

WOMEN'S EMPOWERMENT PRINCIPLES

CASE STUDY: BANK OF PALESTINE (BOP)

FELESTINEYA: A HOLISTIC APPROACH TO FINANCIAL INCLUSION FOR WOMEN IN PALESTINE

WOMEN'S EMPOWERMENT PRINCIPLES IN ACTION:

This case study is part of a series of case studies prepared to showcase the inspiring work in the field of Gender Equality and Women's Empowerment (GEWE) by Women Empowerment Principals (WEPs) signatories to contribute to the knowledge sharing platform of good practices that can be useful for private sector companies working towards GEWE and the implementation of WEPs.

This case study highlights how a Palestinian bank created a programme to achieve GEWE, which falls under Principle 5.

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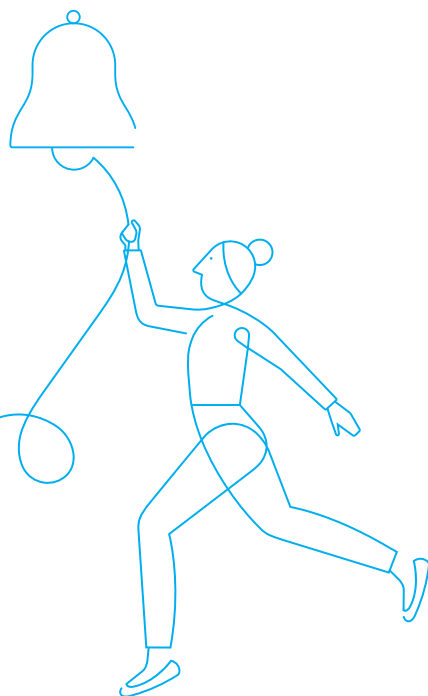
Principle 5: Enterprise development, supply chain and marketing practices.
• Support gender-sensitive solutions to women's barriers to accessing financial products and services.

CONTEXT

Bank of Palestine (BOP) is the largest Palestinian bank, and has a long-embedded presence and experience in Palestine dating back to 1960. The bank is headquartered in Palestine with representative offices in Chile and the UAE. Bank of Palestine is constantly growing to be financially inclusive and socially responsible, with a strong commitment to gender equality and women's empowerment, which led the bank to launch the Felestineya Women Market's Programme in 2014.

Bank of Palestine is championing gender equality in the banking sector in Palestine and is a firm believer in the importance of financial inclusion for women to enhance their standard of living which improves the standard of living of the family as a whole, and has a positive impact on the Palestinian society and economy. According to the data of the Palestinian Central Bureau of Statistics (PCBS), at the time of launching the Felestineya programme in 2014, women's labour force participation in Palestine was 17 per cent, and the unemployment rate among women was higher than among men and reached over 40 per cent, even though

the percentage of female university graduates was higher than male university graduates in Palestine, and reaches 61 per cent. Moreover, the financing gap for female-owned businesses in the country was estimated to be more than US\$350 million. Also, according to the Palestine Monetary Authority (PMA), 29 per cent of the adult female population owned bank accounts, and most of these accounts were savings accounts, which limited their banking transactions to savings, and did not provide them the access to other transactional banking products and services, or access to finance.



ACTIONS

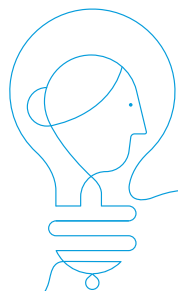
The chairperson of Bank of Palestine has always been very committed to gender inclusion and women's empowerment within the bank in terms of staff and board members, and externally through empowering women outside the bank.

Hashim Shawa, Chairperson of the Bank of Palestine Group: "The Bank of Palestine continues to put gender inclusion at the helm of its strategic directions. This year we are proud to announce that we have reached 50 per cent-50 per cent gender equity at the board with the addition of leading women banking professionals to the board. We are continuing our financial inclusion Programme with our Felestineya flagship women Programme targeting additional numbers of women and female entrepreneurs. We have also launched new loan Programmes supporting different tiers of women in business to provide them with financial tools to grow and build their business."

