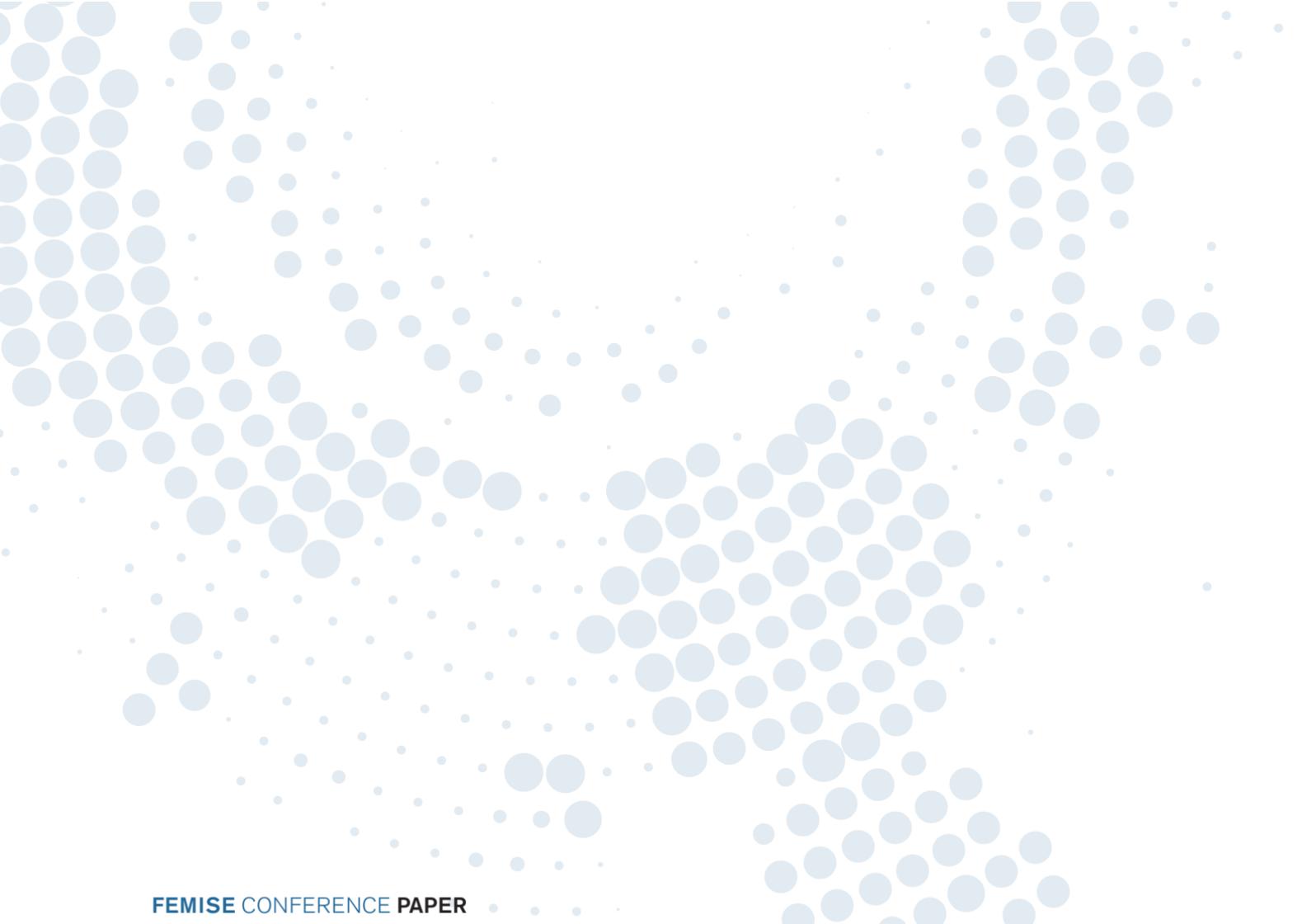




# **WOMEN AND YOUTH EMPOWERMENT IN THE PALESTINIAN LABOUR MARKET: ADDRESSING CHALLENGES AND UNLOCKING POTENTIALS**

*Rabeh Morrar*



**FEMISE CONFERENCE PAPER**

**WOMEN AND YOUTH EMPOWERMENT IN THE PALESTINIAN LABOUR MARKET:  
ADDRESSING CHALLENGES AND UNLOCKING POTENTIALS**

**Author:**

**Rabeh Morrar**, The Economic and Social Development Research Center, An-Najah National University, Nablus, Palestine

**Editing:** FEMISE

**Peer Reviewer:** Anonymous

**Design Layout:** Núria Esparza

**Layout:** Núria Esparza

July 2025

Published by FEMISE and IEMed

This paper was submitted and accepted for presentation at the FEMISE 2024 Annual Conference, "The Euromed Partnership as a Catalyst for SDGs: Advancing Value Chains, Climate Action, Digital Transformation, and Youth Empowerment," Cairo, Egypt, 10-12 December 2024.

The paper was evaluated and peer reviewed by experts, whose contributions are greatly appreciated. The revised version was accepted for publication under the FEMISE Conference Paper series.

The opinions and content of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the FEMISE, the IEMed or the AECID.



FEMISE, **Forum Euroméditerranéen des Instituts de Sciences Économiques** (the Euro-Mediterranean Forum of Institutes of Economic Sciences), is a Euromed network established in Marseille, France in June 2005 as an NGO (under the French Law of 1901), following 8 years of activities. The network gathers more than 100 members of economic research institutes from the North and South of the Mediterranean, representing the 37 partners of the Barcelona Process and the European Neighbourhood Policy (ENP).

FEMISE is coordinated by the Economic Research Forum (ERF), Egypt.



The **Economic Research Forum** (ERF) is a regional network dedicated to promoting high quality economic research to contribute to sustainable development in the Arab countries, Iran and Turkey. ERF operates from two offices in the region, in Cairo, Egypt and in Dubai, United Arab Emirates. ERF's main office is located in Cairo, Egypt.

Established in 1993, ERF's core objectives are to build strong research capacity in the ERF region; to lead and support the production of independent, high quality economic research; and to disseminate research output to a wide and diverse audience.



The **European Institute of the Mediterranean** (IEMed), founded in 1989, is a think and do tank specialised in Euro-Mediterranean relations. It provides policy-oriented and evidence-based research underpinned by a genuine Euromed multidimensional and inclusive approach.

The IEMed is a consortium comprising the Catalan Government, the Spanish Ministry of Foreign Affairs, European Union and Cooperation, and the Barcelona City Council.

# WOMEN AND YOUTH EMPOWERMENT IN THE PALESTINIAN LABOUR MARKET: ADDRESSING CHALLENGES AND UNLOCKING POTENTIALS

## CONTENTS

<b>ABSTRACT</b>	<b>4</b>
<b>INTRODUCTION</b>	<b>7</b>
<b>LITERATURE REVIEW</b>	<b>9</b>
The Importance of Economic Empowerment in Enhancing Comprehensive Youth Empowerment	10
Model of Economic Empowerment through Job Creation	11
<b>METHODOLOGY</b>	<b>14</b>
<b>ANALYSIS OF RESULTS</b>	<b>18</b>
Empowering Women and Youth in the Palestinian Context	18
Legal and Regulatory Environment	19
Skills and Experience of Women and Youth	22
Partnership Between Institutions Concerned with Economic Empowerment	24
Culture and Societal Norms	27
The Private Sector and Women's Empowerment Principles	28
<b>CONCLUSION</b>	<b>31</b>
<b>POLICY RECOMMENDATIONS</b>	<b>33</b>
<b>REFERENCES</b>	<b>35</b>

## ABSTRACT

This study aims to enhance the economic situation of women and youth in Palestine by identifying ways to promote their employment opportunities in the private sector. It focuses on analysing the challenges and opportunities related to women and youth participation and leadership in key economic sectors, including handicrafts, food industry, and information technology. The research employs qualitative methods such as literature reviews, in-depth interviews, and focus group discussions to understand the current challenges and identify potential solutions for job creation in Palestine's local economy. A key finding is the regulatory environment, which lacks a legal framework to support economic and innovative projects, hindering youth and women's economic empowerment. Cultural and social norms also play a major role in restricting women's participation in the workforce, limiting them to traditional sectors and excluding them from leadership roles. Additionally, the study identifies a lack of financial literacy among women and youth, making it difficult to access funding for entrepreneurial ventures. Technological advancements, particularly in information technology, have sparked interest among youth, with the study highlighting the urgent need for investment in ICT training to improve productivity and competitiveness. Moreover, women's representation in leadership positions remains symbolic rather than substantial, with companies struggling to implement effective strategies for gender equality in decision-making roles. The study calls for policies that encourage private sector companies to adopt comprehensive strategies for women's empowerment, focusing on gender equality, competency, and participation in decision-making. It emphasizes the importance of creating inclusive strategies for women and youth, with a focus on legal reforms, financial inclusion, and capacity building. The findings aim to guide governmental institutions, NGOs, and the private sector in fostering positive change and empowering Palestinian women and youth in the identified sectors.

**Keywords:** Economic empowerment, Women and youth participation, Palestine Regulatory environment, Labour market

## **AUTONOMISATION DES FEMMES ET DES JEUNES SUR LE MARCHÉ DU TRAVAIL PALESTINIEN : RELEVER LES DÉFIS ET LIBÉRER LE POTENTIEL**

### **RÉSUMÉ**

Cette étude vise à améliorer la situation économique des femmes et des jeunes en Palestine en identifiant des moyens de promouvoir leurs opportunités d'emploi dans le secteur privé. Elle se concentre sur l'analyse des défis et des opportunités liés à la participation et au leadership des femmes et des jeunes dans des secteurs économiques clés, notamment l'artisanat, l'industrie agroalimentaire et les technologies de l'information. La recherche utilise des méthodes qualitatives telles que des revues de littérature, des entretiens approfondis et des groupes de discussion afin de comprendre les défis actuels et d'identifier des solutions potentielles pour la création d'emplois dans l'économie locale palestinienne.

