

The Ecosystem Map of Entrepreneurship Organizations in Palestine

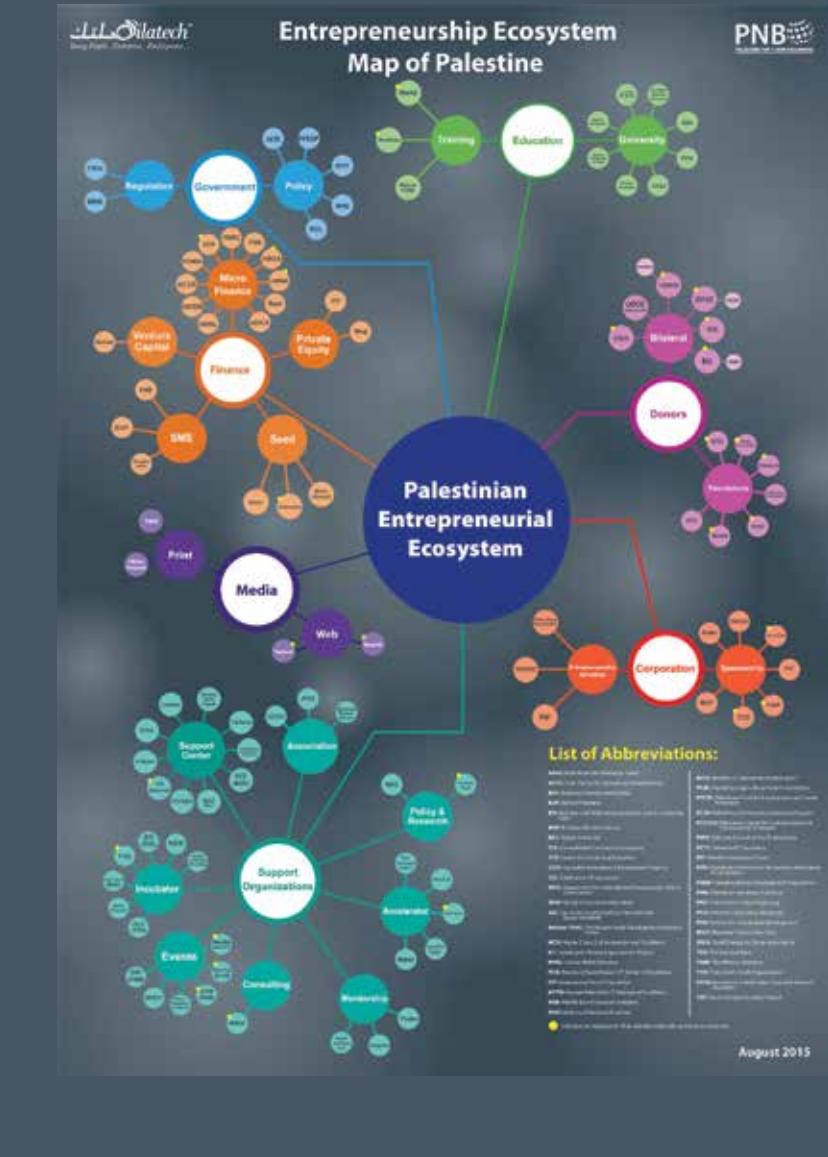


By Ambar Amleh
and Husam Qaradeh

Entrepreneurship is not new to Palestine. The successes we have begun to see are the fruits of years of hard work and have been made possible by the collective effort of many governmental and nongovernmental organizations and individuals. By simply calling it an “ecosystem,” we can understand that this is a community where members depend on one another and work together for the advancement of all. Indeed, building a successful entrepreneurial ecosystem requires the contribution and cooperation of various players – all working in support of the entrepreneurs at the center.

Although we have begun to see impressive results, we had experienced for years what seemed to be a disorganized and disjointed effort – too many players, too much competition, weak entrepreneurial ideas, and too few entrepreneurs. Unfortunately, the Palestinian education system neither teaches nor encourages critical thinking, competition, or innovation.

In 2015, in an effort to really understand the nascent Palestinian ecosystem, Silatechⁱ and Palestine for a New Beginning (PNB) joined forces to “map” it. Their in-depth analysis produced an interactive map designed to help enable more effective interaction among entrepreneurs, support organizations, and policy makers. The ecosystem map presents the relationship between more than 100 various entrepreneurship-related organizations and entities active in Palestine, and represents the first local effort to unify the work of the entrepreneurship players.ⁱⁱ The interactive map provides a short description of each organization with a link to its website as



well as information about where each organization operates and, where appropriate, which economic sector(s) it targets.