Upon launching the Felestineya Women Market's programme, the bank assigned a specialized team with the responsibilities to create products that meet the needs of women, and to design and implement the Non-Financial Advisory Services (NFAS) programmes, in addition to mainstreaming gender policies within the rest of the bank including functions such as: Human Resources (HR), Training, Business Development, Marketing, and Corporate Social Responsibility (CSR).

The programme was launched at a national level. The bank leveraged its existing resources leading to a minimal budget to launch this holistic programme. The bank trained its existing branch employees to conduct banking literacy sessions. It also held training sessions for women in training centres that are available in the bank's main branches in different cities. In addition, the bank partnered with around 169 partners including non-governmental organizations and local associations such as village councils, to help recruit attendees for its educational training programmes and workshops.

The Bank of Palestine designed "Felestineya", targeting all women, including female entrepreneurs and business owners, students, women in employment, and unemployed women. The programme offers banking products tailored to meet the needs of women, and a comprehensive Non-Financial Advisory Services (NFAS) programme to increase banking awareness, support females in starting and/or expanding their businesses, and supporting them in becoming more bankable.



Banking products tailored to meet the needs of female clients:

The Bank of Palestine Women's bundle-based value proposition is a financial solution, which supports business creation and stabilization by combining both financial and non-financial services. A one-stop banking offer providing clients with best advice, valuable product offers and financial education. The BOP solution is a holistic approach to business development, which views the client in the context of her personal and business goals and ensures long-term success by following a simple step-by-step process.

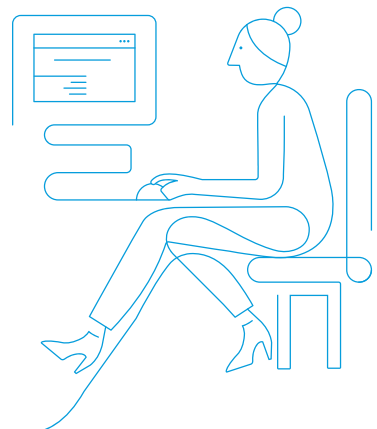
- **Women's Entrepreneurial Bundle:** Target Early-Stage Entrepreneur & stable Micro entrepreneurs. They will be offered many financial and non-financial products tailored carefully to serve their needs
- **Women's Premium Bundle:** Target Growth Stage Entrepreneur and Well-Established entrepreneur of stabilized business activities or as business owners who have well established and growth stable on a small and medium level who will also be offered financial and non-financial programs and services to cater to their needs
- **A children's savings account opened by the mother** without requiring the father's written approval, unlike what is a widespread practice in the region.

Non-Financial Advisory Services (NFAS) programme:

- The banking literacy programme offers

free workshops for bank clients and non-clients to attend, which aims to raise banking and financial awareness among all segments of society. These sessions are followed by an opportunity to open a easy access bank account, which is the "Financial Inclusion Bank Account". The programme targets women from all over Palestine including rural and marginalized areas, with an inclusive strategy that also targets women with disabilities.

- **The Mini-MBA programme for female entrepreneurs**, which aims to develop business and leadership skills for female entrepreneurs. The programme covers topics such as strategic and financial planning, business and product development, marketing, customer service skills, human resources management, accounting, and taxes and registration. It also offers networking opportunities with international and local experts, follow-up training sessions covering numerous new topics, in addition to banking advisory services through an assigned relationship manager from the bank.