Un constat clé concerne l'environnement réglementaire, qui souffre d'un manque de cadre juridique pour soutenir les projets économiques et innovants, freinant ainsi l'autonomisation économique des jeunes et des femmes. Les normes culturelles et sociales jouent également un rôle important dans la limitation de la participation des femmes au marché du travail, les cantonnant à des secteurs traditionnels et les excluant des postes de direction. En outre, l'étude met en évidence un manque de culture financière chez les femmes et les jeunes, rendant difficile l'accès au financement pour des initiatives entrepreneuriales.

Les avancées technologiques, en particulier dans le domaine des technologies de l'information, suscitent un intérêt croissant chez les jeunes. L'étude souligne la nécessité urgente d'investir dans la formation aux TIC afin d'améliorer la productivité et la compétitivité. Par ailleurs, la représentation des femmes dans les postes de direction reste davantage symbolique que réelle, les entreprises rencontrant des difficultés à mettre en œuvre des stratégies efficaces pour promouvoir l'égalité de genre dans les rôles décisionnels.

L'étude appelle à des politiques encourageant les entreprises du secteur privé à adopter des stratégies globales pour l'autonomisation des femmes, en mettant l'accent sur l'égalité des sexes, la compétence et la participation à la prise de décision. Elle insiste sur l'importance de créer des stratégies inclusives pour les femmes et les jeunes, axées sur les réformes juridiques, l'inclusion financière et le renforcement des capacités.

Les résultats visent à orienter les institutions gouvernementales, les ONG et le secteur privé afin de favoriser un changement positif et d'autonomiser les femmes et les jeunes Palestiniens dans les secteurs identifiés.

## التعرض لتغير المناخ والأداء المالي: أدلة من منطقة البحر الأبيض المتوسط

### المخلص

تهدف هذه الدراسة إلى تحسين الوضع الاقتصادي للنساء والشباب في فلسطين من خلال تحديد سبل تعزيز فرص توظيفهم في القطاع الخاص. وتركز على تحليل التحديات والفرص المتعلقة بمشاركة النساء والشباب في القطاعات الاقتصادية الرئيسية وقيادتهم لها، بما في ذلك الحرف اليدوية، وصناعة الأغذية، وتكنولوجيا المعلومات.

تعتمد الدراسة على أساليب نوعية مثل مراجعة الأدبيات، والمقابلات المعمّقة، ومجموعات النقاش المركزة لفهم التحديات الحالية وتحديد الحلول المحتملة لخلق فرص عمل في الاقتصاد المحلي الفلسطيني.

من النتائج الأساسية التي توصلت إليها الدراسة أن البيئة التنظيمية تفتقر إلى إطار قانوني يدعم المشاريع الاقتصادية والمبتكرة، مما يعيق تمكين النساء والشباب اقتصاديًا. كما تلعب الأعراف الثقافية والاجتماعية دورًا كبيرًا في الحد من مشاركة النساء في سوق العمل، حيث تُقيّد في قطاعات تقليدية وتُستبعد من أدوار قيادية.

بالإضافة إلى ذلك، تشير الدراسة إلى وجود نقص في الثقافة المالية لدى النساء والشباب، مما يصعب عليهم الوصول إلى التمويل اللازم لمشاريعهم الريادية. وقد أثارت التطورات التكنولوجية، خاصة في مجال تكنولوجيا المعلومات، اهتمام الشباب، مما يسלט الضوء على الحاجة الملحة للاستثمار في التدريب في مجال تكنولوجيا المعلومات والاتصالات لتعزيز الإنتاجية والقدرة التنافسية.

كما تبين أن تمثيل النساء في المناصب القيادية لا يزال رمزيًا أكثر منه فعليًا، حيث تواجه الشركات صعوبات في تنفيذ استراتيجيات فعالة لتحقيق المساواة بين الجنسين في مواقع صنع القرار.

وتدعو الدراسة إلى وضع سياسات تشجّع شركات القطاع الخاص على اعتماد استراتيجيات شاملة لتمكين النساء، مع التركيز على المساواة بين الجنسين، والكفاءة، والمشاركة في صنع القرار. كما تؤكد على أهمية صياغة استراتيجيات شاملة للنساء والشباب، تركز على الإصلاحات القانونية، والشمول المالي، وبناء القدرات.

وتهدف هذه النتائج إلى توجيه المؤسسات الحكومية، والمنظمات غير الحكومية، والقطاع الخاص نحو إحداث تغيير إيجابي وتمكين النساء والشباب الفلسطينيين في القطاعات التي تم تحديدها.

## INTRODUCTION

Empowering women and youth and providing them with employment opportunities in economic sectors are vital elements for achieving sustainable development and contributing to building a just and prosperous society. The concept of economic empowerment goes beyond just providing job opportunities; it also includes other dimensions, notably providing the necessary means to obtain decent employment as well as a dignified life based on rights, social protection, and political representation for youth (UNDP, 2017). Here, it is essential to address the gap between youth, both male and female, in accessing services and employment opportunities. The Middle East and North Africa region, for example, suffers from the lowest rates of female participation in the labour market as a percentage of the population. Often, young women are either unemployed or employed in roles limited to purely operational functions with less impact compared to their male counterparts. This gender gap in access to opportunities is often attributed to social and cultural factors that lead to unequal access to opportunities.<sup>1</sup>

In Palestine, women and youth constitute a significant proportion of the population, yet they still face significant challenges in accessing employment opportunities and actively participating in economic development. Palestine is characterized by a high youth population compared to the total population. According to demographic statistics, the estimated number of women as of mid-2022 was approximately 2.64 million, representing 48% of the total population.<sup>2</sup> Women head around 11% of households in Palestine. As for youth, the age group 18-29 years represents more than one-fifth of the population, approximately 22%.<sup>3</sup> Therefore, it is difficult to envision a scenario where the economy can realize its full potential without the full participation of women and youth. Palestinian youth (18-29 years) continuously experience a profound sense of insecurity under military occupation, lack fair opportunities to access the job market, and face financial instability, which undermines their ability to adapt to economic fluctuations (UNDP, 2017). While the inflation in the youth population is often considered a valuable economic opportunity in developed countries, the increasing youth population is often viewed as a demographic threat in the West Bank and Gaza Strip due to the limited employment opportunities amidst a significant population increase (UNFPA, 2017). By 2030, the Palestinian population is expected to increase by a million people and more than double by 2050 (UNFPA, 2016). Moreover, unemployment equations still pose the biggest challenge for youth, especially females, with unemployment rates reaching 59% among females and 32% among males. In 2022, 47% of youth (37% in the West Bank and 60% in the Gaza Strip, 31% male and 63% female) were not engaged in the labour market,

---

<sup>1</sup> <https://www.ilo.org/global/topics/dw4sd/themes/youth-employment/lang-en/index.htm>

<sup>2</sup> <https://rb.gy/b4znp>

<sup>3</sup> <https://www.pcbs.gov.ps/postar.aspx?lang=ar&ItemID=4295>

education, or training (NEET), which is a clear indicator of youth's economic deprivation.<sup>4</sup> In Gaza, the youth unemployment rate reached 75% in 2022 compared to 30% in the West Bank.

Continued high rates of youth and female unemployment are likely to reinforce social vulnerability, marginalization, and erode their ability to adapt to economic changes in society (UNDP, 2017). The Israeli military occupation and its resulting limited economic opportunities make it difficult to enhance the economic participation of women and youth. Therefore, there is a need for innovative solutions that provide a model for enhancing the ability of women and youth to adapt and absorb recurring economic shocks in the Palestinian economy through a more inclusive approach that takes into account the specificities of the Palestinian reality. These include restrictions on movement, imports, and exports, difficulty accessing social services and natural resources, economic and social geographical disconnection between regions, economic infrastructure fragility, weak productive economic sectors, external investments, heavy reliance on international aid, and a state of insecurity resulting primarily from the violations, destruction, and systematic aggression perpetrated by the Zionist occupation authorities against individuals, establishments, natural resources, and infrastructure.

Therefore, this study aims to identify ways to enhance the reality of women and youth in various economic sectors in Palestine by exploring mechanisms to promote women and youth employment opportunities in the private sector and analyzing the main opportunities and obstacles related to women and youth participation and leadership in the Palestinian economy. The study also aims to identify optimal business models for engaging women and youth as well as the necessary policies and interventions. The study results specifically target governmental institutions, non-governmental organisations, and the private sector to guide their efforts towards bringing about positive change in society by enhancing the economic empowerment of Palestinian women and youth.

---

<sup>4</sup> <https://www.pcbs.gov.ps/post.aspx?lang=en&ItemID=4561>

## LITERATURE REVIEW

According to Psotmus et al. (2013), youth empowerment is defined as a structural and behavioral process through which young people gain the ability, authority, and agency to make decisions and implement changes in their own lives and the lives of those around them, including both youth and adults. In operational terms, youth empowerment comprises a set of efforts and initiatives launched by stakeholders aimed at enhancing the capacity of youth to access, manage, and benefit from factors of production to promote their prosperity on economic, political, and social levels (Mbagwa, 2021).

