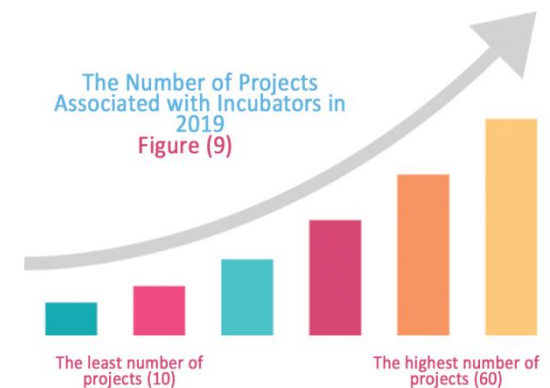




Figure (10)



Figure (11)

Figure (10) shows that the largest proportion of companies associated with incubators are the startups; the percentage of the overall incubated projects ranges from 34% - 60%. The reason for this increase goes back to the startups attempt to benefit from the incubation environment and the provided services; incubators also help startups build connections network to enter the labor market.

Data shows that success rates for associated companies are between 2 – 4 % in some incubators (see figure 12). Experts explain this as follows:

- The high success rates (40%) of some incubators refer to the criteria used to choose incubated projects with the least risk as well as the guaranteed projects.
- Startups and entrepreneur projects require a specific environment to achieve sustainability. However, entrepreneurs try to take advantage of the provided privileges in incubators without taking sustainability into consideration, so success rates remain low in some cases.
- The incubators' or project owners' ability to market their product is another challenge that could influence the project's success.

### ❖ Geographical location

The geographical location of the incubator influences its performance and its ability to market its projects and attract international and national support. This explains the concentration of incubators in certain governorates especially in Ramallah and Al-Bireh more than others. The reason behind this is considerations related to granting organizations and donors, as well as the association of incubators with specific institutions and not others. The association of incubators with universities enhances the chances of attracting entrepreneurial ideas from the university environment. Moreover, it provides incubators with the possibility of taking advantage of the services provided by the university such as computer laboratories, science laboratories, halls equipped with all services, in addition to large areas.

### ❖ The building in which the incubator is located

Experts and entrepreneurs emphasize the need for several services in the buildings allocated for incubators including infrastructure, drainage, heating and air conditioning, internet services, public safety, parking spaces and spaces to provide services related to food and drink. The availability of these conditions in the incubator's environment promotes stability and a sense of psychological comfort for entrepreneurs working on their projects, and contributes to the success rate of projects.

The analysis of the data shows that the Palestinian incubators are aware of these specifications which are available in most of them, but in varying proportions due to the variety of space available in incubators. The rest of the services related to Internet access and communications are available automatically.

❖ **The number of employees in incubators**

The number of employees in the incubator varies according to the type of incubator and the size of both the incubator and the projects associated with it. It also depends on the institution the incubator is associated with as it could be a university, a major company, or a private sector. The number of workers usually ranges from, minimum, 2 workers to 25 workers including experts, finance employees, administration, and strategic planning and development employees.

❖ **Funding size for the startups**

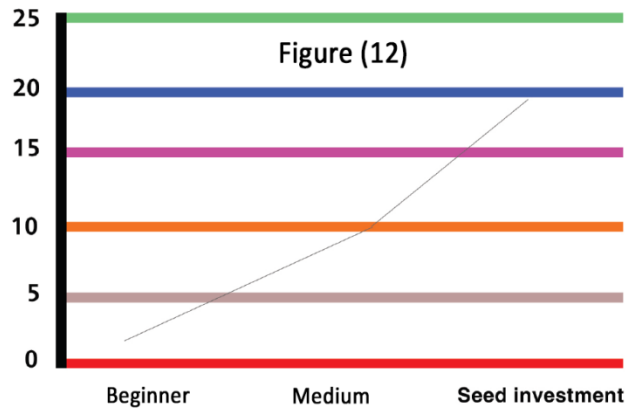


Figure (12) shows that the financing incubators provide for startups is between 3,000\$ minimum and 20,000\$ maximum according to the nature of the project.

Experts and entrepreneurs believe that this is a suitable budget taking into account the nature of the project and the entrepreneurial idea it originates from.

Some experts suggest that entrepreneurs should contribute to the initial budget according to the capacity of each entrepreneur. The aim is to promote and encourage entrepreneurs' ability to face any challenges that may obstruct his/her project and to try to enhance the principle of partnership.



### 3-4 Best practices matrix (incubator management and factors of success) Table (2)



	Main indicator	Sub indicator	Distribution
1	Ensure that the project's needs are appropriate to the incubation program	<ul style="list-style-type: none"> <li>-Adequacy of services, buildings and infrastructure.</li> <li>-Rate of incubators' ability to fulfill startups' needs for financial support and technical services</li> </ul>	<p>Survey data shows that:</p> <ul style="list-style-type: none"> <li>-60% show buildings are of high standards, 30% show buildings are of average standards, and 10% show-it is of low standards.</li> <li>-70% of incubators can fulfill startups' technical needs, and 30% can fulfill their financial needs.(see figure 14)</li> </ul>
2	Design a program for incubators that depends mainly on their ability to generate their own resources	<ul style="list-style-type: none"> <li>-The form of self-financing generated annually by the incubators' programs</li> <li>-The amount of self-financed resources which were supplied annually from the general budget.</li> <li>- Capacity level of incubators' programs to generate self-financing resources.</li> </ul>	<p>It is clear from survey data that the largest proportion of incubators still relies on funded projects, while some of them (20%) as figure 5 shows could acquire financial resources through:</p> <ul style="list-style-type: none"> <li>-Trainings</li> <li>-Hosting projects and subsequent obligations.</li> <li>-Providing consulting services and preparing studies.</li> <li>-Partnerships with academic sectors and private companies.</li> <li>-Financial profit from industrial and agricultural projects.</li> <li>-Profit from daily services such as the cafeteria and what it provides to those who work in incubated projects.</li> <li>-It should be taken into consideration that many projects do not provide financial profit particularly at the first phases of the incubation.</li> </ul>
3	Utilizing advanced strategies for incubators development and long-term planning	<ul style="list-style-type: none"> <li>- Competency of the human resources of the incubator.</li> <li>-Specialized experts in the field of technical and management issues.</li> </ul>	<p>The survey data shows that:</p> <ul style="list-style-type: none"> <li>-80% of incubators have strategic and operational plans.</li> <li>- The implementation rates of these plans vary between 60-70% depending on several factors including;               <ol style="list-style-type: none"> <li>1-Practical experience of the incubators administrative staff</li> <li>2-Consultations from the experts</li> <li>3-Developing the performance of employees by providing them with specialized trainings in this regard. (see figure 15)</li> </ol> </li> </ul>

### 3-4 Best practices matrix (incubator management and factors of success) Table (2)



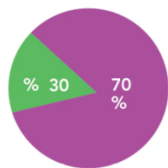
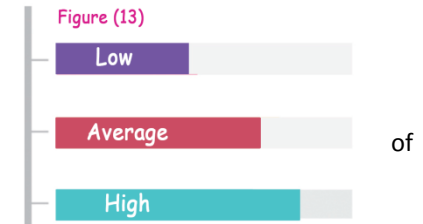
	Main indicator	Sub indicator	Distribution
4	Employing human resources who are in harmony with the concept of embracing ideas holders and meet their needs	<ul style="list-style-type: none"> <li>-The efficiency of the human resources of the incubator.</li> <li>-Having experts in management and technical issues.</li> </ul>	<p>The survey data shows that:</p> <ul style="list-style-type: none"> <li>-According to incubator managers, they are qualified to manage the incubators as they have attended training workshops.</li> <li>-They also think 50% of incubators lack a qualified management staff.</li> <li>-60% of agriculture and technology incubators lack a specialized staff, and rely on consulting experts when needed.</li> <li>-20% of incubators consult non-Palestinian experts such as Arabs and foreigners.</li> <li>-10% believe the occupation is an obstacle to the enhancement of capacities. Others believe it is an obstacle that can be overcome by using a variety of available tools and developed techniques.</li> </ul>
5	The type of incubator based on specialization	<ul style="list-style-type: none"> <li>- Specialized incubators in certain fields (such as information technology, industry, agriculture, consulting services, etc.).</li> <li>- Mixed/general incubators (aims to integrate projects).</li> </ul>	<p>The survey data shows that:</p> <ul style="list-style-type: none"> <li>-100% of incubators conduct assessments for their programs.</li> <li>- Some of the most followed prominent assessment tools are:</li> </ul> <ol style="list-style-type: none"> <li>1-Pre and post assessment forms</li> <li>2-Focus groups</li> <li>3-Trainees satisfaction questioner</li> <li>4-Trainers feedback report</li> <li>5-Board of Directors' assessment.</li> <li>6-External assessment reports(companies or experts)</li> </ol> <p><b>Assessment Levels:</b></p> <ul style="list-style-type: none"> <li>-Pre-project assessment and post-project assessment.</li> <li>-Monthly or every two months of assessment, it depends on the nature of the project.</li> </ul> <p><b>Benefiting from performance development</b> Benefit varies from 30-60%.</p> <p><b>The assessing party</b> 90% of incubators conduct self-assessments.</p>



### 3-5 Quantitative analysis of best practices regarding incubator management and factors of success

#### First: project needs relevancy:

- Buildings appropriateness: figure (13) presents that 60% of incubators provide a suitable environment for projects, 30% provide an average level of suitability, and only 10% are in weak conditions.
- Another factor that contributes to the success rates of projects is the incubator's ability to accommodate the needs start-up by providing financial/technical support, as appears in figure (14).