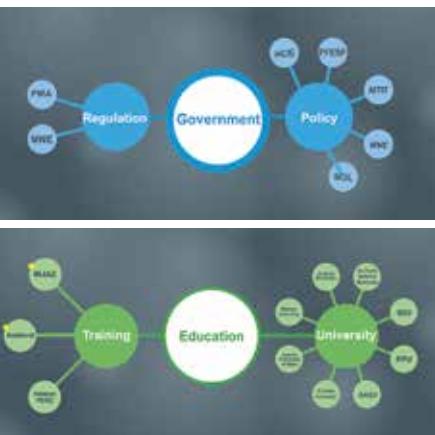
All the ecosystem players were divided into seven categories: education, government, finance, donors, media, corporations, and the largest segment, support organizations, which support typical small to medium enterprises (SMEs, such as businesses that target

local markets) and those that support businesses that look at markets outside Palestine. (In Palestine, these are now typically Web- and mobile-based businesses.)

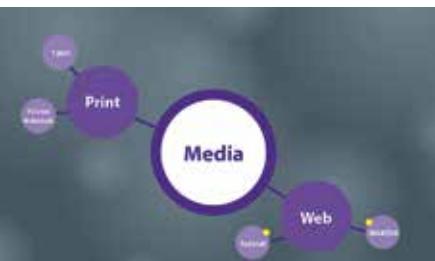
Key findings

The results of the map proved several hypotheses correct. First, the sector remains a donor-driven sector, which means that most of the efforts are

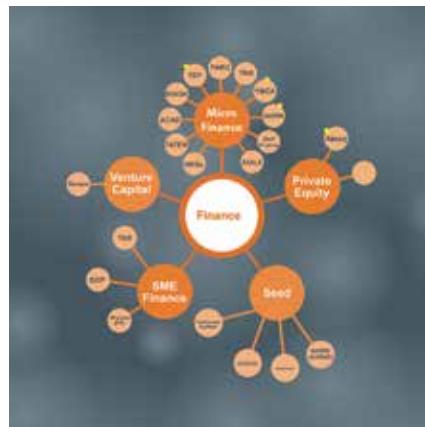
financially supported, and often developed, by bilateral, multilateral, and corporate donors. Although this support has been crucial in the sector's development, in the long run, players in the ecosystem must find ways to operate in an independent, sustainable manner. Efforts to sustain the entrepreneurship culture among Palestinian youth and institutions have included the establishment of the government-managed Higher Council for Excellence and Innovation.



Second, for a small country such as Palestine, the sector is quite “busy” — there are many organizations that often compete with each other. One reason behind this is that entrepreneurship has been a hot topic around the world and touted as a solution to unemployment, lagging innovation, and economic development at large. Palestine suffers from these setbacks, so naturally, it was hoped that entrepreneurial development might help alleviate the economic situation.



The entrepreneurial ecosystem map shows the interrelatedness of all players involved in building and supporting local start-up enterprises in Palestine and also serves as an interactive tool that aims to connect these players.



Gaps were also identified. For example, there are few media outlets that cover entrepreneurs, their businesses, and their successes and failures on a consistent basis. The present article is a good start, but a permanent space to talk about entrepreneurship is very much needed.

Similarly, there are few organizations that measure entrepreneurship and the support provided to entrepreneurs, and very little work is done in terms of advocacy with respect to government and other actors. This is important because entrepreneurs have specific and consistent needs that should be addressed, such as limited income in the first few years of operations (tax cuts can help, as well as reducing the minimum capital required to open a company) and finding the first clients (tax incentives for corporations and institutions that source from start-ups could make a big difference).

Our opportunities

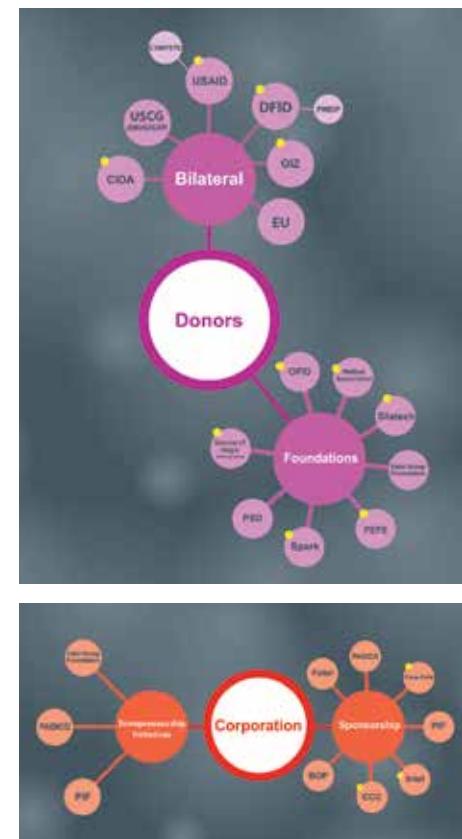
Being able to see this information graphically is helpful in several ways. First, organizations that work in the sector can now identify potential partners. As an example, accelerators can work with training programs at universities and invite those with viable business ideas to apply for their programs; they can partner with venture capital firms to further support their companies once they have completed the acceleration programs.