In 2019, the International Labour Organisation estimated that more than one-fifth of the world's youth were not in education, employment, or training (NEET). The NEET rates vary by gender, with the organisation estimating that one-third of young women worldwide were neither in education, employment, nor training. The term “economic disengagement of youth” refers to the temporary or permanent condition where young people do not have sufficient opportunities to build or develop their skills. Youth not engaged in education, employment, or training are considered the most economically disengaged group.<sup>5</sup> Globally, youth unemployment rates are often two to three times higher than the total working-age population (Marelli and Signorelli, 2022). Therefore, the Sustainable Development Goals include a specific target to significantly reduce the percentage of youth in the NEET category by 2030. However, according to ILO estimates, progress made up to 2019 over a decade paints a grim picture of youth economic disengagement worldwide, as the NEET rate decreased by only 1% between 2008 and 2018. Globally, the percentage of youth engaged in education or training is estimated at 41%, while the percentage of youth engaged in employment activities is estimated at 36%, meaning that at least 22% of youth fall under the NEET category (Marelli and Signorelli, 2022). Youth often take up jobs in the informal labour market, temporary contracts, or low-wage professions that do not require high skills, making them less able to absorb shocks during economic crises and more vulnerable to long-term unemployment. The ILO's vision for youth empowerment emphasizes that economic policies must advance to provide “decent jobs” rather than merely creating job opportunities that exacerbate the phenomenon of the working poor.<sup>6</sup>

The primary driver behind economic disengagement on a global level is the lack of necessary skills that allow young people to engage in productive employment (Angel-Urdinola & Mayer Gukovas, 2018). NEET rates clearly indicate the undermining of economies' potential to accumulate human capital, with resulting social and economic implications (De Hoyos et al., 2013; Bynner and Parsons, 2002; Croxford and Raffe, 2000). There is a strong negative correlation between a country's Human Capital Index and

---

<sup>5</sup> <https://blogs.worldbank.org/education/youth-economic-disengagement-harsh-global-reality-remember-world-youth-skills-day>

<sup>6</sup> Ibid

youth participation rates in the economy. This relationship highlights the importance and role of skills in helping young people achieve their economic potential. Productive employment opportunities require complex, technical, and specific functional skills. Indeed, PWC estimates that the global economy could gain approximately \$6.5 trillion in less than a decade by closing the skills gap in the labour force, which is nearly 6% of the global GDP.<sup>7</sup>

Another significant driver for youth empowerment is political participation and engagement in civic activities, which have direct positive economic, social, and cultural impacts (OECD, 2018). In 1990, the United Nations Convention on the Rights of the Child emphasized the importance of increasing youth participation in civic and political life. This was primarily aimed at addressing growing concerns about the isolation of marginalized youth—and therefore their needs—as they often face compounded negative effects due to structural factors, including inequality and discrimination, from political life (Brady et al., 2020). Meaningful engagement of youth in institutions and society is crucial not only for building their capacities as social actors but also for their overall development as individuals and their roles as active citizens (Chaskin et al., 2018). Studies show that beliefs and skills in the context of civic activities developed during adolescence and youth have a broad impact on the extent to which individuals engage in community building as adults (Finlay et al., 2010). Furthermore, broader participation in political and civic domains allows for better responses to the needs of youth by the local community and elected officials (Flanagan, 2012).

Regarding the economic returns from broad youth participation in political activities, recent evidence shows a positive reciprocal relationship between active citizen participation and social and economic outcomes, particularly in reducing NEET rates among youth. In the Middle East and North Africa, it is estimated that increasing opportunities for participation in political processes at both local and national levels are likely to reduce the economic inactivity of youth (OECD, 2018).

## **THE IMPORTANCE OF ECONOMIC EMPOWERMENT IN ENHANCING COMPREHENSIVE YOUTH EMPOWERMENT**

The importance of providing decent employment opportunities goes beyond reducing the risks of fostering the phenomenon of the working poor and high unemployment rates. Long-term unemployment (more than 12 months, which includes at least one-third of unemployed youth) is associated with increasing health problems—both physical and mental (Marelli and Signorelli, 2022). Furthermore, the longer the unemployment period, the lower the level of “human capital” and the wider the experience gap among youth, significantly increasing the difficulty of finding decent jobs in the long term (Marelli and Signorelli, 2022). This cycle of unemployment and loss of human capital often delays young people

---

<sup>7</sup> <https://www.pwc.com/m1/en/wgs/knowledge-partners-wgs-2022/unleashing-the-skills-economy.html>

from achieving autonomy and marriage, which in turn generates frustration, discontent, and social distress.<sup>8</sup>

Another study found that unemployed youth or those working in precarious conditions are more susceptible to health problems (Utzet and Vancea, 2017). The study also highlighted the importance of active labour markets, training programmes, and comprehensive social security programmes to empower youth.<sup>9</sup> Thus, providing decent employment opportunities is essential not only for economic empowerment but also for increasing social resilience and improving long-term health status. Another study found a correlation between unemployment and increased substance abuse, tobacco consumption, and other negative health and social behaviors (Hammarström, 2002). Unemployment rates are higher among young men and women, with unemployment leading to increased social isolation, lack of financial assets, crime rates, and higher future exclusion from the labour market.

### MODEL OF ECONOMIC EMPOWERMENT THROUGH JOB CREATION

In 2012, the Egyptian Network for Integrated Development (El Nidaa) developed four programmes aimed at providing meaningful and sustainable employment opportunities for youth. These programmes focused on Micro, Small, and Medium Enterprises (MSMEs) and entrepreneurship, agricultural and non-agricultural development, upgrading basic services, and developing knowledge and dissemination centres. This initiative was a collaboration between the United Nations Development Programme (UNDP) and the Egyptian Ministry of International Cooperation. The overarching objective was to create a replicable approach to local economic development, addressing disparities between rural and urban economic opportunities. By providing technical and financial support and focusing on skilled individuals and entrepreneurs in Upper Egypt, the initiative aimed to enable them to market their businesses and achieve growth through partnerships with the private sector, such as banks.

El Nidaa designed and developed an integrated development model through the establishment of the Industrial Cluster for Economic and Social Empowerment. This model aimed to provide job opportunities for youth and women, especially in desert areas. The initiatives also sought to reduce food insecurity, improve basic services, and enhance activities in knowledge management and networking. The intervention successfully impacted 42 villages in Upper Egypt, directly and indirectly, economically empowering nearly 20,000 people and creating partnerships with 11 ministries and various stakeholders. Specifically, around 2,250 people benefited from skills development, and 553 new jobs were created in manufacturing (e.g., handicrafts), sustainable agriculture, and basic services. Notably, 70% of the beneficiaries were women and young people between the ages of 18 and 29.<sup>10</sup>

---

<sup>8</sup> *ibid*

<sup>9</sup> *ibid*

<sup>10</sup> [https://www.undp.org/sites/g/files/zskgke326/files/publications/Case\\_Studies\\_On\\_Youth\\_Employment\\_in\\_Fragile\\_Situations .pdf](https://www.undp.org/sites/g/files/zskgke326/files/publications/Case_Studies_On_Youth_Employment_in_Fragile_Situations.pdf)

In another intervention to enhance the employability of engineering students and graduates in Gaza through better links with the private sector, the Islamic University of Gaza connected its engineering department with the private sector through a partnership with the Islamic University's Centre for Industry and Community Communication. This centre was established in 2014 as part of the Strengthening University Enterprise Linkages in Palestine (STEP) programme. The centre acted as a bridge between faculty and the private sector, translating into validated and implemented curricula through structured apprenticeships and facilitating graduates' transition into the workforce through counselling and job matching. This intervention was beneficial not only for university graduates but also for private sector companies, as students and faculty provided smart solutions for rebuilding Gaza, helping private sector companies restart operations despite limited resources due to reconstruction obstructions. As a long-term result, the intervention improved the suitability of university curricula to the needs of the private sector and allowed students to gain hands-on experience in their field of expertise.<sup>11</sup>

Although this initiative is not limited to a specific age group or gender, it positively impacts women and young women, particularly refugees, by targeting the crafts sector, which typically has high female participation. This initiative provides a distinctive model for economically empowering specific groups by improving the factors surrounding them and providing the necessary tools for sustainable economic empowerment. This approach avoids the risks associated with models whose effectiveness is difficult to verify.

One of the most important areas where the private sector can contribute to developing youth skills is through training programmes for unemployed youth and programmes to enhance the skills of new young employees internally within companies or factories. Demand-side policies are seen as highly useful, and even necessary, because they incorporate labour market needs as defined by the private sector, unlike traditional technical and vocational training led by government or non-governmental trainers and experts. An important example of private sector participation in the region is the USAID-supported "Tourism" programme in Jordan. This programme seeks to improve training programmes in the hotel and tourism industry by updating the curriculum and introducing the non-technical skills needed by graduates in this sector. What distinguishes the "Tourism" model is its mandatory element of practical experience, with training centers signing contracts with accredited hotels and restaurants to provide on-the-job training and monitor trainees at their workplaces. In 2019, the Jordan Hotel Association took over full management of one of USAID's programmes—Pathways to Professionalism—which offers multiple levels of nationally accredited on-the-job training to hospitality professionals in more than 30 hotels across Jordan (Glick, 2017).