Figure(14)  
start ups needs

financial needs technical needs

The success of incubators depends on several conditions, including the process of preparation for the incubator, and its provided services, depending on the incubator's nature and specialization. Public incubators may be vulnerable to failure as it may be unable to provide a suitable environment for incubated projects; they might be unable to adapt to all conditions of various projects at the same time.

#### Second: self-generated resources capacity

The incubators' ability to generate their resources is still weak due to several factors:

- Relying on financing for incubated projects, whether it is from external resources or private companies.
- There is a preference for business entrepreneurs to be over 25 years old since they are believed to be more stable than persons below that age who are usually overlooked.
- The weak application of marketing skills even though many incubator managers have received trainings in this regard. Most managers remain hesitant and try to avoid risks.

#### Third: Employment of strategies

80% of business incubators in Palestine have a strategic or executive plan. The level of its implementation is sometimes between 60-70%. This may be considered a point of strength that could further enhance the experience of working in these incubators in the future. See figure (15).

#### Fifth: Assessment and performance improvement

Incubators provide training courses for their staff to find assessment mechanisms for programs as this is one of the conditions imposed by financiers. Even though this assessment is significant on the internal level, the overall assessment is still absent on the Palestinian level.

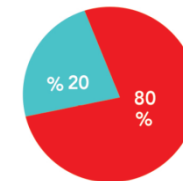


Figure (15)  
The presence of a strategic/operational plan

Yes No

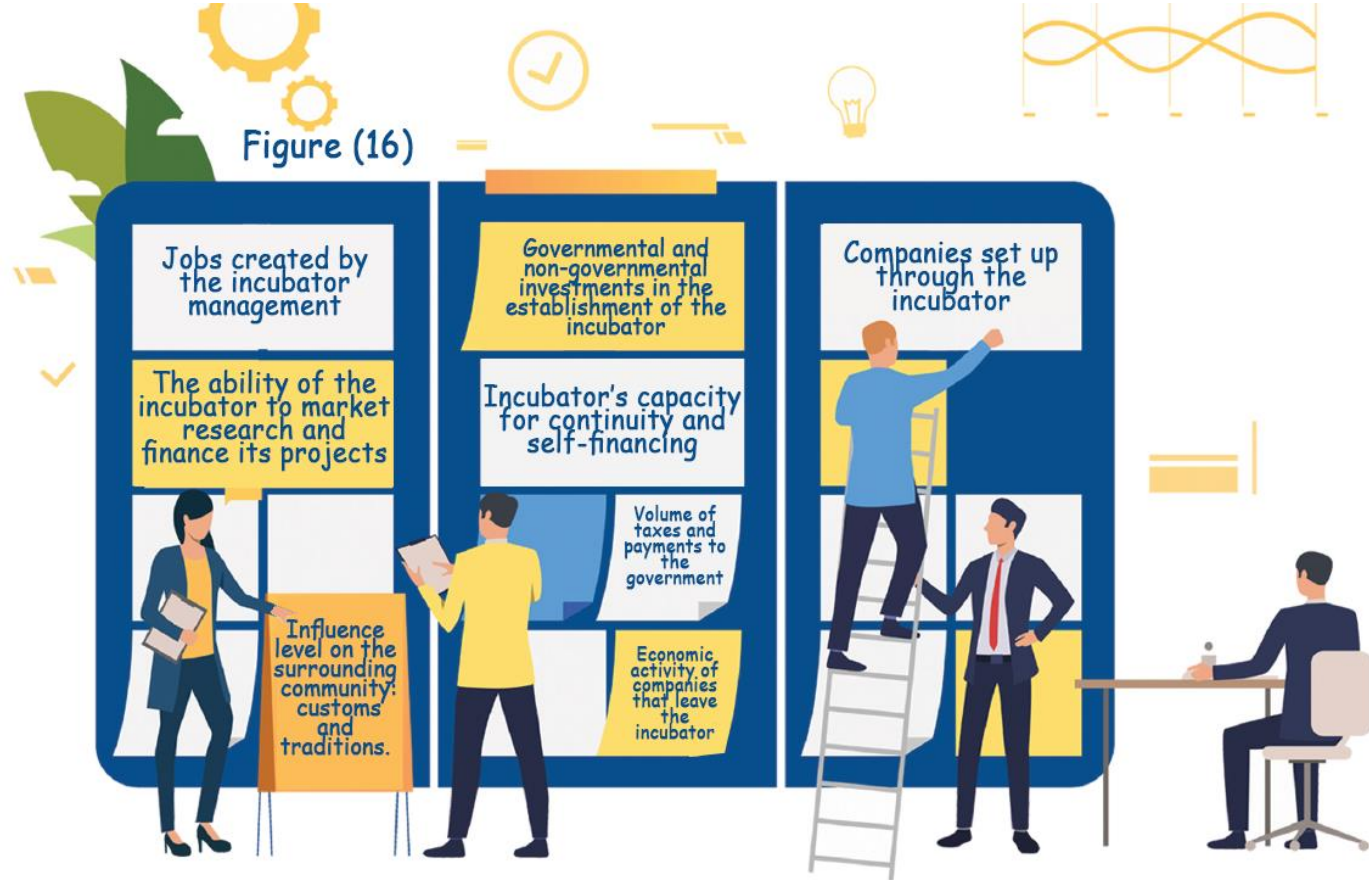
#### Fourth: Employment of human resources

There is a gap in the incubators' ability to employ a qualified staff due to:

- The lack of specializations related to information technology, which leads to resorting to external experts.
- Some incubators train their managers and consultants to enhance their capacity.
- 60% of agricultural and technological incubators lack a specialized staff.
- The occupation and its practices obstruct the enhancement of capacities due to the restrictions on movement and travel.

### 3-6 Measuring Matrix the Incubators' Impact on Society

Incubators' impact on society is measured through several indicators as appears in figure 16

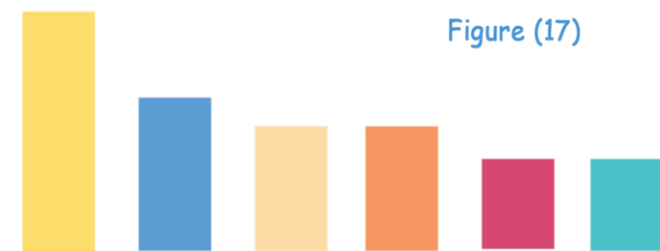


### 3-7 Quantitative measurement of impact on society matrix

- 85% the annual number of specialized companies.
- 5% unique ideas
- 3% moving to external markets
- 3% developing the company and its services
- 2% the number of companies that have been operating for two years or more.
- 2% the number of failing companies.

First: the rate of companies that are incubated annually is 50-70 companies.

Figure (17) shows the percentages of each indicator





## Second: Careers Created by Incubators.

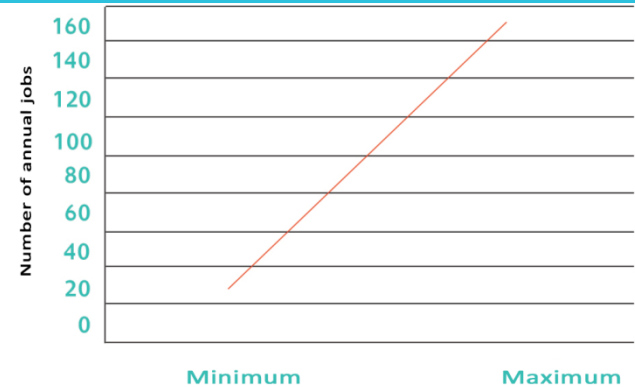
The fluctuation of the annual number of jobs provided by incubators, had to do with the number of incubated projects. That is, one project provides about 3-5 job opportunities. In fact, survey data shows that the annual average of each incubator ranges between 10 - 30 projects. In other words, 30 job opportunities, at minimum, and 150 job opportunities at maximum are provided (see figure No. 18).

**Third: The Average Number of Successful Companies in the Last Three Years** ranges between 2% - 4% within the overall incubators. However, some incubators consider that firms exceed this range, yet in rare cases. The percentage of success depends on:

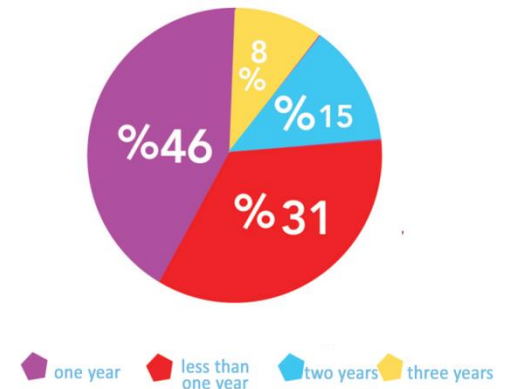
- The project's idea, its marketability and the market need for it.
- Project managers and their capacity to produce and market.
- The surrounding environment of the incubator and its ability to provide technical and financial support as well as project marketing.
- Creating local and international partnerships based on which products can be marketed.