- The bank partnered with the Union of Chambers of Commerce to raise awareness among the bank's female clients on the importance and benefits of **registering at a Chamber of Commerce**. Bank of Palestine also covered the registration fees in the Chambers of Commerce for the first year for the bank's female clients who had started their own business, to encourage them to register and become part of the formal economy.
- **Signing MOU with the Ministry of National Economy** to reach female business owners by launching joint workshops to educate them about banking literacy and the activities and benefits of the ministry. Also the bank aims to support the female business owners by covering the fees to register their businesses so there business status move from the informal to the formal status. And to promote for sustainable projects, the bank will support the ministry to open permanent weekly markets for female farmers and artisans to sell their products.
- **European bank for reconstruction and development agreement:** in addition to the Loan program targeting Women in business - total of USD 2 million, there are joint programs that introduced new topics to female business owners, such as going digital intensive training, financial literacy trainings, personal finance webinar, launching MicroMentor platform, in addition to joining EBRD's Women in Business Program Advisory Support.
- **E-commerce and drop-shipping training sessions** are offered to the bank's female clients to support them to start online businesses. This programme targets entrepreneurs with existing businesses who want to expand through e-commerce, or entrepreneurs who want to start an online business.
- **Online business toolkit** for female entrepreneurs providing them with templates, information, and resources to help them develop their businesses and provide the necessary documents they may need when applying for credit to help them become more bankable.
- **Women with Disabilities:** Bank of Palestine in partnership with local and international NGOs launched the project "Enhancing Women with Disabilities Social and Economic Inclusion" to support Women with Disabilities to be better integrated into their communities. There were series of round table discussions with women with disabilities that were followed by hackathon to find solutions and initiatives that affect them on social, economic, legal level. - Partners: Shiam, Global Communities - West Bank & Gaza, Stars of Hope, Baitona.
- **Felestineya social media pages** with the purpose of engaging with female bank clients and non-clients, raising awareness on banking literacy, providing entrepreneurship advice and supporting resources, and sharing stories of female role models.

- **Mentorship programmes** connecting Palestinian female entrepreneurs with mentors from around the world

to help them grow and expand their businesses.

Monitoring & Reporting

The bank designed a gender sensitive scorecard template with detailed gender disaggregated KPIs to facilitate the quarterly and annual monitoring of the progress on three levels:

Internal KPIs

The success of catering to female clients highly depends on ensuring gender equality within the bank and having a diverse team within the bank as a whole, including decision making and senior positions. The internal KPIs include:

- Between 2007 and Q1 2022 the bank increased female employees from 16% to 43.4% with a focus to increase rate of women holding senior-level and decision making positions
- Fulfilling the pledge that was made during the 2022 Ring the bell event, BOP increased its female boards members to reach 50%

female clients at the bank

- Growth in female account holders in the bank increased by 24.4% since last year
- Growth in female card holders increased by 30%
- Growth in financing/credit facilities for women increased by 7%

Non-Financial Advisory Services Programme

- Number of training sessions and workshops: 1,022 sessions
- Number of attendees: 15,000 female attendees
- Number of partner organizations: 169 partners

The progress is shared on a regular basis internally with senior management and the board of directors. Externally, the progress is shared in the bank's annual reports, website, and in conference and panel participations.

Public targets

In March 2021, during the Ring the Bell for Gender Equality – an event organized by the Palestine Exchange (PEX), UN Women, and the International Finance Corporation (IFC) – the Bank of Palestine made two pledges publicly with regards to increasing female leadership and diversity within the bank. The pledges are as follows:

- Increase female board representation to reach 50 per cent by year 2022
- Increase female staff to reach 50 per cent by year 2025

Results

Since launching the Felestineya programme in early 2014 the bank has seen an increase in internal diversity within the bank, in addition to a growth in female clients. The main results since launching the programme till end of 2021 were:

Increased diversity in the Bank. Female board members were not represented at all in 2014, and in 2021 they constituted 40 per cent of the bank's Board of Directors. Moreover, percentage of female employees at the bank increased from 20 per cent in 2014, to 43.4 per cent in 2021.

Growth in female clients at the bank. Female account holders increased in the bank by 24.4 per cent since last year, and by 30 per cent as card holders. Moreover, financing/ credit facilities for women increased by 7 per cent.

Extended reach to women through awareness and training. 15,000 women were reached, through delivering 1,022 awareness and training sessions in coordination with 169 partners.