Regarding training programmes carried out by companies and factories in the private sector to increase worker productivity, competitiveness of products, and reduce the skills gap, there are no studies verifying

---

<sup>11</sup> *ibid*

the quantitative impact of these programmes on the economic empowerment of young people specifically, as these studies usually take a sample of workers in general. In Morocco, a study by Khaled Skat (2011) on a sample of 500 large and small companies in six different industries (food, textiles, clothing, leather, metal, chemicals, and plastics) found a positive relationship between worker productivity and the decision to activate training programmes following the Moroccan government's decision in 1999 to support training aimed at enhancing human capital and the competitiveness of local products. The intensity of training (i.e., the number of days a worker receives) significantly impacted productivity in SMEs (Sekkat, 2011). For large companies (more than 100 workers), the study did not find a relationship between training programmes and worker productivity, suggesting that governments, especially those with many SMEs, should allocate support for training to relatively small enterprises.

## METHODOLOGY

This study adopted a comprehensive review of Arab and international literature and previous research to understand international experiences in the economic empowerment of women and youth, focusing on the role and models of the private sector. The study methodology also included a review of the regulatory and legal environment for companies to identify the main obstacles and challenges faced by women and youth, as well as the measures and policies taken by the government in recent years to stimulate their participation in the labour market. Additionally, the study relied on analysing secondary data related to the share of women and youth in senior leadership positions. In-depth interviews and focus group discussions were also conducted with relevant stakeholders to gain a deep understanding of the reality of women and youth in various economic sectors. Consequently, the study employed a mixed methodology, focusing mainly on qualitative methods. Below is a detailed description of the methodology elements:

### **Literature and Previous Research Review**

The study involved a review of local and international research and reports related to business models for the economic empowerment of women and youth to build a conceptual framework for a business model that can be applied in Palestine. These frameworks were then discussed through in-depth interviews and focus groups to adapt them to the Palestinian context and identify the key intervention elements that could be implemented within each framework. This included applying these models to the information technology, food industries, and crafts sectors.

### **Analysis of Secondary Data**

To examine the extent to which Palestinian company boards consider gender issues, secondary data related to the share of youth and women in senior leadership positions in the private sector was analysed. This was done using statistical surveys provided by the Palestinian Central Bureau of Statistics (primarily the labour force survey) and any other secondary data sources such as periodic reports provided by public shareholding companies.

### **In-depth Interviews**

Semi-structured interviews were conducted with various relevant parties (23 interviews), including representatives of the private sector, relevant government entities, civil society organisations concerned with youth and women, and a group of experts in economic and social development. The aim was to identify the most suitable business model for the economic empowerment of women in Palestine, drawing on international experiences while considering the unique aspects of the Palestinian economy and the current reality of women and youth. Both In-person and online meetings were held between December 2023 and March 2024. Interview forms were recorded in order to prevent data loss.

A list of the main private firms, government institutions, and civil society organisations related to the empowerment of women and youth in Palestine was constructed. For example, in the public sector, the Ministry of Economy, the Ministry of Women's Affairs, the Ministry of Youth, and the Economic Empowerment Institution were selected, all of which responded positively to the interview requests. In the government institutions, the minister's office forwards the request to the relevant general directorate within the ministry to arrange and conduct the interview.

As for civil society organisations, approximately 24 organisations were identified, primarily concentrated in the city of Ramallah, which hosts the headquarters of most civil society organisations, regardless of the distribution of their activities across various areas of the West Bank.

An official letter was then sent to the management of these organisations to request interviews. The letter included the study's objective and a list of questions. Around 15 civil society organisations in the West Bank responded, and interview appointments were scheduled and attended either by the organisation's director or a specialized representative<sup>12</sup>.

At the private sector level, companies that have signed the Women's Empowerment Principles (WEPs)<sup>13</sup>, totalling nine companies, were contacted with the aim of analysing the motivations and impacts of signing these principles, as well as gaining a deeper understanding of the models these companies have adopted to encourage, empower, and promote the participation of women in leadership positions within the private sector. Four private companies responded and agreed to participate in the interviews, with participants selected by the company's senior management.

Priority was given to conducting in-person interviews; however, when this was not possible due to mobility restrictions imposed by the Israeli occupation within and between Palestinian cities, the interviews were conducted online.

It is important to note that the study did not include any interviews with institutions operating in the Gaza Strip due to the extreme difficulty of access caused by the war that broke out on October 7, 2023.

### Focus Group Discussions

In addition to the in-depth interviews, three focus group discussions were held in three selected sectors (26 females and 6 males) with high potential for employing women and youth. The goal was to study the most appropriate business model for each of these sectors. The focus groups generally included relevant government entities, sector representatives, and a group of civil society organisation stakeholders. The aim was to understand the perspectives of different parties regarding the status of

---

<sup>12</sup> In many interviews with civil society organisations, more than one person attended to enrich the discussion and provide the required information accurately.

<sup>13</sup> <https://www.weps.org/>

women and youth in the sector, the opportunities and challenges for their economic empowerment, and to assess whether the adopted business models considered women and youth. Finally, the groups were asked for their views on the optimal business model to represent youth and women in the sector. The selected sectors and the rationale for their selection are:

1. Food Industry Sector: This sector is promising for the economic empowerment of women and youth at various stages of the supply chain. It is one of the most female-employing industrial sectors in the West Bank, with about 34% of women working in the industrial sector being active in the food industries (PCBS, 2020). The number of women working in the sector increased by 73% between 2012 and 2017. Regarding youth employment, the sector employed about 6,760 young people in 2018, accounting for about 52% of the total workforce in the sector in the West Bank (PCBS, 2019).
2. Craft Industries Sector: This sector is also significantly active among women in Palestine and presents a great opportunity for further economic empowerment of women if many challenges and obstacles are overcome, and a suitable business model for empowering women in the sector is developed. Craft industries are an important part of the cultural heritage and local economy in Palestine, providing income for many individuals and supporting local economic development. The craft industries sector contributed 0.6% to the GDP in 2018 (PCBS, 2020) and has potential for growth in both local and foreign markets. This sector also has a high concentration of women-led projects, especially those managed from home. The cultural environment in Palestine supports women's participation in the craft sector. According to the general census of population, housing, and establishments, the number of women working in the sector increased by 67% between 2012 and 2017, and youth constitute about 37% of the workforce in the sector.
3. Information and Communication Technology Sector: This is a promising sector in Palestine where women and youth, especially those with high skills, are active. The sector presents a significant opportunity for the economic empowerment of women and youth due to the high number of graduates in this field. However, there is a high unemployment rate among them, reaching about 50% for the age group (20-29) according to the Palestinian Central Bureau of Statistics data for 2022. Women can play a significant leadership role in the sector due to their academic skills, with approximately 2,260 graduates from Palestinian higher education institutions in the field of information and communication technology in 2021 (MoHE, 2023), about half of whom are female (1,144 females versus 1,116 males).

### Data Analysis

The qualitative data collected through in-depth interviews and focus group discussions were evaluated by means of thematic analysis and MAXQDA, a specialized software for qualitative analysis, which ensured that the interview texts followed a predetermined structure (Adula et al., 2023). First, the recorded interviews and focus group discussions were transcribed verbatim to capture the full scope of participants' responses accurately. Following transcription, the data were imported into MAXQDA, where initial coding was conducted to identify recurring patterns and themes. This process involved open coding

to generate preliminary codes based on emerging concepts. The data were then systematically categorized, allowing for thematic mapping and the identification of core themes across different interviews and focus groups. The coding process facilitated the summarization of key quotations from within the text, allowing for the extraction of significant insights and recurring themes directly from the participants' responses. This approach helped in capturing the essence of the data while maintaining the contextual integrity of the original narratives.

## ANALYSIS OF RESULTS

### EMPOWERING WOMEN AND YOUTH IN THE PALESTINIAN CONTEXT

#### Unemployment and Economic Dependence

Unemployment rates among Palestinian youth are among the highest in the region, with four out of ten young people unemployed, according to the International Labour Organisation (2017). This situation persists despite high academic achievement rates, especially among females (ILO, 2017). One of the main areas highlighting gender disparities in Palestine is access to employment opportunities and economic independence. The economic environment is characterised by limited job opportunities, low labour market participation, and high unemployment rates, leading to increased poverty levels in Palestinian society. Women are particularly affected by these conditions due to the power dynamics and balance within families, which often results in male dominance over children and wives. This situation perpetuates a cycle of domestic violence.

Palestinian women economically depend on men due to several factors, such as limited available job opportunities, increased participation in unpaid work, and difficulties accessing male-dominated labour sectors. Additionally, societal perceptions of women's work as a need rather than a human right affect their employment opportunities.

#### Social and Economic Barriers

Several factors restrict women's employment opportunities, including mobility restrictions for work purposes and the economic slowdown resulting from complex geopolitical conditions. These combined factors form significant obstacles to achieving economic independence and enhancing women's social and professional status in Palestinian society.

#### Business Registration and Women's Economic Activity

According to the Ministry of Economy's statistics, the number of newly registered companies reached 2,524 by the end of 2022, with the majority located in Ramallah (879 establishments) and the fewest in Tubas (36 establishments).<sup>14</sup> The number of registered companies in November 2023 saw a 35% decrease compared to the same month in 2022. However, the number of females registered in the commercial register increased by 24.0% in 2022 compared to 2021, with 314 females registered in 2022 compared to 252 in 2021. Females constituted 5.7% of the total number of registered individuals in the commercial register in 2022, with the total number increasing by 49.6% compared to 2021<sup>15</sup>.

<sup>14</sup> Annual Statistical Report 2022 of the Ministry of National Economy from Administrative Records, 2022

<sup>15</sup> <https://www.mne.gov.ps/mnestatistic.aspx>

### Entrepreneurial Activity and Gender Gaps

A study by the Palestine Economic Policy Research Institute (MAS) indicates that the economic activity rate among Palestinian women is very low compared to men. The gender gap among entrepreneurs in Palestine is the widest recorded among the countries participating in the Global Entrepreneurship Monitor. Entrepreneurial activity among women is more pronounced in the middle age groups (35-44), followed by younger women (18-34). In contrast, male entrepreneurs are notably active in the age group (45-54), with less activity among younger males.