Most incubators prefer to base its work on the annually renewed incubation system, as can be seen in figure No. 19. Projects which are incubated for one year or less are the vast majority among other projects, unlike projects that require two years or more which are less common. This is due to several reasons which are:

- The desire to renew in order to attract annual support.
- The commitment of the enterprises' staff increases as long as the period decreases.
- The willingness to achieve quantitative achievement without considering the qualitative achievement.
- Pay more attention to projects with ideas of quick implementation and marketing along with lower risk ratios.
- The local market does not accept some ideas and this hinders their applications.
- Poor presentation of some ideas especially those associated with global brands or applications.



Average of Firms Incubation Figure No. 19



### 3- 8 Matrix of Points of Strengths and Weaknesses associated with the incubators' impact on the Society

#### Strengths

- The availability of university researchers that can be realized and turned into entrepreneurship (converting researchers to projects)/ good relationships with universities.
- The availability of good technological experience and infrastructure contribute to building e-communication means in different facets.
- There are different forms of coordination and partial cooperation between sectors and parties concerned with the entrepreneurship sector in Palestine.

#### Weaknesses

- Poor investment in university researches as well as weak networking between universities, entrepreneurship sector and private sector.
- Weak participation of entrepreneurs in the overall economic planning process.
- There are no clear means of coordination with the private sector in terms of supporting entrepreneurs and SMEs owners.
- Roles and responsibilities within the sector are not clear.
- The multiplicity itself as well as the confusion among stakeholders working in the field of entrepreneurship. Additionally, poor sustainability of interventions.
- Lack of flexibility and high bureaucracy of government's policies.
- Repeated, and poor impact of projects and programs.
- There are no policies that encourage investment in entrepreneurship.
- Duplication of powers, responsibilities and the roles of ministries among each other and with others.
- Shortage of data and statistics.
- The concept of entrepreneurship is linked to only some projects, especially the ones related to technology.
- Poor monitoring over international organizations and their programs.
- Several governmental authorities that are in charge of issuing the necessary licenses and certificates.
- Lack of investment in scientific researches
- 

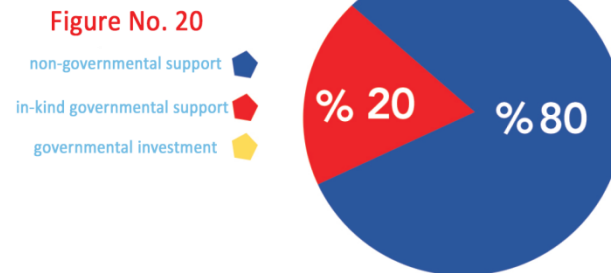
- Poor monitoring and evaluation of programs and projects.
- Lack of specialized work and poor accumulation of experience.
- High competition between organizations working in entrepreneurship and economic empowerment.

#### Opportunities can be achieved through:

- 1- Creating a cooperation system between universities, the private sector and entrepreneurship sector. The system aims to invest in students' researches and graduations projects by turning them into on-ground projects.
- 2- Establishing a fund to support university researches that are investible.

### 3-9 Legal Environment and Government Policies Matrix

First: governmental investment in setting up incubators and the percentage of that investment.



Governmental agencies lack awareness of the importance of investing in incubators. Even if support took place, it will remain limited within the moral support such as providing cooperation, establishing connections, making visits, holding projects' opening ceremonies, or participating in public activities. External support (local private companies or international fund) is still the most prominent subject as shown in Figure No. 20.

### 3-10 Points of Strengths and Weaknesses in Government Policies

**Table No. 4: Points of strengths and weaknesses in government policies**

**Points of strengths**

- Establishment of the Ministry of Entrepreneurship for the first time in Palestine
- There is a legal system that can be amended and modified-
- The existence of legal and management experience in the field of entrepreneurship, legislation and policies.
- The existence of previous rich experience contributes to achieving legal and legislative modification based on the current context.

**Opportunities**

- There is a sharp trend to develop modern laws and regulations related to the entrepreneurship sector.
- There is pressure and high interest from the entrepreneurship sector to make the required legislative and legal amendments.

**Threats**

- The articles of the Oslo Agreement and the Paris Economic Protocol hinder any amendment to economic laws
- Lack of legislations that ensure free access to information
- Lack of protection systems for intellectual properties as well as patents. The ease of stealing them. Moreover, the lack of trust in the existing registration system makes innovative entrepreneurs reluctant to record their innovations.

**Points of weaknesses**

- Lack of clear understanding of the relationship between the Ministry of Entrepreneurship and the rest of the ministries.
- Palestinian economic laws serve only the major investors
- There is no law that regulate social responsibility of the private sector
- There are many limitations to the nonprofit enterprise
- Investment promotion laws support large projects only
- Unfair tax system
- There are no laws to stimulate, encourage and protect entrepreneurs, not even to encourage investment for entrepreneurship or protection of intellectual properties and patents rights
- There are no laws neither for entrepreneurship enterprise nor SMEs
- The application of laws and legislations in Palestine varies from one law to another and from one region to another

**Development opportunities**

- 1- Reconsidering the procedures related to licensing non-profit companies based on regulations that do not lead to its closure or pose obstacles.
- 2- Facilitate the registration procedures of entrepreneurship profit enterprises; these include:
  - Reducing company registration fees
  - Tax incentives up to five years
  - Redefining the concept of startups in line with the entrepreneurship concept
  - Coordination between the Ministry of Economy and Palestinian Investment Promotion Agency (PIPA) to develop a system of exemptions for entrepreneurs
  - Build a mechanism to access information for entrepreneurs in ministries and their related entities
  - Creating a code of ethics for the entrepreneurship sector





Figure No. 21

#### **Eighth: Impact on the Society**

Despite the recent experience in the scope of entrepreneurship in incubators in Palestine, it managed to introduce many positive concepts and practices of the community, especially the concept of competitiveness as well as searching for alternative, excellence, social entrepreneurship and economic entrepreneurship. Additionally, it opened job horizons rather than merely depending on government employment though such opportunities are partially made available till now (see figure 21).

One of the positive observations is the process of attribution and pairing, specifically in incubators related to universities such as the integration of students of many disciplines in one environment. Indeed, the experience of integrating students of information technology and economics or engineering generated new projects and opened the prospects of contracting with companies.

## 4-The Map of Entrepreneurship Index and Measuring Its Existence. Figure No. 23

### 4-1 Main and Sub-Indicators



#### Entrepreneurship sectors

- Information Technology Sector
- Industrial Sector
- Agricultural Sector
- Services Sector (Studies, Research, Consulting, Training)

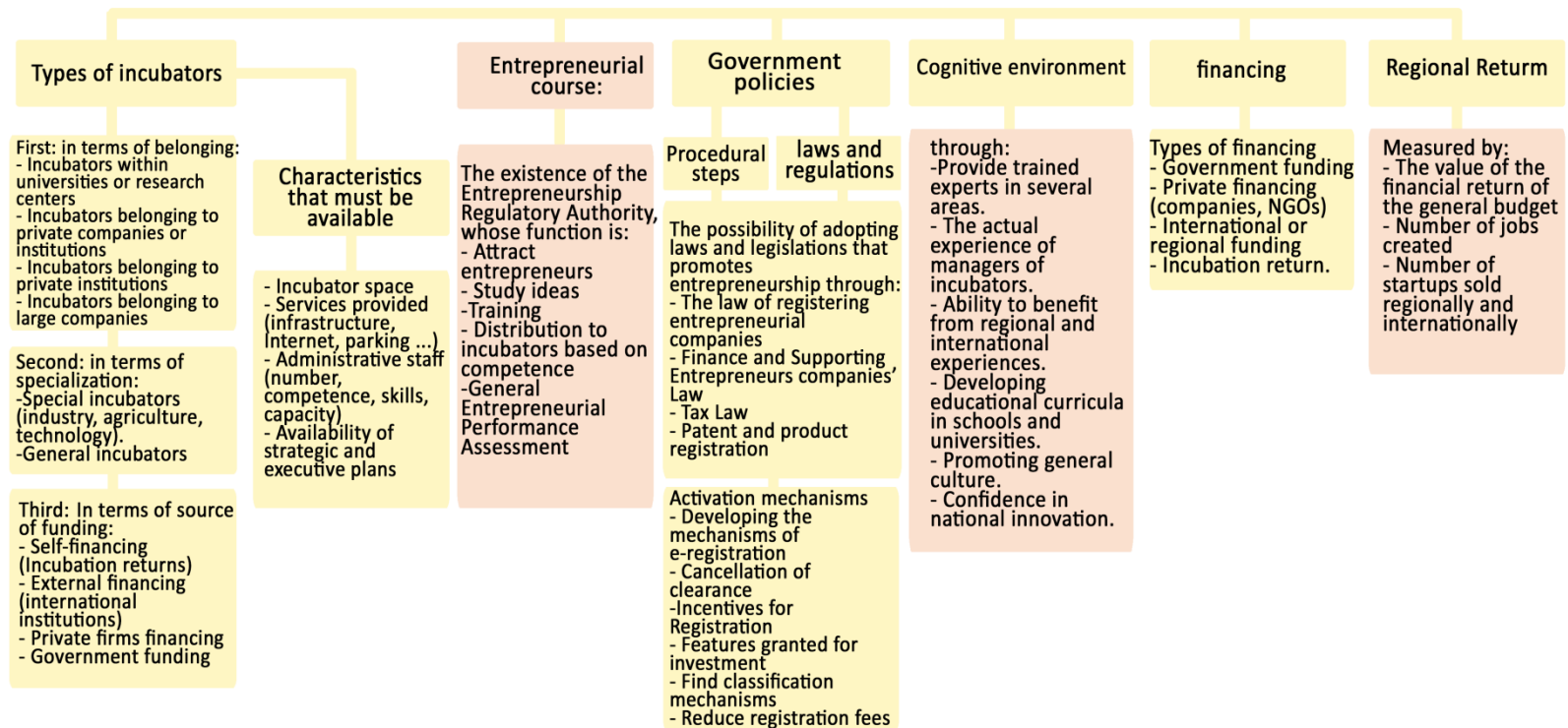
#### Institutions supporting entrepreneurs and youth initiatives