Increase in the bank's revenues. Between end of 2020 and 2021, the Gross profit increased by 30.62 per cent, and the compounded annual growth rate (CAGR) reached 11.44 per cent.

CHALLENGES

Extensive research including surveys, focus groups, interviews, and desk research were conducted prior to designing the Felestineya programme. The research identified several challenges:

Financial and banking literacy is very low among females in Palestine; around 69 per cent have low or very low financial literacy, compared with

49 per cent among males according to the research conducted by the Palestine Monetary Authority (PMA). Also, females had a lack of trust towards the banking system in general. This led them to avoid banks even when needing banking products and/or services. Therefore, **less than 15 per cent of the adult female population owned bank accounts**, and most of these accounts

were savings accounts, which limited their banking transactions to savings, and did not provide them the access to other transactional banking products and services, or access to finance.

The bank addressed this by designing and rolling out the financial and banking literacy programme, designing with the PMA the Financial Inclusion Bank Account, and using their social media channels to raise awareness on financial literacy.

Getting all employees on board was a challenge. Women felt that the banking sector did not understand their needs, and felt intimidated by banks in general. Therefore, in addition to increasing the diversity in the bank's team, the Bank of Palestine also designed and conducted a "Gender Sensitivity" training for all employees in the bank. This programme explains the bank's core values and commitment towards gender equality and women's empowerment, and aims to help employees understand the needs of female clients, as well as understand conscious and unconscious bias towards women. The bank also engaged employees from different departments and branches within the bank in the design and implementation of different programmes under Felesteineya.

Female entrepreneurs were considered un-bankable due to lack of collateral and lack of documentation (business plans and financial statements) or registration that need to be submitted to

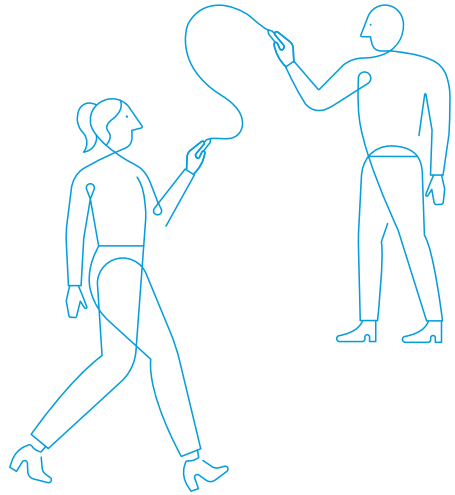
the bank in order to seek credit facilities from banks. This led the bank to launch two loan products that meet the needs of female entrepreneurs; the collateral-free loan for women in business, and loans guaranteed by gold. The bank also developed the Mini-MBA programme and other NFAS programmes to equip female entrepreneurs with the necessary business skills to help them run and grow their businesses, in addition to supporting them in developing their financial statements and business plans to make them more bankable. The bank also partnered with the Union of Chambers of Commerce to raise awareness on registration at Chambers of Commerce, and to cover the registration fees in the Chambers of Commerce for the first year for the bank's female clients.

The COVID-19 pandemic in 2020. During 2020, the pandemic and COVID-19 restrictions made it difficult for the bank to conduct its non-financial advisory programmes, which led the bank to redesign its main educational programmes - the banking awareness programme and mini-MBA programme for female entrepreneurs – which were mainly face-to-face programmes to become virtual programmes to continue serving women even during the lockdowns. Also, the Felesteineya programme enhanced its educational programme focusing on cards, e-payment solutions, and e-commerce to support its female clients in accessing online banking services and e-payments to support them to move

their businesses online, when their physical businesses were forced to shut down. In 2020, the virtual NFAS programme reached more than 300 women.

Awards and recognition

In recognition of the bank's work in gender inclusion and women's empowerment, Bank of Palestine won the BANKER (subsidiary of Financial Times) award for Best Bank for Financial Inclusion globally, and the Europe, Middle East, and Africa (EMEA) Finance award for Best Bank for Financial Inclusion in the Middle East.