### Influencing Factors and Recommendations

This section analyses the factors affecting the empowerment of women and youth, including the legal and regulatory environment, sources of funding and financial inclusion, the importance of developing skills and expertise, and cooperation among related institutions. It also addresses the impact of culture and societal norms and the role of the private sector in supporting women's economic empowerment. The chapter aims to present and analyse existing challenges based on literature reviews, interview results, and focus group discussions. It also offers practical recommendations to improve conditions and enhance economic opportunities for youth and women.

## LEGAL AND REGULATORY ENVIRONMENT

The legal environment is the cornerstone of all policies and executive regulations related to development and economic empowerment for both genders. Despite Palestine's accession to many international agreements, covenants, and treaties—such as the International Covenant on Economic, Social and Cultural Rights, which stipulates the necessity of ensuring equality between males and females in the enjoyment of all economic rights and fair and satisfactory working conditions for all<sup>16</sup>—the study, interviews, and focus groups demonstrated that challenges persist. In this context, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), to which Palestine has not expressed any reservations, stands as a model of international commitment. However, the convention conflicts with Personal Status Law No. 61 of 1976, and the Equal Remuneration Convention No. 100, which concerns equal pay for male and female workers for work of equal value.<sup>17</sup>

One of the main challenges expressed by study participants regarding obstacles to the economic empowerment of youth and women is related to the regulatory environment that underpins all economic and innovative projects and needs a legal environment to regulate it. Although the new Companies Law, which encourages entrepreneurship and contributes to the participation of women in the organized market, has been enacted, awareness of the benefits of this law remains limited. In this context, some

---

<sup>16</sup> Articles 3 and 7 of the International Covenant on Economic, Social and Cultural Rights, 1966.

<sup>17</sup> [Equal Remuneration Convention \(No. 100\) concerning Equal Remuneration for Men and Women Workers for Work of Equal Value | OHCHR](#)

participants in the study emphasized the importance of effectively applying the law and exploiting it within the context of successful opportunities and services provided to women within economic empowerment projects. For example, a representative from the Women's Studies Centre explained:<sup>18</sup>

*"We aim through the centre's programmes to enhance rights by referring to and amending laws. We have conducted numerous campaigns to reframe laws to ensure the protection of women on legal, economic, and social levels. However, no matter how intensive the efforts for change are, those responsible for enforcing laws often face obstacles that prevent achieving this, which is why change must occur through the law itself, in addition to focusing on its implementation mechanisms to achieve justice for women and youth."*

The results of the focus group meetings, which included female entrepreneurs and supporting entities, provided insights into the challenges faced by women entrepreneurs in their professional journeys and the achievements they have made in developing their projects. The sectors in which these women operate include organic soap manufacturing, embroidery, engineering services, fashion design, digital arts, and therapeutic soap production. Among the main challenges expressed were regulatory obstacles and compliance with government laws and regulations. Participants highlighted the difficulties related to obtaining the necessary licenses for their businesses, especially from the Ministry of Health for the organic soap project, where complex and costly requirements pose a significant barrier to growth and expansion. One participant noted:

*"I have made significant efforts to address my tax file, working with an accountant and a lawyer to ensure compliance with the required standards. The current obstacle I face is obtaining the necessary license from the Ministry of Health, given the ministry's requirements, which stipulate the establishment of a special building to obtain a license for just one product type. This requirement is a major challenge, and I wonder about the possibility of providing facilities that might help overcome this hurdle. I have conducted all necessary tests on the product to ensure its quality and compliance with health standards. To obtain the license, it is necessary to have an independent building with sufficient spaces and designated storage areas, in addition to the requirement that this building be located away from residential areas. I have prepared the place in terms of humidity and temperature control to ensure an optimal storage environment. However, when it comes to granting licenses, the authorities demand that the building be in a remote location, which is a significant challenge for me due to the lack of financial resources to establish a factory in a distant location. I have the necessary equipment and machines and have received consultations from a university professor in this field, and I plan to present these recommendations to the Ministry of Health."*

---

<sup>18</sup> Interview with Sama Oweida, Ramallah, October 15, 2023.

Additionally, participants emphasized major challenges facing female entrepreneurs, especially in the areas of intellectual property protection and the costs associated with official registration and taxes. This reality necessitates the development of comprehensive support strategies for entrepreneurial projects, considering the specific challenges faced by different groups, including female entrepreneurs. In this context, one participant highlighted the fact that bureaucratic procedures and the costs associated with complying with legal standards can be a significant burden on female business owners, limiting their ability to innovate and expand:

*“There is no doubt that official registration is a much better option for us. I always find myself facing issues related to intellectual property, where my work or content is stolen, and if I wanted to file a lawsuit against each person, I wouldn’t be able to keep up. The forum helped us with registration, benefiting from fee exemptions from both the Ministry of Economy and the Chamber of Commerce. The problem lies in the fact that with every piece I want to bring to market, I have to pay taxes, which forces me to raise prices for customers.”*

Additionally, some female entrepreneurs pointed out the challenges related to expanding their businesses both locally and internationally, expressing the need for simplified procedures that enable businesses to represent themselves abroad without having to navigate bureaucratic complexities. This highlights the importance of streamlining regulatory processes to support entrepreneurs.

Female entrepreneurs also suffer from financial and operational constraints that limit their ability to expand and innovate. The experience of a sewing business owner, who spoke about the high costs associated with professional development and purchasing equipment, underscores the urgent need for greater financial support to enable women entrepreneurs to achieve their goals. Moreover, female entrepreneurs face gender-related challenges, including fraud and exploitation, highlighting negative gender stereotypes in the business environment. One business owner pointed out how dealing with females can send the wrong signal that it is acceptable to exploit them, reflecting the gender-related challenges in the entrepreneurial context.

On the other hand, female entrepreneurs show remarkable capacity for innovation and product diversification. For example, some have developed unique products that meet market needs, such as sewing bridal gowns, and they use digital platforms and innovative marketing strategies to reach a broader audience. However, they face challenges related to capacity building. As a sewing business owner noted:

*“I work in designing evening dresses and aspire to expand my work to include designing bridal gowns. I hold a diploma in fashion design and have made efforts to find specialized courses in bridal gown design within the country, but I haven’t found anything that meets my needs. The main obstacle lies in the high cost of these courses. I run my business from home and have registered my project with the Ministry of Economy, but I haven’t registered with the Chamber of Commerce. I am committed to the legal requirements, but I don’t find enough incentive or impact from registering my project.”*

On its part, the Ministry of Economy highlighted that the main obstacle to the enabling environment is the difficulty for the informal sector to access financing and markets, as well as the lack of administrative and specialised skills. It added that there is a lack of awareness of the current legislation and available facilities, especially those related to official registration and Palestinian taxes, which negatively impacts government financial resources and the development of projects.

## SKILLS AND EXPERIENCE OF WOMEN AND YOUTH

Despite high rates of education and college and university enrolment in Palestine, the quality of education is not considered sufficient by some to achieve the desired economic empowerment for youth and women. As a result, many challenges arise, including high unemployment rates among young people and women in particular. These challenges are clearly evident in their lack of necessary skills or experience to meet labour market requirements, from university education to professional life. This highlights the urgent need to link formal education with vocational training (PECDAR, 2018).

In an interview with a participant from the Palestinian Youth and Sports Union, the issue of the skill gap among university graduates, especially in administrative and marketing fields, was highlighted as one of the main obstacles to economic empowerment. Additionally, the lack of sufficient support from government bodies for the development of cooperative agricultural projects was mentioned. Developing essential skills for graduates is crucial to prepare them to meet labour market demands, particularly in areas related to management and marketing.

In a similar meeting with a representative from the Vocational Training and Education Authority, a clear and specific vision of youth participation in the private sector was evident. This vision focused on aligning educational processes with labour market requirements, addressing the gap that has emerged over the past decade due to the influence of information systems and the increasing impact of globalisation. Specifically, graduates face significant challenges in engineering fields, with difficulties in integrating into the labour market due to a clear gap based on the power dynamics formed by discriminatory social norms prevalent in Palestinian society, which vary especially in certain specialities.

*“Changes in the context have been influenced by technological developments, leading to a shift in youth interest towards information technology, computer science, and e-commerce. However, there is an urgent need for young (men and women) administrators and quality employees in sectors that play a significant role in the economy. Investing in skilled labour is crucial for improving production efficiency, product quality, and overall competitiveness, acknowledging the important role women play in this context.”<sup>19</sup>*

---

<sup>19</sup> Interview with Dr. Nasser Atiani | Vocational Training and Education Authority (31/10/2023)

The National Authority for Vocational Training and Education emphasised the necessity of investing in vocational and technical education from the early stages of education. This investment aims to prepare university students to make decisions that align with the needs of the private sector. Additionally, it is essential for the groups needing empowerment, such as young men and women, women, and people with disabilities, to undergo training in production processes and cost reduction to enhance their capabilities. These programmes can help provide market-ready products such as grains, thyme, and legumes, according to Palestinian specifications and product standards, and can be packaged for companies.