- International Development Agencies – Local NGOs
- International NGOs – governmental institutions
- United Nations Organizations – Religious Bodies
- Non – profit companies –union institutions

#### Conceptual framework

- The National Concept of Entrepreneurship
- Business Incubators

#### Sub-indicators







**Table No. 5: examination of the availability of entrepreneurship Indicators in incubators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Applicati on cycle	Comments
<b>1- Conceptual framework</b>						
National Concept of Entrepreneurship	The existence of a national definition and concept of entrepreneurship that strengthens its position and has common points of interest.	Higher council for innovation and excellence	No	A representative body of institutions working in the entrepreneurship sector as well as the concerned ones. The body works on developing a national concept of entrepreneurship based on clear parameters	Annual	There is a variation in the concepts of entrepreneurship at the Palestinian level as well as at the global level. However, creating a national concept strengthens the entrepreneurship sector and confines the efforts. This is a point that may constitute a starting point in laying a sound foundation of the Palestinian entrepreneurship situation
The concept of incubator	There is a state of confusion between the incubator and the institution or association. This confusion is reflected on many aspects starting from the existing environment to the production stages. There are NGOs that are involved in this aspect. That is, some are engaged in searching for funding while others combine the work of incubators with other types of work	Business incubator	No	Clear criteria for any entity that wishes to work within the incubators' framework which should be based on conditions developed by the Ministry of Entrepreneurship and Empowerment and the Supreme Council of Creativity or any regulatory body concerned with this matter.	Annual	Because of the confusion over concepts, different sectors and institutions entering the field of projects incubation are in search of funding or seizing some opportunities. Thus, the performance is incomplete and does not produce the desired results.

**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
<b>2- Entrepreneurship path</b>						
A national organization to regulate entrepreneurship	It is important because it represents a national title that attract entrepreneurs; study their ideas, subject them to training and distribute them to incubators based on competence	Al Nayzak	No	It can be developed provided that the body represents representatives of institutions interested in entrepreneurship and representatives of incubators. The Ministry of Entrepreneurship and Empowerment may be the reference	Annual	This body should be trusted by all sectors; it should not be converted to an official government sector that can include (a representative of the Council for Creativity and Excellence, a representative of Agricultural Incubators, a representative of Industrial Incubators, a representative of Incubators Studies, a representative of Information Technology incubators, a representative of local authorities Working in the entrepreneurship, the private sector supporting entrepreneurship, international institutions in Palestine, and a representative of the Ministry of entrepreneurship and empowerment) to provide them with an internal administrative system, a mechanism and decisions making. The presidency of the Commission is deliberated by internal elections
A national plan for Entrepreneurship	Annual and five-year plans are subjected to continuous evaluation and development to achieve the objectives of entrepreneurship work at Palestine level	Group of institutions	No	The Ministry of Entrepreneurship and Empowerment can undertake the task in cooperation with the concerned institutions; this can be one of the most important tasks of the Entrepreneurship Regulatory Authority if it is formed.	Annual	There are individual plans and strategies from which common points can be collected. Enhance its role to achieve the national return to the Palestinian economy. The national plan does not cancel incubators' plans; on the contrary, it enhances the public objectives.

**Table No. 5 examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
<b>3- Government policies (laws and legislations)</b>						
Startups law	Facilitates registration procedures for startups or companies emanating from incubator	Ministry of National Economy	No	There is a draft resolution that needs to be studied and consulted by all sectors of interest and to be put into effect	Annual	A law has been drafted and debated for several years and has not yet been presented to institutions interested in entrepreneurship and incubators. The bill therefore needs a number of different debates to consider the many options in order to be passed.
Companies registration procedures	Facilitate the registration procedures help in enhancing entrepreneur's ideas	Ministry of National Economy	Yes	1- Registration process can be conducted electronically and so the duration and steps of these procedures can be shortened 2- Suspension of clearance from partnership with other companies	Annual	Enterprises registrations law in the Ministry of Economy is unified for all enterprises without considering its classification, being a startup or an investment company..., and so there is a need for classification to facilitate registering the startups.
Laws related to the registration of patents	It promotes the realization of patent ownership and promotes national registration rather than going abroad	Ministry of Economy + Ministry of Culture	Yes	The law is existence in the Ministry of Culture instead of the Ministry of Economy and this causes confusion in the registration process. This requires moving it to the Ministry of Economy considering it the most specialized party in this aspect.		Many registration and clearance procedures are not documented, or maybe the owners register them abroad and deprive the local market from them.

**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
Laws of Private Investment	The importance of policies followed by the government in encouraging investment. Thus, are the Palestinian laws encourage investment in the private sector ?	Ministry of National Economy	No	A special body can be formed that is interested in encouraging national investment in the private sector and the startups. Its task is to set plans and strategies, and recommend legislation of laws that encourage achieving this.	One time	The issue lies in the fact that some followed resolutions or policies are applied while other are not applied. Some of these are dealt with as special cases which make some sectors benefit at the expense of other sector.
Protection of trade mark and the intellectual property	It is important to protect the trade mark and the intellectual property	Ministry of National Economy	Yes	Needs more awareness –raising campaigns on the importance of registration and promotion at a larger scale	Annual	There are many laws in this framework within the Ministry of Economy such as those related to the registration of the trade make. Also, there is a project of drafting a special law regarding industrial property rights that is still understudy.
Laws on tax and custom tariff	It promotes the realization of patent ownership and promotes national registration rather than going abroad	Ministry of Economy	Yes	There is a need to develop the laws related to entrepreneurship project s and the startups due to lack of a classification system on applying the current laws.	One time	Current custom and tax laws are applied in parallel to all types of production and companies. This makes the startups and entrepreneurship projects face constraints that limit their sustainability or development

**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
4- Financing policies						
Lending policies in banks and other lending institutions	Promotes entrepreneurship opportunities by providing financial options and support	Ministry of Finance + Banks + Monetary Authority + Lending Institutions	Yes	<p>Lending policy needs to be improved in several aspects:</p> <ul style="list-style-type: none"> <li>- Mitigating the conditions of obtaining loans (guarantors and guarantees)</li> <li>- Facilitate the followed procedures</li> <li>- Increase the risks percentage of loans related to entrepreneurship work</li> <li>- Not to restrict the entrepreneurship idea to mortgage conditions</li> </ul> <p>Thus, this required allocating special loan policies for the startups and the entrepreneurs that are different from other followed loan polices.</p>	Annual	The currently available loan policies of banks and loan institutions do not take into consideration the nature of startups or entrepreneurship projects. This adds a burden on this category or they may not get the loan.
Private Sector Financing	Contribute in participatory entrepreneurship and increase trust in the local entrepreneurship	---	yes	<p>To increase the financing percentage of the private sector, it is required to:</p> <ul style="list-style-type: none"> <li>- Abandon the attitude of obtaining quick return</li> <li>- Increase the percentage of trust of the national entrepreneurship enterprises</li> <li>- Decrease the fear from risk percentage</li> <li>- Transparency of financing; that is, it does not depend on personal connections but on professional rules</li> </ul> <p>Hence, this requires forming a special fund to finance the entrepreneurship work. The fund is supervised by a committee that includes different sectors of supervisors on the entrepreneurship</p>	Annual	Private sector financing is very significant to promote entrepreneurship work, especially considering the political conditions, economic regression, external financing and political commitments



**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
Financing the public sector	Promotes harmony in the entrepreneurship field between the private sector and investors. Additionally, it enhances the environment and public culture to embrace entrepreneurship as well as contributing in developing policies and legislations relevant to entrepreneurship work.	Ministry of Empowerment and Entrepreneurship+ Higher Council for Innovation & Excellence + Palestinian Fund for Employment	Yes	We need a comprehensive national plan through which the development impact of external support can be enhanced and so achieve the general objectives of the entrepreneurship.	One time	There are issues in governmental financing till now: <ul style="list-style-type: none"> <li>- Fear from the risk percentage. This depends on choosing entrepreneurship projects of the most assured implementation and return</li> <li>- The decided budget in this sector that is still limited</li> <li>- Inability to make daring steps as if going back to bureaucratic procedures</li> </ul>
External financing	External financing contributes in enhancing support of entrepreneurship and increases its economic impact	Higher Council for Innovation & Excellence+ Ministry of Economy + Ministry of Empowerment	Yes	We need a comprehensive national plan through which the development impact of external support can be enhanced and, consequently, the general objectives of the entrepreneurship is achieved	Annual	The external finance is linked to limitations : <ul style="list-style-type: none"> <li>- Short - term funding (annual projects)</li> <li>- Look for quantity not quality</li> <li>- The attention is directed to certain sectors based on the interests of the donor</li> <li>- Loss of a large part of the budgets during the training phases which deny the entrepreneurs from the opportunity of getting the actual incubation</li> <li>- Political associations to donors' funding programs</li> </ul>

**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
<b>5. Entrepreneurship returns</b>						
The national return	Contribution of entrepreneurship project to the national return of the Palestinian economy	Ministry of Economy	No	We need a mechanism to measure the national economy from the total annual income on the Palestinian economy	Annual	Till this moment the Ministry of National Economy could not know the percentage of the national return from entrepreneurship projects or startups. This is due to the absence of specialized financial policies in this sector, which in turn possess difficulty to exclusively identify the returns
Provision of job opportunities	Contribution of entrepreneurship projects and the startups in providing job opportunities	Ministry of Economy + Ministry of Labour + Palestinian Fund for Employment	No	Ministry of Labour or the Palestinian Fund for Employment to monitor the percentage of entrepreneurship projects contribution in providing jobs opportunities annually	Annual	The average of opportunities provided by entrepreneurship projects ranges between 3-5 job opportunities. This, consequently, could participate in limiting unemployment or opening competitive labour market. However, this requires development policies.
The number of startups sold regionally and internationally	It enhances entrepreneurship sector and support the national economy through the large revenue that it may receives	The Ministry of Economy	No	We need a follow-up the mechanism for of enterprises even after the period of incubation ended. Additionally, the need for leveling-up the competences in what meets the regional and international markets .	Annual	This type of enterprises is very important in enhancing local entrepreneurship and facilitates entering external markets. Thus, it additional strategies are required to improve the performance.