RECOMMENDATIONS

It is necessary to stress the importance of having a comprehensive approach to achieving sustainable financial inclusion for women in Palestine. This holistic approach includes a combination of offering products and services that meet the needs of female clients, an educational programme for women to raise their awareness and help them become bankable (NFAS programme), and a diverse and gender sensitive team across all levels of the bank.

The main recommendations the bank would offer are:

- **Ensuring a strong commitment from the leadership:** Having a strong commitment to gender equality and women's equality from the top.
- **Enhancing capacity building:** Building capacity inside the company and assigning a dedicated team for the programme to design and implement programmes that meet the needs of women, at the same time engaging and working with other departments and branches within the company to mainstream gender equality and women's empowerment throughout all operations.
- **Base of Evidence:** Building the programme on extensive research to understand the needs of the community and the targeted segment.
- **Gender Equality as Smart Business:** Mainstreaming gender equality throughout the bank, and not treating it as a charity, a Corporate social responsibility (CSR) programme, or a one-time marketing campaign. It is recommended to embed these

values within the bank's operations on all levels to create a sustainable programme.

- **Strong partnerships:** Leveraging the power of partnership, through partnering on different programmes with international and local organizations. These include the WEPs, which provide a platform that offers tools and guidance on the implementation of gender equality and women's empowerment.
- **National Outreach - leaving no one behind:** Leveraging the strengths of the bank to expand the programme and launch on a national level, this includes leveraging the bank's credible brand in the market and its widespread network of branches in cities and rural areas, in addition to its mobile branches (branches on wheels) that are designed to reach unbanked populations. Also, using the bank's training centres to conduct training programmes and workshops for female employees. As well as, training the bank's existing staff to offer training programmes for women, and providing them with incentives to join this programme.
- **The importance of monitoring and reporting:** Setting gender disaggregated KPIs and targets, and developing monitoring and evaluation scorecards that are reviewed on a regular basis by senior management, in order to capture success, and monitor gaps to continuously develop and enhance the programmes offered by the bank.

THE ROLE OF WOMEN'S EMPOWERMENT PRINCIPLES

The Bank of Palestine signed the Women's Empowerment Principles (WEPs) in May 2014, reinforcing its commitment to gender equality and women's empowerment in the workplace, marketplace, and community.

The WEPs are consistent with Bank of Palestine's values of sustainability and inclusion, and support it in its roadmap and efforts to reaching its targets in gender equality and women's empowerment across its operations and markets, in addition to assessing its GEWE performance across all levels.

In 2016, the bank conducted the Participatory Gender Audit by UN Women and ILO Palestine in 2016, which helped the Bank of Palestine evaluate its gender equality and women's empowerment policies and practices. The bank has committed to achieving gender equality within the bank internally as a prerequisite to launching a women market's programme to target the female population in Palestine. This commitment supported the bank's financial inclusion mission in reaching out to female clients, and designing products and programmes that meet their needs and help them achieve their full potential, which is embodied under the Felestineya programme.

JOIN THE WOMEN'S EMPOWERMENT PRINCIPLES

All businesses stand to benefit from gender equality and women's empowerment. The WEPs platform offers the private sector a global network of like-minded companies and guidance on advancing gender equality and women's empowerment in the workplace, marketplace and community. Support for the seven Principles has gathered global momentum – thousands of companies worldwide are now WEPs champions – and therewith also contribute to the 2030 Agenda and the Sustainable Development Goals.

As of March 2022, there are 6,324 WEPs signatory companies from around the world; of which 15 companies are from Palestine.

Joining the WEPs network is straightforward: Download the CEO Statement of Support from the website, have it signed by your company's CEO, and submit it with the online application.

<https://www.weps.org/join>

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All opinions expressed in this study do not necessarily reflect those of Sida, UN Women, ILO, the UN institutions, or any of its affiliates. The content was provided by the WEPs Signatory.

For more information on this case study, please contact:

UN Women – Palestine

Hadil Naser - Women's Economic Empowerment Programme Manager

hadil.naser@unwomen.org