*"If we want to enhance the role of youth and women, we must determine the direction we want to reach. In other words, investment will be made in factories and rehabilitation and training programmes, especially in industrial crafts."<sup>20</sup>*

Despite the many factors and challenges facing youth, especially women, there are successful models that serve as a driving force for empowering youth and equipping them with the necessary skills and expertise. As a representative from the Palestinian Rural Women Development Association pointed out, these effective models highlight the economic support for women. She explained:

*"We adopt a cooperative model led by young women. Each year, 20-30 young men and women and new graduates join the programme, focusing primarily on girls and specifically in various specialisations that meet their needs, such as marketing, journalism, media, and accounting, according to our needs."*

*"We train them to enhance the skills they need in the market, where we notice the gap between what they learn at university and the practical reality. After that, we integrate them into cooperatives and production units, giving them the opportunity to gain practical experience with a financial reward of up to 500 euros per month. This way, they contribute to supporting cooperatives and gain valuable experience, which enhances their independence and helps develop their practical skills. Currently, the programme includes more than 150 young men and women."*

Participants also emphasised an additional challenge related to equal opportunities for women and their small businesses, noting a problem in the distribution and benefits of entrepreneurial projects by women. In this context, a representative of the National Authority for Vocational Training and Education pointed out that competition occurs between civil society institutions, and it has been found that women who benefit from the services of these institutions tend to seek support from all institutions, such as "Women's Institutions," "Asala," and "Business Women Forum," while some other women do not receive any support.

---

<sup>20</sup> ibid

Similarly, a representative from the Ministry of Women noted other gaps related to marketing and skills, highlighting the importance of training, especially for small and traditional projects. Training includes aspects of quality, the use of technology in production and marketing, and business management. It also emphasises the importance of training in financial and executive management and governance systems.<sup>21</sup>

From a social justice perspective, some participants in the focus group meetings highlighted several key demands to address the challenges they face in economic participation, such as enhancing capacities and skills at the regional and global levels in knowledge and marketing skills, providing networking opportunities with local and international organisations, as well as with the private sector, peer knowledge exchange, and increasing access to financial resources and markets.

Most participants agreed on the importance of paying greater attention to non-traditional sectors that help provide individuals, especially women, with the necessary experiences and skills through remote work, particularly in the field of technology. The Director of the Studies Center at the Ministry of Entrepreneurship indicated that they have begun to focus on this sector, especially in the context of integrating women:

*"We are targeting women in the information technology sector, particularly graduates. We will reach out to women in their homes by empowering them technically and making them productive in their places of residence. Globally, there are changes in the labour market that may affect women and youth, and there will be growth in technology at the expense of other sectors."<sup>22</sup>*

An interview with a representative from the Palestinian Information and Communication Technology Incubator (PCTI) also highlighted the vital role women and youth play in developing the Palestinian economy, with a focus on the IT sector from a gender perspective. The need to integrate women into the workforce was emphasized, pointing to the gap in their employment in the IT sector, where they represent a small percentage of no more than 2%. Despite the progress made in providing opportunities for women in entrepreneurship, major challenges such as cultural and social barriers and the lack of a supportive infrastructure for startups remain.

## PARTNERSHIP BETWEEN INSTITUTIONS CONCERNED WITH ECONOMIC EMPOWERMENT

In analysing initiatives and policies aimed at enhancing the role of women and youth in various economic sectors, several key efforts emerged during interviews, reflecting collaboration between different

---

<sup>21</sup> Interview with the Ministry of Women's Affairs, October 2023.

<sup>22</sup> Interview with Imad Al-Serafi, Director of the Center for Development Studies, Birzeit University, Birzeit, October 2023.

governmental entities. Among these efforts, incentive packages received special attention, showcasing fruitful cooperation between the Ministry of National Economy and the Ministry of Finance, supported by UN Women. These efforts, implemented from a gender perspective, focus on reducing registration fees for establishments with the Ministry of National Economy and simplifying the business registration process, in addition to offering tax reductions and loan facilitation. These initiatives aim to support small projects by enhancing financial inclusion and providing loan guarantees, alongside corrective actions to support women's small and medium-sized enterprises, particularly in the media and communications sector, during times of conflict.

In this context, the findings indicated a clear lack of awareness among young men and women about the possibility of starting independent projects as an alternative to traditional employment, which hinders their inclination towards developing their own businesses. This implies that young entrepreneurs do not just need financial support but also effective technical and professional assistance. Therefore, related community institutions must provide continuous support and long-term follow-up for these projects. To ensure a valuable and beneficial approach, there must be cooperation between civil society, government institutions, and support entities to promote a transformational and leadership approach that effectively encourages entrepreneurial projects.

Educational institutions, particularly universities, play a vital role in preparing young people and women to enter the labour market. The Development Studies Centre at Birzeit University highlights the importance of universities in equipping youth for the labour market, contributing to job creation, and connecting with various institutions in the private and public sectors. The centre aims to support youth in securing employment opportunities, emphasizing the role of universities in driving youth towards the labour market. Emphasis is placed on youth employment as a main focus, with a belief in the significant role of youth in the developmental process, focusing on awareness of rights in the educational context. The centre also noted the importance of integrating theoretical and practical education when training students to prepare them for the labour market:

*"There is significant interest from institutions in cooperatives and social solidarity economy as a way to create new opportunities for youth. Through our master's programme, which connects theoretical and practical education, our role is to network with local institutions for practical student training, preparing students for work in community development. There is an idea of creating a local generation with both practical and theoretical knowledge in developmental work."*<sup>23</sup>

Regarding efforts of cooperation between the private and public sectors and civil society institutions in the context of women's economic empowerment, a detailed vision emerged from an interview with the

---

<sup>23</sup> Interview with IDS Director Imad Al-Serifi, Birzeit University, October 2023.

Ministry of Women's Affairs, highlighting the vital role partnerships play in overcoming challenges, particularly in meeting the needs of women for family care programmes to balance work and childcare responsibilities. The ministry emphasises the importance of these effective partnerships, focusing on the challenges facing the current economic model and the necessity of using diverse strategies to achieve economic empowerment, with special emphasis on providing family support and care. The ministry highlights the importance of networking to unify efforts between the Ministries of Economy, Health, and Standards and Metrology; where cooperation with women's institutions forms the cornerstone to ensure sustainable support for this model and enhance quality and health standards.

The Businesswomen Forum proposed a partnership model between the public and private sectors to economically empower women and not view them as a burden, especially in cases of maternity leave and family care programmes:

*"In my opinion, as a form of advocacy and participation with the authority (public sector) and the private sector, it is important to activate a system similar to national insurance that encompasses our entire Palestinian society. The idea is that part of the taxes we pay as individuals or institutions to the Palestinian Authority should be used as capital investment, for example in care. This way, the burden of maternity leave does not fall solely on the employer but is part of a comprehensive national system that helps not only families and women but also the elderly and people with disabilities. Therefore, this should be achieved through interventions from the government, the private sector, and civil society institutions."*

This proposal relies on a transformative gender perspective approach by seeking to enact changes in current systems and policies to implement a comprehensive system that supports women during maternity leave and family care programmes. This reflects a commitment to addressing structural and social challenges that hinder women's access to the necessary economic resources for effective participation in the labour market. Integrating maternity leave and care costs into a national system that includes all members of society represents an important step towards alleviating financial and operational burdens on women and employers alike. Consequently, the proposal highlights the importance of multi-party collaboration between the government sector, civil society, and the private sector to ensure sustainable and comprehensive impact beyond individual support or partial initiatives, ensuring the combination of diverse resources and expertise from all sectors to contribute to innovative and effective solutions to the challenges women face in economic participation.

In an interview with a participant from Bank of Palestine, there was a reference to an initiative to support women through a mini-MBA programme, providing them with all the necessary business tools and financial knowledge to become future businesswomen. Bank of Palestine's initiative is considered a model of how the private sector can economically empower women through education and training.

## CULTURE AND SOCIETAL NORMS

The participants in the study unanimously agreed that women typically work in traditional business fields, such as agricultural cooperatives and local industries, which are undoubtedly important activities. However, meeting women's strategic needs requires comprehensive support for entrepreneurial and innovative ideas, ranging from the production of simple local goods to technological innovations, aiming to provide sustainable income sources and boost the economy. Therefore, it becomes essential to develop an economic structure or business models that encourage women to shift towards non-traditional sectors in entrepreneurship. This necessitates effective support from civil society organisations, governmental institutions, and support entities through the development and implementation of programmes that contribute to transforming creative ideas into tangible economic contributions.

However, women face many difficulties and challenges in Palestinian society. Among these challenges, societal culture stands out, where societal rules governed by patriarchal thinking prevail; this restricts women's participation in the labour market on equal terms with men. In this context, the Arab Palestinian Investment Company "APIC" indicated that one of the main challenges facing women's work is the culture of society, where some family members, whether a brother, husband, or a male relative, prevent a wife, sister, or daughter from exercising her natural rights to education and work. Therefore, it is necessary to work on changing this culture from the first day for future generations, through upbringing at home and within educational curricula, to build a conscious and benefiting generation<sup>24</sup>.

Moreover, there is a societal culture that restricts women to working in specific sectors only, such as education, kindergartens, and nursing, where they are not allowed to enter other work sectors on equal footing with men. The Ministry of Entrepreneurship pointed out this reality, saying:

*"Customs play a negative role by confining women within specific sectors or specializations, in addition to not encouraging youth and women towards individual projects and entrepreneurship."*<sup>25</sup>

Breaking the stereotypical roles of women and men also poses a difficult challenge. One entrepreneur noted, "The societal culture changes slowly, making it difficult to break these roles and social responsibilities. If a woman wants to work, she must exert more effort than a man both inside and outside the home." She also noted that the social situation in Palestine is characterized by instability and insecurity due to the Israeli occupation. As a result, women and girls face severe fear of leaving their homes for work, especially in marginalized areas and villages, in addition to the conservative environment that restricts women's work at night.<sup>26</sup>

---

<sup>24</sup> Interview with Mona Al-Qutb and Fidaa Azar, APIC Palestinian Investment Company, Ramallah, November 2023.

