



Financial vehicles and technical assistance to boost employment and income generation in Palestine (AID n. 10114)

START-UP PALESTINE, a new three year bilateral initiative launched in early 2014, tackles the need of credit of vulnerable categories, such as women, young graduates and agricultural cooperatives, who nowadays are largely excluded from the banking system. By channelling both financial and non financial services through two already existing Palestinian financial institutions, the Programme aims at encouraging and supporting micro and small entrepreneurship initiatives and gradually, push the target groups towards the formal financial system. The main features of the Programme are summarized in the table below:

Beneficiaries	Young graduates, women, farming and food processing cooperatives
Implementing institutions	<ul style="list-style-type: none"> - Palestinian Fund for Employment and Social Protection (PFESP, Ministry of Labour) - Union of Credit and Saving Cooperatives (UCASC)
Total budget	EUR 21.8 M: <ul style="list-style-type: none"> - EUR 20 M as a soft loan; - EUR 1.8 M as a grant
Financial services to the beneficiaries (soft loan budget component)	<ul style="list-style-type: none"> - Credit line (EUR 14 M): offering small grants, low interest rate loans and mixed facilities (grant and credit); - UCASC capitalization fund (EUR 3 M); - Credit guarantee fund (EUR 3 M)
Non financial services to the beneficiaries (grant budget component)	Business Advisory Service and coaching; seminars and trainings; consultancy services in marketing
Technical assistance to the implementing institutions (grant budget component)	Financial and operational capacities assessments; trainings in Palestine and Italy; hiring of new human resources; direct budget support

Moreover, by providing technical assistance to the Palestinian Monetary Authority (PMA), START-UP Palestine will back the governmental bodies in order to draft a bylaw defining and regulating the Palestinian credit and saving cooperative sector, a banking system rapidly growing in Palestine and in which Italian financial institutions have a long history and widely acknowledged expertise.