**Table No. 5: examination of the availability of entrepreneurship Indicators**

Indicators	Indicators significance	Indicators source	Available	Proposed development	Application cycle	Comments
<b>6. Incubation Environment</b>						
Provision of technological tools, telecommunications, and internet services	Important factors to enhance entrepreneurship based on communication, intercommunication, networking	The Ministry of National Economy+ Ministry of Entrepreneurship and Empowerment	No	It is possible to improve performance at different levels. Additionally, there is a possibility to invest in this sector through the Entrepreneurship projects	Annual	Incubators provides this technical environment. There may be some problems, if any, with services providers which can be overcome by following-up with the technical services.
<b>7. The Local Market Situation</b>						
Competition or monopoly	Its importance lies in enhancing the concept of competition in entrepreneurship work not monopoly	The Ministry of National Economy+ Ministry of Entrepreneurship and Empowerment	No	This can be developed through: <ul style="list-style-type: none"> <li>- Creating competitive environment in innovation and entrepreneurship through competitive programs</li> <li>- Oversight the entrepreneurship status, and the attempt to distribute opportunities based on the principle of equivalence and not acquisition</li> </ul>	Annual	This is an important indicator. Most operating organizations in the entrepreneurship sector seek taking over the largest percentage in obtaining funds without taking into consideration the adequate criteria to present an excellent production state. This means the need to have a regulatory body for fair distribution or at least to monitor the quality of the entrepreneurship products
The product and interest	It is important to know the interest and needs of the domestic and foreign market	The Ministry of National Economy+ Ministry of Entrepreneurship and Empowerment+ PCBS	Yes	<ul style="list-style-type: none"> <li>- Draft entrepreneurship policies to enhance sectors based on the needs of the market</li> <li>- Follow-up the entrepreneurship product in terms of quality after the period of incubation</li> </ul>	Annual	-----





**It is clear from the previous readings and indicators that the entrepreneurship in business incubators in Palestine can be developed to achieve the desired objectives.**

**5-1 The main recommendations can be summarized as the following:**

**First: government role**

- Review and evaluate policies, legislations, laws and procedures related to the entrepreneurship sector.
- A clearer definition of the ambiguous relations between the created Ministry of entrepreneurship and empowerment and the other ministries. The need to develop these institutions by drafting comprehensive policies to deal with the entrepreneurship sector.
- Networking, cooperation and participation with private sector organizations as well as NGOs working in entrepreneurship sector due to their role in creating an integrated entrepreneurship environment.
- Establish a regulatory body for entrepreneurship in Palestine to be a representative of all institutions working in this area.
- Create an appropriate legal and legislative environment to encourage small projects.
- Provision of infrastructure at the technological and service levels to facilitate the work of entrepreneurship projects.
- Establishing a mechanism for accessing information on the entrepreneurship sector; that is, through forming a knowledge base for researchers in this sector. Additionally, enhancing and developing this mechanism according to scientific methodological foundations.
- In terms of the financial system, it is required to establish financial support mechanism for entrepreneurship projects and startups to ensure it is provided with the basic foundation to launch. The financial safety is very important, particularly, at the beginning of the project.
- Contribute in increasing the competencies of entrepreneurs through establishing a national program for training. This is done through networking and participation with organizations working in the same sector.



**Second: NGOs and the Private Sector**

- Contribute in providing an entrepreneurship environment through increasing social awareness level; that is, through awareness raising campaigns.
- Provision of quality coaching and training for entrepreneurs and the ones who work in business incubators sector.
- Abandon the principle of monopoly and enhance competitiveness based on the principle of participation to promote the national entrepreneurship situation.
- Contribute in discussing government legislations and policies related to the entrepreneurship sector; also, create a participatory environment among sectors to facilitate the entrepreneurship process.
- Coordinate and network between the private sector and NGOs to regulate entrepreneurship programs and search for common aspects to start from there.
- Assist owners of the startups and entrepreneurship in reaching funding resources and facilitate financial transaction.
- Increase the level of the private sector's readiness to engage in positive venture through investing with entrepreneurs.