<sup>25</sup> Interview with the Ministry of Entrepreneurship with Mr. Mohamed Musleh

<sup>26</sup> Interview with Reda Bennoura, entrepreneur, October 2023.

However, Dr. Samia Al-Batma<sup>27</sup> emphasized that the challenges facing women in the labour market are not limited to women alone but are part of a broader problem rooted in the economic system in Palestine and the occupation's targeting of various economic sectors for over fifty years, where it worked to strengthen services and undermine agriculture and industry, causing significant damage to the Palestinian economy and consequently to women's employment opportunities in particular:

*"The problem does not lie with the women themselves. Women in Palestine are highly qualified and ready to participate in the labour market; they have undergone training and education and have shown a willingness to put in the necessary effort and time. The main challenge is the economic structure, specifically the negative impacts of the occupation on all economic sectors, especially those heavily occupied by women, such as the agricultural sector, which suffers from general weakness. Women around the world generally gravitate towards work in certain sectors such as agriculture, industry, and services, and this phenomenon is not confined to Palestine but is a global phenomenon. Women's participation is mostly absent in sectors like transportation and construction, but this absence is not necessarily due to religious or cultural reasons. In Palestine, women's participation prominently appears in the agricultural sector, despite it being weak. The industrial sector is also fragile, while women's participation is mainly concentrated in the service sector."*

Al-Batma discussed the traditional economic theory that links increased education with improved job opportunities, noting that reality contradicts this theory. She explained: "The problem, in my opinion, is not with the women, but with the labour market itself. We need to expand the labour market. This is the real solution. Otherwise, women will continue to pursue education and training without finding job opportunities."

This reality highlights the urgent need to reconsider economic and developmental policies to ensure the economic empowerment of women and grant them equal opportunities to participate in all work sectors. This requires adopting strategies that address the current economic structure and the impacts of the occupation, focusing on strengthening weak sectors and expanding the scope of job opportunities available to women in Palestine.

## THE PRIVATE SECTOR AND WOMEN'S EMPOWERMENT PRINCIPLES

This section addresses the role of UN Women in economic empowerment in Palestine and analyses the content of the Women's Empowerment Principles (WEPs) as a model for enhancing the role of women

---

<sup>27</sup> Dr. Samia Al-Batma is an Assistant Professor of Economics at the Faculty of Business and Economics/Birzeit University. She served as Director of the Center for Development Studies at Birzeit University until 2014. She worked as a researcher at the Palestinian Economic Policy Research Institute (MAS) in Ramallah. She received her PhD in Labour Economics from the School of African and Oriental Studies, University of London.

in decision-making within companies and entrepreneurial projects. By 2021, 15 companies in Palestine had signed these principles according to UN Women statistics.<sup>28</sup> The goal is to understand how these principles are applied in governance, management, and programmes within the companies that committed to adopting them, and to analyse the challenges and opportunities for economically empowering youth and women.

In an interview with UN Women<sup>29</sup> regarding the role of women and youth in economic development in Palestine, efforts to enhance economic empowerment, particularly for women, were highlighted within the framework of the Sustainable Development Goals (SDGs). This represents a shift from the previous UN Development Assistance Framework (UNDAF). UN Women collaborates with several UN agencies such as the United Nations Development Programme (UNDP), the International Labour Organisation (ILO), the World Food Programme (WFP), the United Nations Conference on Trade and Development (UNCTAD), the World Bank, and the International Monetary Fund (IMF) to support strategies aligned with the unified goal of developing an empowered, inclusive, resilient, and sustainable economic sector. These strategies focus on fostering an enabling environment for a sustainable private sector, public and private investment in infrastructure, and targeting youth, including those with disabilities, to improve employment opportunities and promote entrepreneurship. Efforts are also focused on enhancing the productivity of small and medium-sized enterprises (SMEs) owned by women, with an emphasis on transitioning young entrepreneurs from the informal to the formal sector.

A significant challenge in women's participation in the labour market is unpaid work. UN Women cited labour market survey results showing that the main barrier keeping 60% of women out of the labour market is caregiving responsibilities, compared to 0% of men. In this context, efforts are being made to promote gender-equal participation and improve working conditions through awareness campaigns and policy interventions. Additionally, plans are underway to conduct a time-use study with the Palestinian Central Bureau of Statistics, to be launched in 2024. These efforts reflect UN Women's and its partners' commitment to promoting inclusive and sustainable economic development in Palestine, with a particular focus on economically empowering women and youth.

Established by the UN Global Compact and UN Women, the Women's Empowerment Principles are guided by international labour and human rights standards and are grounded in the recognition that companies have a responsibility towards gender equality and women's empowerment.

The Women's Empowerment Principles were established by the UN Global Compact and UN Women, guided by international labour standards and human rights. They recognize that companies have a responsibility towards gender equality and women's empowerment. The WEPs are globally recognized as *"a set of principles offering guidance on how to empower women in the workplace, marketplace, and*

---

<sup>28</sup> <https://palestine.unwomen.org/en/news-and-events/stories/2021/08/palestinian-businesses-commit-to-advance-gender-equality>

<sup>29</sup> Interview | UN Women, 19 October 2023

*community*,<sup>30</sup> and are essential for implementing the Sustainable Development Goals (SDGs) of 2030. They emphasize the importance of recognizing that companies have a significant responsibility and interest in achieving gender equality and empowering women.

The approach adopts seven core principles aimed at promoting gender equality and women's empowerment. These principles include establishing high-level corporate leadership for gender equality, treating all women and men fairly at work while respecting and supporting human rights and non-discrimination, and ensuring the health, safety, and well-being of all workers. Additionally, the principles emphasize promoting education, training, and professional development for women, implementing enterprise development, supply chain, and marketing practices that empower women, and promoting equality through community initiatives and advocacy. Finally, they stress the importance of measuring and publicly reporting on progress to achieve gender equality.<sup>31</sup>

---

<sup>30</sup> Women's empowerment principles, <https://www.weps.org/>

<sup>31</sup> Endorse the Women's Empowerment Principles, UN Global Compact, web: <https://unglobalcompact.org/take-action/action/womens-principles>

## CONCLUSION

Unemployment rates among Palestinian youth are among the highest in the region, with four out of every ten young people suffering from unemployment, according to the International Labour Organisation (2017). The economic environment in Palestine is characterised by limited job opportunities, weak labour market participation, and high unemployment rates, leading to increased levels of poverty in Palestinian society. Women are particularly affected by these conditions, as they are influenced by power dynamics and balances within the family, leading to the reinforcement of male control over children and wives. This situation contributes to perpetuating a new cycle of domestic violence.

The study found that there are many obstacles hindering the promotion of the role of youth and women in the labour market at both the macroeconomic and sectoral levels.

**On the legal and regulatory front**, one of the most important barriers to the economic empowerment of youth and women is related to the regulatory environment upon which all economic and innovative projects rely, requiring a legal framework to regulate them. The legal and regulatory structure in Palestine lacks comprehensive systems and mechanisms for protecting women, greatly restricting opportunities for economic empowerment and employment, especially for women entrepreneurs. The gap in official registration deprives some entrepreneurial projects of important opportunities for funding and acquiring the necessary skills through programmes offered by governmental and non-governmental institutions. Therefore, the study also highlights the importance of transitioning from informal to formal registration through raising awareness among youth and women about this matter. There are also several challenges facing youth and women regarding company registration, mainly due to knowledge gaps in existing laws or new laws and Article 172. Additionally, the current income tax system lacks incentives and tax exemptions for startups and small licensed businesses, which may negatively impact businesses, especially those managed by women and youth.

**Cultural and social norms** emerge as key determinants of women's participation in economic empowerment projects, with women being confined to the services sector and traditional businesses, and their limited participation in decision-making positions in the private sector facing multiple challenges. Adopting a culture based on gender equality and equal opportunities, along with regulatory measures and interventions by relevant entities, presents an important opportunity for empowering women in various economic sectors.

**Regarding financial resources and financial inclusion**, the study found a lack of financial literacy or general financial awareness among women and youth, which poses a challenge to obtaining the necessary funding for economic empowerment projects. Additionally, the high cost of borrowing from

banks and microfinance institutions, along with the inability to provide required guarantees, is a major obstacle for women and youth to access the necessary funding for starting their own projects.

**Regarding the availability of skills and expertise,** the study highlights the impact of technological advancements on youth interest in information technology, computer science, and e-commerce, emphasising the urgent need for investment in training and developing technical skills related to information and communication technology as a crucial necessity for improving production quality and competitiveness in the economy. The importance of training in marketing, project management, financial and executive management, and government systems is also highlighted. Therefore, the results emphasise the importance of enhancing education and training to achieve a balance between maintaining traditional sectors and developing modern sectors to achieve comprehensive economic development, as well as the importance of promoting cooperation and knowledge exchange among peers and improving marketing skills for small and traditional projects. Educational institutions, especially universities, play a pivotal role in preparing youth and women to enter the labour market. However, the quality of education is not sufficient to achieve the desired economic empowerment for youth and women, nor does it contribute to equipping them with the necessary skills or experiences to start their entrepreneurial projects. The study examined several successful local models for empowering youth and women and acquiring the necessary skills and experiences. For example, the cooperative model led by women and youth, which requires the necessity of enhancing capacities and skills for women and youth in marketing skills that enable them to access regional and global markets, provide networking opportunities with local and international organisations, as well as with the private sector.