Next steps

Although this map is a good start, it should not remain a static document but needs to be constantly updated. It should be translated into Arabic to increase accessibility to more individuals and organizations, and most importantly, it must incorporate the start-ups that all institutions and individuals involved strive to support. Furthermore, this map can

be the beginning of a management and evaluation tool of entrepreneur support work.



Final thoughts

Brad Feld, an entrepreneur, author, blogger, and venture capitalist at Foundry Group in Boulder, Colorado (a very successful start-up ecosystem), argues that entrepreneurial ecosystems must be built and managed by those it centers upon – *entrepreneurs*.ⁱⁱⁱ While this has not been the case in Palestine, the situation is slowly changing as entrepreneurs have begun to be more involved. Institutions that support entrepreneurs must constantly remember that this work is not about *our* success, but *theirs*. We need to make sure that their voices are reflected in all our programs.

List of Abbreviations:

AAUJ: Arab American University- Jenin	MTT: Ministry of Telecommunication and IT
ACAD: Arab Center for Agricultural Development	PARC: Palestinian Agricultural Relief Committees
BDC: Business Development Center	PFESP: Palestinian Fund for Employment and Social Protection
BOP: Bank of Palestine	PCAP: Palestinian Community Assistance Program
BTI: Business and Technology Incubator, Islamic University, Gaza	PCFCDs: Palestinian Center for Communication & Development Strategies
BWF: Business Women's Forum	PEFE: Palestine Education For Employment
BZU: Birzeit University	PICTI: Palestine ICT Incubator
CCCI: Consolidated Contractors Company	PIF: Palestine Investment Fund
CCE: Center for Continuing Education	PITA: Palestinian Information Technology Association of Companies
CIDA: Canadian International Development Agency	PMDP: Palestine Market Development Programme
COI: Celebration Of Innovation	PMA: Palestinian Monetary Authority
DFID: Department for International Development, British Government	PNB: Palestine for a New Beginning
GEW: Global Entrepreneurship Week	PPU: Palestine Polytechnic University
GIZ: Deutsche Gesellschaft für Internationale Zusammenarbeit	PSD: Partners for Sustainable Development
Hebron YDRC: The Hebron Youth Development Resource Center	ROCC: Ramallah OpenCoffee Club
HCI: Higher Council of Innovation and Excellence	SECA: Small Enterprise Center Association
ICI: Investment Climate Improvement Project	TNB: The National Bank
IRPA: Islamic Relief Palestine	TWIP: This Week in Palestine
ITCE: Friends of Fawzi Kawash IT Center of Excellence	TYO: Tomorrow's Youth Organization
IFY: International Youth Foundation	USCG-Jerusalem: United States Consulate General - Jerusalem
KPITEI: Korean Palestinian IT Institute of Excellence	YEP: Youth Entrepreneurship Project
MEII: Middle East Investment Initiative	
MNE: Ministry of National Economy	

 indicates an organization that operates regionally and/or internationally

April 2015

Husam Qaradeh is the Palestine country director for Silatech, a social organization established to address the critical and growing need to create jobs and expand economic opportunities for young people in the Arab world. Since its inception in 2008, Silatech has helped to finance and support more than 120,000 youth-led enterprises and start-ups, connected more than 200,000 young people to employment opportunities, and worked with over 100 partners through its programming in 16 Arab countries. In Palestine, Silatech partners with a variety of organizations to support Palestinian youth in such areas as enterprise development, access to microfinance, guarantee funds and loans, building and sustaining new businesses, employability resources, internship training, civic engagement, and leadership training.

Ambar Amleh is the chief operating officer for Ibtikar Fund and former programs manager for Palestine for a New Beginning (PNB), an alliance of public and private-sector institutions and individuals that aims to leverage resources and experience by investing in innovative projects and building on existing successful initiatives. PNB is the leading host of Global Entrepreneurship Week in Palestine that supports Palestinian entrepreneurs from the West Bank and Gaza, and of the yearly Celebration of Innovation, an event that showcases Palestinian entrepreneurs.

^I Silatech is a regional social organization that works on connecting Arab youth to jobs and expanding local economic opportunities.

^{II} The map may be viewed in full at www.palestinemap.info, www.Silatech.com, and www.Ta3mal.ps, the youth employment portal established by both Silatech and Microsoft.

^{III} Brad Feld, *Startup Communities: Building an Entrepreneurial Ecosystem in Your City*, Wiley, 2012.