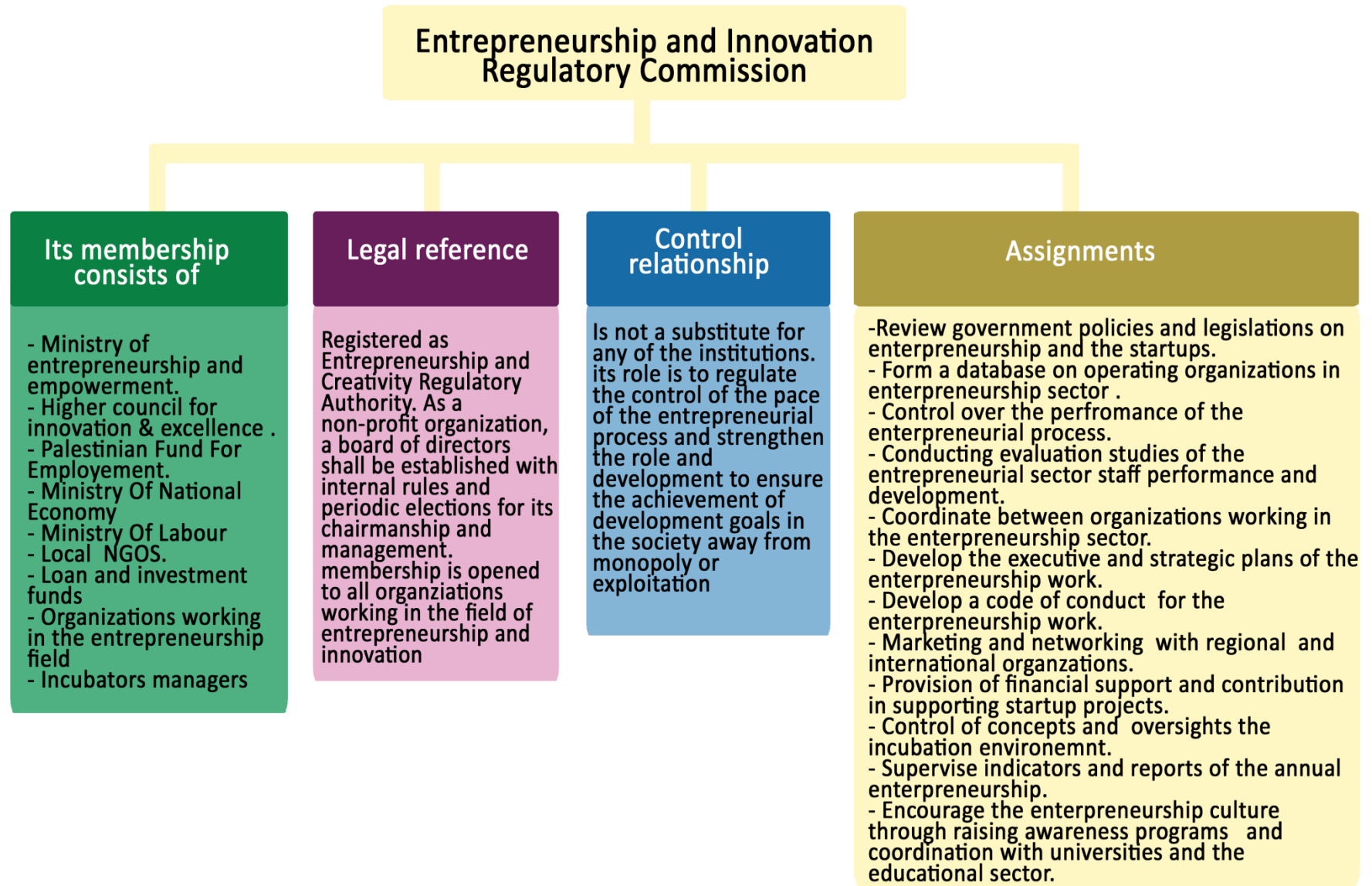


**5-1 Recommendations matrix (table No. 6)**

Themes	Recommendations and suggestions
Legal and legislative environment	<ul style="list-style-type: none"> <li>- Prepare special law for entrepreneurship and SMEs</li> <li>- Remove restrictions related to non-profit corporates systems</li> <li>- Prepare a law for social responsibility to motivate the private sector to support entrepreneurs</li> <li>- Conduct a legal revision of Palestinian economic laws related to entrepreneurship and owners of small projects</li> <li>- Restructuring the Investment Promotion Law to ensure that all categories of capital that wish to invest benefit.</li> </ul>
Effective coordination and standardization of policies	<ul style="list-style-type: none"> <li>- Create a coordinating framework between all actors in the entrepreneurship sector and support of small projects (government, NGO, donors, private sector) through which roles, competencies and responsibilities are distributed and the entrepreneurship environment promoted.</li> <li>- Build an integrated cluster between all centers and institutions, which support entrepreneurship, and civil society institutions as well as financing agencies and the private sector within clear regulations.</li> <li>- Start a serious dialogue by all international implementing agencies and donors in order to reach a common framework (plan) for supporting entrepreneurship in the coming years.</li> <li>- Establish an Electronic database for entrepreneurs in Palestine.</li> <li>- Reducing government control and bureaucratic complications in actions related to the economic activities of entrepreneurs and small projects.</li> </ul>
Financial services accessibility for entrepreneurship and small projects owners (SMEs)	<ul style="list-style-type: none"> <li>- Establish a national investment fund in partnership with different enterprises to fund entrepreneurs and small projects owners at the mid and long terms in line with their needs.</li> <li>- Encourage banks to fund small projects and entrepreneurs based on reduced and encouraging requirements and conditions.</li> </ul>
Markets and technology accessibility	<ul style="list-style-type: none"> <li>- Enhance protection policies and procedures of national and local products.</li> <li>- Develop technological infrastructure, expand technological education base in schools, universities, and educational organizations.</li> <li>- Link the startups and entrepreneurs with the market needs</li> <li>- Encourage research centers, industrial unions, chamber of commerce and industry and agriculture to fund marketing and production researches for entrepreneurs and small project owners .</li> </ul>

Themes	Recommendations and suggestions
	<ul style="list-style-type: none"> <li>- It is necessary to find new outlets to reduce the impact of Israeli procedures against the business environment in the Palestinian territories, particularly in the field of restrictions related to providing raw materials and marketing through the exploitation of foreign markets (this refers to the Arab countries' role in activating the decisions of Arab summits with regard to the privileges granted to the Palestinian product in addition to the exploitation of other agreements).</li> <li>- Enhance and support domestic and foreign market access programs</li> </ul>
Utilizing entrepreneurship to increase employment and create jobs	<ul style="list-style-type: none"> <li>- Increase activities for youth to enhance entrepreneurship culture and self-employment</li> <li>- Intensify national programs of entrepreneurship training, and explore the potential skills of young people at early stages.</li> <li>- Develop the national policies related to supporting entrepreneurship to diversify the targeting of promising economic sectors.</li> <li>- Motivate supporting entrepreneurship projects that create more job opportunities.</li> <li>- Continue supporting and incubating entrepreneurship projects to develop these projects in order to create more job opportunities.</li> </ul>
Access to business support and development services	<ul style="list-style-type: none"> <li>- Redefining terms and concepts related to entrepreneurship at the national level.</li> <li>- Conduct a thorough review and participatory evaluation of the impact and work of incubators, business Fast-forwards and providers of business development services.</li> <li>- Establish capacity building programs for organizations working in the field of developing business development and support services.</li> <li>- Enhance communication and networking with regional and international networks specialized in entrepreneurs.</li> <li>- Focus on practical applied methodologies in capacity building processes for entrepreneurs and small business owners.</li> <li>- Establish electronic database for the ones working in the field of business development services</li> </ul>
Representation of entrepreneurs and SMEs; also networking at the regional and international levels	<ul style="list-style-type: none"> <li>- Encourage entrepreneurs and small projects owners to create a representative frame or legal umbrella that take into consideration accessing to all sectors and areas.</li> <li>- Integration of entrepreneurs and small projects owners' representatives in the different national committees, policies drafting process and setting national plans.</li> </ul>

Figure No. 23: proposed template to regulate the Palestinian entrepreneurship status





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### First: private meetings

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4. Ali Omar, Director of the Trade Mark and a member in the Council of Innovation and Excellence. By phone and e-mail in May 2019 and June 2019.
5. Hammam Odeh, Entrepreneur and a General Director of Chameleon Solutions. The interview was conducted in his office- Ramallah, April 2019
6. Zuhair Al Muhtasib, Incubation Director of the chamber of Industry and Trade- Hebron Governorate, May 2019.
7. Laiyth Qisies, Director of the Idea Incubation related to the Palestine Cellular Communications Co.,Ltd "Jawwal" . conducted in the incubator' headquarter, Ramallah, May 2019.
8. Ali Ramadan, Director of a business incubator, Palestine Polytechnic University, Hebron, May 2019.
9. Dina Zbana, Leaders organizations, Ramallah, April 2019
10. Hasan Omar, Glow Innovations, Development and investment Expert, June 2019. The interview was conducted commenting on the workshop of developing the strategic plan of the Ministry of Entrepreneurship and Empowerment, Ramallah
11. Ahmad Fu'ad, HASSIB SABBAGH INFORMATION TECHNOLOGY CENTER OF EXCELLENCE (HSITCE)-ARAB AMERICAN UNIVERSITY, Jenin, May 2019
12. Sa'ed Karazoun, Taghyeer Organization, June 2019, The interview was conducted commenting on the workshop of developing the strategic plan of the Ministry of Entrepreneurship and Empowerment, Ramallah.
13. Muhammad Kamiel, idea incubation, Jenin, April 2019.
14. Dr. Muntasr Khater, Digital and Human Development Consultant, Jun 2019, The interview was conducted commenting on the workshop of developing the strategic plan of the Ministry of Entrepreneurship and Empowerment, Ramallah
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18. Rana Qatina, Jerusalem Entrepreneurs Society and Technology, June 2019
19. Gassan Al Jaml, MA'AN Development Center, June 2019. The interview was conducted commenting on the workshop of developing the strategic plan of the Ministry of Entrepreneurship and Empowerment, Ramallah
20. Fayroz Khuri, Bethlehem Incubator, June 2019
21. Derar Ganim, Build Palestine, Jenin, April 2019
22. Ashraf Al Sageer, Palestine Polytechnic University, Hebron, June 2019
23. Dua' Wadi, Bussiness Women Forum, June 2019. The interview was conducted commenting on the workshop of developing the strategic plan of the Ministry of Entrepreneurship and Empowerment, Ramallah.
24. Lama Amr, Build Palestine, Jenin, April 2019.

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## Annex No. 1: Institutions Supporting Entrepreneurship in Palestine

The number of institutions supporting entrepreneurs and youth initiatives in Palestine in 2016 reached up to 78 institutions. However, the number of these institutions in 2019 decreased to 45 institutions according to the Higher Council for Innovation and Excellence. The following is the bodies that provide entrepreneurship and establishing business services; these are listed based on data of 2019:

<b>First: Governmental bodies</b>	<b>Second: Co-Working Spaces</b>
<ul style="list-style-type: none"> <li>• Higher Council For Innovation &amp; Excellence</li> <li>• Ministry Of Entrepreneurship &amp; Empowerment</li> </ul>	<ul style="list-style-type: none"> <li>• uMake</li> <li>• Fikra – Paltel Group Innovation Hub</li> </ul>
<b>Third: Bodies that serve early incubation</b>	<b>Fourth: Bodies that provide incubation services</b>
<ul style="list-style-type: none"> <li>• Incubator of entrepreneurship and excellence "Ibdaa" – Al Ahliah Collage</li> <li>• Najjad Zeenni Information Technology Center Of Excellence – Birzeit University</li> <li>• IT Center of Excellence – Palestine polytechnic university</li> <li>• Ibdaa – An-Najah National University, Arab American University, Al –Quds University, Palestine polytechnic University</li> <li>• HASSIB SABBAGH Information Technology Center of Excellence (HSITCE)-Arab American University</li> <li>• Korean-Palestinian IT Institute of Excellence -An-Najah National University</li> <li>• Innovation and Entrepreneurship Unit –Birzeit University</li> <li>• B Hub - Birzeit University</li> <li>• PPU Business Incubator</li> </ul>	<ul style="list-style-type: none"> <li>• Palestine Information and Communications Technology Incubator (PICTI)</li> <li>• BADER The Palestinian Entrepreneurs' ICT Incubator</li> <li>• PPU Business Incubator</li> <li>• Made in Palestine - Al Nayzak</li> <li>• BBI - Bethlehem Business Incubator</li> <li>• Hebron Business Incubator Center</li> <li>• HCCI Business Incubator</li> <li>• College Of Intermediate Studies-Alazhar University –Gaza Strip</li> <li>• Mobaderoon Business Incubator</li> <li>• UCAS Technology Incubator</li> <li>• IDEA business incubator- Jenin "PCS"</li> <li>• JEST Business Incubator - Jerusalem</li> <li>• Jerusalem Business Incubator – Al-Quds University Campus in Beit Hanina</li> <li>• Agri-Business Fast-forward - Bir Nabala</li> <li>• Business Incubators of the Society for Agro-Cultural Development(Agricultural Relief) Jericho, Al Zababdeh , Gaza</li> <li>• Entrepreneurs Center- The Chamber Of Commerce And Industry - North Of Hebron – Halhoul City</li> <li>• Entrepreneurship Support Center in Palestinian Child Home Club - Hebron</li> <li>• IDEA Incubator – Palestine Cellular Communications Company "Jawwal" – Ramallah</li> <li>• Palestinian Energy Incubator - Higher Council For Innovation &amp; Excellence And Jerusalem District Electricity Co. Ltd – Jericho</li> </ul>
<b>Fifth: Bodies that provides business Fast-forward services</b>	
<ul style="list-style-type: none"> <li>• LEADERS – Fast Forward</li> <li>• Arabreneur "Arab Entrepreneurship Initiative" (Existing institution, but does not work now because support is not available)</li> <li>• Glow ( presenting itself as a business Fast-forward but it is a company for training and developing )</li> <li>• Flow</li> <li>• FLL Palestine</li> <li>• Agri - Business Fast-forward – Jerusalem - Bir Nabala ,The first agricultural Fast-forward in the middle east.</li> </ul>	