On the level of challenges associated with **partnerships between various relevant institutions** (civil society, universities, etc.), the importance of partnerships in achieving women's economic empowerment has been demonstrated, which requires the integration of efforts and the alignment of goals to provide a supportive environment for entrepreneurial projects in various fields. Additionally, partnerships play a vital role in overcoming challenges, especially regarding meeting women's needs for skill development programmes, funding sources, as well as family care programmes to balance work and childcare responsibilities. It's important to unify efforts among relevant institutions to promote a more equitable and supportive environment for business owners.

**At the level of private sector adoption and principles of women's empowerment,** the study found that the current representation of women in senior leadership positions in the private sector is more symbolic than effective. There are challenges in translating the principles of women's economic empowerment within companies, especially the lack of comprehensive strategies for integrating women into leadership roles, the imbalance in the distribution of women in some positions within companies, and the potential impact of long working hours on women's participation.

## POLICY RECOMMENDATIONS

Therefore, to achieve women's and youth empowerment in the economy, it's important to direct companies to translate the principles of women's economic empowerment into comprehensive strategies and tangible internal procedures. This includes ensuring gender and competency balance and enhancing women's participation in decision-making at political and administrative levels. This requires adopting inclusive strategies that focus on providing equal opportunities and encouraging companies to integrate equality concepts into their internal culture.

1. Increasing financial allocations provided through grants, with a focus on supporting a wider range of projects in diverse and promising sectors, is essential. This step aims to support comprehensive economic growth, especially projects managed by women, youth, and people with disabilities, with an emphasis on the importance of innovation and diversity in work fields.
2. Developing and providing specialized training programmes covering aspects of project management, digital marketing, and feasibility studies, with an emphasis on meeting the needs of women, youth, and people with disabilities, is expected to improve the efficiency of entrepreneurs and enable them to manage their businesses more effectively.
3. Continuing to develop and enhance electronic platforms, such as the E-Sooq platform, with the aim of facilitating access to local and international markets for small and micro-enterprises. This includes providing training content through these platforms to support project owners in developing their businesses, with a focus on designing user-friendly interfaces for people with disabilities.
4. Working on reforming bureaucratic procedures and disseminating information related to the facilitations provided by the new Companies Law and the Ministry of Economy, including reducing registration fees for projects, especially those managed by women, youth, and people with disabilities, to stimulate initiative and facilitate business startup.
5. Establishing mechanisms for cooperation and coordination between various ministries, relevant bodies, and civil society institutions to ensure the effective implementation of policies and programmes supporting small and micro-enterprises, with an emphasis on inclusivity and active involvement of people with disabilities. This can be achieved through the formation of a "National Committee for Women and Youth Empowerment" that includes key relevant government institutions, coordinated by the Ministry of Economy. Major civil society organisations and representatives from the private sector should also be invited to join the committee as members.

6. Allocating part of the budget to support projects in rural and agricultural sectors, especially in the current political situation, with a focus on projects led by women and people with disabilities, to enhance their economic role and ensure their effective participation in the market, along with mechanisms to protect women, youth, and people with disabilities from market brokers, such as creating marketing points for their products in all regions.
7. Increasing women's and youth's awareness of the new Companies Law and the facilitations approved and worked on by the Ministry of National Economy to stimulate and support medium and small projects through providing targeted tax exemptions and facilitations in obtaining licenses for small and medium enterprises. Here, civil society organisations can play an important role under the umbrella of the national committee.
8. Developing and implementing awareness and training programmes focusing on protecting intellectual property rights and managing legal challenges, in addition to forming support networks that provide tailored solutions for project owners, including women and youth.
9. The study proposes developing a cluster that brings together the three sectors mentioned in the study (food industries, handicrafts, and information technology sector) to support businesses led by women and youth, in line with the objectives and interventions of the Ministry's modern strategic plan and the Palestinian government's directions in the cluster development strategy.
10. The absence of systematic evaluations of public policies' impact is one of the key issues in Palestine. This gap significantly hinders the ability to assess the effectiveness of interventions and to design evidence-based policies that can drive meaningful change. So, it is recommended to establish a robust monitoring and evaluation (M&E) framework as an integral component of policy design and implementation. This framework should include clear, measurable indicators aligned with policy objectives, and regular impact assessments to track progress over time.

## REFERENCES

- Adula, M., Kant, S., & Birbisa, Z. A.** (2023). Interview analysis with MAXQDA: Effect of training on organisation performance with mediation of employees work attitude in textile industries of Ethiopia. *Partners Universal International Research Journal (PUIRJ)*, 2(1), 81–94. <https://doi.org/10.5281/zenodo.7769913>.
- Angel-Urdinola, D & Mayer Gukovas, R.** (2018). A Skills-Based Human Capital Framework to Understand the Phenomenon of Youth Economic Disengagement. 10.1596/1813-9450-8348
- Brady, B., Chaskin, R. J., & McGregor, C.** (2020). Promoting civic and political engagement among marginalized urban youth in three cities: Strategies and challenges. *Children and youth services review*, 116, 105184.
- Bynner, J. and Parsons, S.** (2002) Social Exclusion and the Transition from School to Work: The Case of Young People Not in Education, Employment or Training, *Journal of Vocational Behavior*, 60: 289-309.
- Chaskin, R. J., McGregor, C., & Brady, B.** (2018). Supporting youth civic and political engagement: Supranational and national policy frameworks in comparative perspective. Young, 2014, 2020.
- Croxford, L. and Raffae, D.** (2000) Young People Not in Education, Employment or Training: An Analysis of the Scottish School Leavers Survey, Report to Scottish Executive, Edinburgh: CES, University of Edinburgh.
- De Hoyos, R., Rogers, H. and Popova, A.** (2013) "Out of school and out of work: A diagnostic of Niniis in Latin America", background paper for the regional study "Out of school and 20 out of work: Challenges and Solutions around the Niniis in Latin America", The World Bank, Washington DC
- Finlay, A., and Ray-Lake, L., & Flanagan, C.** (2010). Civic engagement during the transition to adulthood: Developmental opportunities and social policies at a critical juncture. *Handbook of research on civic engagement in youth*, 277-305.
- Flanagan, C. A.** (2012). *Teenage citizens: The political theories of the young*. Harvard University Press.
- Glick, P., Huang, C., Mejia, N.** (2017). The Private Sector and Youth Skills and Employment Programmes in Low and Middle-Income Countries. RAND Cooperation. <https://www.s4ye.org/siteemployment%20Programmes.pdf>
- Hammarström, A.** (2002). Health consequences of youth unemployment—review from a gender perspective. *Social Science & Medicine*, Volume 38, Issue 5.
- International Labour Organisation (ILO).** (2017). *The Occupied Palestinian Territory: An Employment Diagnostic Study*

**Marelli, E & Signorelli, M.** (2022). Young People and the Labour Market—Challenges and Opportunities: An Introduction. 2(1), 59-61.

**Mbagwa, C.** (2021) The Impact of Youth Economic Empowerment Programmeme on Employability of Marginalised Youth: A case study of Ilala Municipality in Dar Es Salaam. Master thesis, The Open University of Tanzania.

**Ministry of Higher Education** (2023). Higher Education Palestinian Institutions statistical yearbook 2021/2022. Ramallah-Palestine.

**Organisation for Economic Co-operation and Development (OECD).** (2018). Youth Engagement and Empowerment in Jordan, Morocco, and Tunisia.

**Palestinian Central Bureau of Statistics (PCBS)** (2019). Establishment census 2017, West Bank and Gaza. Ramallah, Palestine.

**Palestinian Central Bureau of Statistics (PCBS)** (2020). The industrial surveys, 2019 - Main results. Palestinian Central Bureau of Statistics. Ramallah.

**Postmus, J. L., Plummer, S. B., McMahon, S., & Zurlo, K. A.** (2013). Financial Literacy: Building Economic Empowerment with Survivors of Violence. *Journal of Family and Economic Issues*, 34(3), 275–284. <https://doi.org/10.1007/s10834-012-9330-3>

**Skkat, K.** (2011). Firm Sponsored Training and Productivity in Morocco. *The Journal of Development Studies* 47(9):1391-1409

**United Nations Development Programmeme (UNDP).** (2017). Resilience Series, Youth Employment in Palestine.

**United Nations Population Fund (UNFPA).** (2016). Palestine 2030. [http://palestine.unfpa.org/sites/arabstates/files/pub-pdf/Palestine%202030%20Booklet%20%282016%29 .pdf](http://palestine.unfpa.org/sites/arabstates/files/pub-pdf/Palestine%202030%20Booklet%20%282016%29.pdf)

**United Nations Population Fund (UNFPA).** (2017), Youth in Palestine: Demographic Threat or Strategic Opportunity? Unpublished

**Utzet, M & Vancea, M.** (2017). How unemployment and precarious employment affect the health of young people. *Scandinavian Journal of Public Health* Vol. 45, No. 1

**Palestinian Economic Council for Development and Reconstruction-PECDAR.** (2018). Report on Youth and Development. Ramallah, Palestine, 2018.



CMCI · 2 rue Henri Barbusse · F-13 241 Marseille cedex 01 · France  
+ 33 (0) 4 91 31 51 95 · [www.femise.org](http://www.femise.org)



ECONOMIC  
RESEARCH  
FORUM



منتدى  
البحوث  
الاقتصادية

21 Al-Sad Al-Aaly Street, Dokki, Giza, Egypt · PO Box: 12311  
+202 333 18 600 · <https://erf.org.eg/>



IE Med.

European Institute of the Mediterranean

Carrer Girona, 20 · 08010 Barcelona · Spain  
+34 93 244 98 50 · <https://www.iemed.org/>



With the financial support of