#### Sixth: Investment funds

- Siraj Fund Management Company (SFMC)– Massar
- Sharakat – Palestine Investment fund
- Sadara ventures
- Ibtikar Fund
- Creativity and Excellence Fund -Higher Council for Innovation & Excellence
- Reef Finance
- ACAD for financing and developing
- Fikra – Paltel group innovation hub

#### Tenth: Bodies that provide services to establish and support small and medium enterprises as well as income-generating activities and self-employment

- Small Enterprise Center (SEC) Association
- The Palestinian Consultative Staff For Developing NGOs (PCS)
- Palestine for development - Palestine Investment Fund (PIF)
- Business Women Forum- Palestine
- Arab Center for Agricultural Development - ACAD
- The association of the Center for the Development of Palestinian Women
- Agricultural Development Association (PARC)

#### Seventh: Donors' projects in the field of entrepreneurship

- The Business Startup Incubator Support Program -(BSIS) - the Belgian Development Agency (BTC)
- Korea International Cooperation Agency(KOICA) - The Palestinian Start up Support(PASS Program)
- The office of the European representative

#### Eleventh: Bodies that provide temporary employment, training in-for labor market skills and networking with employers

- Education for Employment Organization
- Arab AmeriCare Foundation
- Sharek Youth Forum
- Land Research Center LRC
- The International Youth Foundation
- Al Ofoq Organization for Youth Development
- Community Development & Continuing Education Institute
- Juhoud for Community and Rural Development
- Birzeit University Friends Association
- General Union of Peasants - Gaza
- Palestine Trade Center - PALTRADE – Gaza strip
- Agricultural Development Association (PARC) (West bank and Gaza strip)
- The Labor Union-Gaza Stripe
- Association of female university graduates
- Palestinian Contractors Union – Gaza strip
- Mercy corps , Information Technology Sector Program , Gaza strip
- Save Youth Future Organization– Gaza strip
- Save the children – Gaza strip
- EL Wedad Organization for Community Rehabilitation WSCR – Gaza strip
- Small Enterprise Center SEC Association – Ramallah
- Taawon Organization– Ramallah

#### Eighth: Projects supporting Private sectors firms

- The French Grant
- Italian Government soft loan
- USAID Compete project
- Qatar charity - Taqat Project - Gaza strip
- The Palestinian Information Technology Association of Companies "PITA"
- Job for finance

#### Ninth: Loan Guarantee Funds

- The European Palestinian Credit Guarantee Fund's (EPCGF)
- Middle East Investment Initiative



**Annex No. 2: persons who attended workshops and meetings related to entrepreneurship index (table No. 7)**

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
1.	Muetasim Zayid	Palestinian Consultative staff for developing NGOs	0599692869	<a href="mailto:motasem@pcs-palestine.org">motasem@pcs-palestine.org</a>	Jenin
2.	Earayn 'Abu Alrabi	IdeaDEA Incubator	0594229927	<a href="mailto:areen@pcs-palestine.org">areen@pcs-palestine.org</a>	Jenin
3.	Jack Sa'ed	IDEA Incubator	0598850912	<a href="mailto:Jacksaid795798@gmial.com">Jacksaid795798@gmial.com</a>	Jenin
4.	Muhammad Kameel	IDEA Incubator	0597204444	<a href="mailto:m.kmail@jenincci.org">m.kmail@jenincci.org</a>	Jenin
5.	Sayid karazun	Taghyeer Organization-entrepreneur	0599370687	<a href="mailto:Karzoun.saed@gmail.com">Karzoun.saed@gmail.com</a>	Ramallah
6.	lamaa Amr	Build Palestine	0599579425	<a href="mailto:lama@buildpalestine.com">lama@buildpalestine.com</a>	Ramallah
7.	Darar Ghanim	Build Palestine	0599788861	<a href="mailto:Derrar@buildpalestine.com">Derrar@buildpalestine.com</a>	Ramallah
8.	Ashraf Taha	PARC- business Fast-forward	0592901099	<a href="mailto:Eng.ashraf.taha@gmail.com">Eng.ashraf.taha@gmail.com</a>	Ramallah
9.	Zahir Almuhtasab	Hebron Chamber of Commerce and Industry(HCCI) Incubator	0599338996	<a href="mailto:Zuhair_mohtaseb@yahoo.com">Zuhair mohtaseb@yahoo.com</a>	Hebron
10.	'Ashraf Alzagher	The Director of Palestine Polytechnic	0599845008	<a href="mailto:ashrafzg@ppu.edu">ashrafzg@ppu.edu</a>	Hebron

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
		University Incubator			
11.	Ali Ramadan	Palestine Polytechnic University Incubator	0599830320	<a href="mailto:Ali_ramadan@ppu.edu">Ali_ramadan@ppu.edu</a>	Hebron
12.	Hasan Omar	Glow innovations, development and investment expert	0599225092	<a href="mailto:Hasan.omar2015@gmail.com">Hasan.omar2015@gmail.com</a>	Nablus
13.	Iayth Kassis	An expert and Director of Jawwal Incubator	0599225090	<a href="mailto:laithkassis@gamil.com">laithkassis@gamil.com</a>	Ramallah
14.	'Ahmad Alkaylaniu	Entrepreneur	0599679886	<a href="mailto:kilanyworld@gmail.com">kilanyworld@gmail.com</a>	Ramallah
15.	Anas Surabita	Incubator director of YDRC	052033365	<a href="mailto:asarabta@gmail.com">asarabta@gmail.com</a>	Hebron
16.	Ahmand Fu'ad	HASSIB SABBAGH Information Technology Center of Excellence (HSITCE)- Arab American University	0598933669	<a href="mailto:Ahmad.fuad@aaup.edu">Ahmad.fuad@aaup.edu</a>	Jenin
17.	Raed Rajab	Enable in Palestine – entrepreneurship expert	0599925209	<a href="mailto:Raed.rajab@enable.be">Raed.rajab@enable.be</a>	Ramallah

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
18.	Aref Al husaini	Al Nayzak	0598094522	<a href="mailto:Aref.husseini@gmail.com">Aref.husseini@gmail.com</a>	Ramallah
19.	Ahmad Abu Baker	SEC	0599282402	<a href="mailto:Ahmad.abubaker@sec-pal/org">Ahmad.abubaker@sec-pal/org</a>	Ramallah
20.	Majid Nazzal	Mazaya	0599888606	majed@mazaya.ps	Ramallah
21.	Muhammad Abu Gnaim	Ein AlShams Association	0569404051	Mmaghanam81@gmail.com	Yatta/ Hebron
22.	Khalil Al-Khatib	ACAD	0595400400	Khalil@acad.ps	Nablus
23.	Rana Qatena	Jerusalem Entrepreneurs Society and Technology	0544721536	ranaq@jesthub.org	Jerusalem
24.	Hummam Odeh	Entrepreneurs	0597983932	ceo@chameleon.ps	Ramallah
25.	Zahier Basuni	Leaders	0599798982	<a href="mailto:zaher@leaders.ps">zaher@leaders.ps</a>	Ramallah
26.	Saro Nakshian	Education for Employment	0597656600	Snakshian@efepalestine.org	Ramallah
27.	Hiba Atshan	Education for Employment	0599797321	Halatshan @ efepalestine.org	Ramallah
28.	Mugnam Ganim	Juhoud	0598081059	<a href="mailto:info@juhoud.org">info@juhoud.org</a>	Ramallah
29.	Dua' wadi	Business women forum	0599675552	<a href="mailto:info@bwf.ps">info@bwf.ps</a>	Ramallah

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
30.	Mahmoud Nazzal	Taawon organization, Yes program	022415130	<a href="mailto:nazzalm@taawon.org">nazzalm@taawon.org</a>	Ramallah
31.	Ala' sisalm	The Head Of The Network Managment Council Of Laon Organziations	0599111102	asisalem@vitas.ps	Ramallah
32.	Shaker sadafi	Director of small projects in Bank of Palestine	0599856338	<a href="mailto:ssafadi@bop.ps">ssafadi@bop.ps</a>	Ramallah
33.	Amani Ma'di	Palestine Information and Communications Technology Incubator (PICTI)	0595457806	amani@pita.ps	Ramallah
34.	Reem Khalil	Drosos	0599205514	Khalil@drosos.org	Ramallah
35.	Rami Naser Eldeen	Palvision	0545541788	<a href="mailto:Raminaser.eddin@ps.britishcouncil.org">Raminaser.eddin@ps.britishcouncil.org</a>	Jerusalem
36.	Gassan Aljamal	Ma'an Development Center	0599671243	<a href="mailto:g.aljamal@maan-ctr.org">g.aljamal@maan-ctr.org</a>	Ramallah
37.	Salamh Al Amleh	Plestine Growth	0568800444	<a href="mailto:samieh@growth-dev.com">samieh@growth-dev.com</a>	
38.	Hani Abugazaleh	Taawon	0568262328	<a href="mailto:abughazalehh@taawon.org">abughazalehh@taawon.org</a>	Ramallah
39.	Jomana Addwak	Director of Hebron	0595555771	bi@hebron-city.ps	Ramallah

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
		Municipality business incubator			
40.	Ala' Zaloum	In charge of young engineer committee – engineers union	0599382655	<a href="mailto:Eng.ala.s.zalloum@gmail.com">Eng.ala.s.zalloum@gmail.com</a>	Ramallah
41.	Shatha Odeh	PNGOs Net.	0599659176	<a href="mailto:shathaodeh@hotmail.com">shathaodeh@hotmail.com</a>	Ramallah
42.	Rani shahwan	Director of the Korean-Palestinian IT Institute of Excellence -An-Najah National University (incubator director)	0569500909	<a href="mailto:r.shahwan@najah.edu">r.shahwan@najah.edu</a>	Ramallah
43.	Sliman bsharat	Yabos for counsulting and studies	0568666303	<a href="mailto:Bsharat.sulaiman@gmail.com">Bsharat.sulaiman@gmail.com</a>	Ramallah
44.	Sami khadr	Ma'an Development center	0599672205	sami@maan-ctr.org	Ramallah
45.	Dawod Gannam	uMake	0598876876	daoud@umake.ps	Ramallah
46.	Muneer Salaldah	Palestinian fund for employment	0569848497	muneer@pfesp.ps	Ramallah
47.	Mahdi Hamdan	Palestinian fund for	0569300748	Mahdi@pfesp.ps	Ramallah

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
		employment			
48.	Dr. Muntaser Khater	Human and Digital Development Counsultant	0594282721	<a href="mailto:khmuntasser@gmail.com">khmuntasser@gmail.com</a>	Jerusamlem
49.	Hiba Altibe	Expert in CARE organization	0595013341	<a href="mailto:htibi@carewbg.com">htibi@carewbg.com</a>	Ramallah
50.	Razan Naser	Higher Council of Innovation and Excellence	0598792067	razananasr@gmail.com	
51.	Ridwan Qasrawi	Al Quds University – Abu Dees	0592660417	radwan@staff.alquds.edu	Jerusalem/ Abu Dees
52.	Dr. Nabeel Qisis	MAS	0595555771	bi@hebron-city.ps	Ramallah
53.	Dr. bilal falah	MAS	022987053	<a href="mailto:info@mas.ps">info@mas.ps</a>	Ramallah
54.	Ali Omar (Ali Thuqan)	Ministry of Economy – Director of the trade mark, a member in the Higher Council of Innovation and Excellence, follow-up of enterprises and the startups	0598942220	dr@mas.ps	Ramallah

#	Name	Incubator/organization	Cellphone	e-mail	Work Location
55.	Fayroz Khwri	Bethlehem business incubator – Bethlehem University	0598816810	<a href="mailto:alit@met.gov.ps">alit@met.gov.ps</a>	Bethlehem

Annex No. 3: Manual of organizations working in the field of entrepreneurship in Palestine

#	organizations working in the field of entrepreneurship whether it is an incubator, Fast-forward or supporter of entrepreneurship	Cellphone	Webpage	Work location
1.	Higher Council for Innovation and Excellence	022820016/17	<a href="http://www.facebook.com/hcie.ps">www.facebook.com/hcie.ps</a>	Ramallah
2.	Incubator of The Palestinian Consultative staff for developing NGOs	042501989	<a href="http://pcs-palestine.org">http://pcs-palestine.org</a>	Jenin
3.	Idea incubator	042501989	<a href="http://www.idea4smes.com">www.idea4smes.com</a>	Jenin
4.	UCAS IT Incubator	0599891940	<a href="http://ucasti.ps">/http://ucasti.ps</a>	Gaza- Alrimal
5.	BTI Incubator/ Islamtic University	082844400	<a href="http://www.bti.ps">www.bti.ps</a>	Gaza
6.	BWF	022425612	<a href="https://www,bwf.ps/index.php/en">/https://www,bwf.ps/index.php/en</a>	Ramallah/Al Bierh
7.	Gaza Sky Geeks	082826331	<a href="https://gazaskygeeks.com">/https:// gazaskygeeks.com</a>	Gaza
8.	Leaders/ Fast-forward	022972930		Ramallah
9.	Palestine Information and Communications Technology Incubator (PICTI)	082840604 0599225089	<a href="http://picti.ps">/http://picti.ps</a>	Ramallah/ Gaza
10.	Bethlehem Business Incubator	022741423	<a href="https://www.bbi.ps">/https://www.bbi.ps</a>	Bethlehem
11.	Korean-Palestinian IT Institute of	0569500909	<a href="https://incubator.najah.edu/ar">https://incubator.najah.edu/ar</a>	Nablus

#	organizations working in the field of entrepreneurship whether it is an incubator, Fast-forward or supporter of entrepreneurship	Cellphone	Webpage	Work location
	Excellence incubator -An-Najah National University			
12.	Entrepreneurship agricultural projects Fast-forward	022440409 0592901099	<a href="http://www.agbusinesshub.ps.ar">http://www.agbusinesshub.ps.ar</a>	Bier Nabala/ Jerusalem
13.	Bierzeit University social business incubator		<a href="https://www.bierzeit.edu.ar/events/tig-hdn-lml-litmy">/https://www.bierzeit.edu.ar/events/tig-hdn-lml-litmy</a>	Bierzeit university
14.	Small enterprises center association	022423362 082884541	<a href="http://www.sec-pal.org.php">http://www.sec-pal.org.php</a>	Ramallah /Gaza
15.	Skills Incubator of industrial business unit	082826212	<a href="https://facebook.com/maharat.pfi">https://facebook.com/maharat.pfi</a>	Gaza
16.	Entrepreneurship and creativity center/ work center	082837003	<a href="http://www.innovatategaza.ps">http://www.innovatategaza.ps</a>	Gaza
17.	Hebron Chamber of Commerce and Industry (HCCI) Incubator	022228218 0599338996	<a href="http://hebroncci.org/incubator">/http://hebroncci.org/incubator</a>	Hebron
18.	Build Palestine	0599788861	<a href="https://www.buildpalestine.com">/https://www.buildpalestine.com</a>	Ramallah
19.	PPU Business Incubator	0599830320	<a href="http://incubator.ppu.edu">Incubator.ppu.edu</a>	Hebron
20.	Bader business incubator		<a href="http://bader.ps">/http://bader.ps</a>	
21.	Paltel group foundation for creativity / idea	0599225090		Ramallah
22.	The joint workspace of the Youth Development Resource Center	0592033365	<a href="http://www.ydrc.ps">www.ydrc.ps</a>	Hebron
23.	Al Nayzak incubator	026285387 0598094522	<a href="http://www.alnayzak.org/arabic.php">www.alnayzak.org/arabic.php</a>	Jerusalem/ Ramallah- Gaza – Hebron – Nablus
24.	Hebron municipality incubator	0595555771	<a href="http://www.facebook.com/hebronbic">www.facebook.com/hebronbic</a>	Hebron



#	organizations working in the field of entrepreneurship whether it is an incubator, Fast-forward or supporter of entrepreneurship	Cellphone	Webpage	Work location
25.	HASSIB SABBAGH Information Technology Center of Excellence (HSITCE)-Arab American University	042520801 0598933669		Jenin
26.	Palestinian incubator for Energy	022947660	<a href="http://www.pie.ps">www.pie.ps</a>	Jericho
27.	Let's glow incubator –JEST- Jerusalem Entrepreneurs Society and technology	0544721536	<a href="https://jesthub.org">/https://jesthub.org</a>	Jerusalem
28.	UMake	0598876876	<a href="http://umake.ps">/http://umake.ps</a>	Ramallah
29.	Palestinian fund for employment	0569848497	<a href="https://pfesp.ps">/https://pfesp.ps</a>	Ramallah
30.	Glow Innovation Fast-forward	059925092	<a href="http://www.glow.ps">http://www.glow.ps</a>	Ramallah
31.	Flow Fast-forward	0562100777	<a href="https://flow.ps">/https://flow.ps</a>	Ramallah
32.	Najjad Zeenni Information Technology Center Of Excellence – Birzeit University		<a href="http://old.birzeit.edu.ar/institutes/nzitce/">http://old.birzeit.edu.ar/institutes/nzitce/</a>	Jerusalem/ Abu Dees
33.	The Said Khoury Information Technology Center/ Jerusalem University	022790852	<a href="https://itce.alquds.edu/arcontact-us-ar.html">/https://itce.alquds.edu/arcontact-us-ar.html</a>	Jerusalem /Abu Dees
34.	Hebron Municipality Techno Park		Hebron innovation Techno Park HITEC	
35.	Bierziet university Techno Park		<a href="https://www.birzeit.edu.ar/Palestine-Technopark/">https://www.birzeit.edu.ar/Palestine - Technopark/</a>	