

**OVERVIEW**  
**UpSkill Program**  
**“Student Internships Stipend Window”**

## Student Internships Stipend Window

This stipend will be available for students in their last 2 years of university studies, who need to gain knowledge and practical skills in mid-level or advanced-level value added IT service. Student internships Stipend will cover students working for a local company, on local or international client-related work. This stipend can cover transportation and allowance. Student internships stipend will have a fixed amount and will be valid for a maximum of two years. The companies will need to present a training/ work plan for the intern, conduct monthly evaluation of the interns and issue a part-time employment contract to students.

The supported internships are expected to lead to full-time jobs once the internship period is over, either by the same firm, or by another firm in the market. It is also expected that if the intern is not employed at the end of the internship, he or she will have gained practical knowledge and experience that help qualify them for future employment and will have contributed to increasing the skilled human capital in the IT sector. The student internships stipend will be granted to students to work in IT services companies and high-tech and tech enabled startups that need to upskill the workforce to scale up their business. The stipend amount can go up to \$500, depending on current market value for position or technical skill, and technology/ project complexity.

In addition, the UpSkill program offers technical assistance in two different forms:

- 1- Technical assistance to companies that have been awarded a grant but are not yet registered, as they must be registered before signing the grant agreement. Such companies will be connected with TechStart's legal partner, and the program will cover all costs for the registration process. No payments / reimbursements will be made to the awarded company.
- 2- Technical assistance to cover license/subscription fees for online courses/training/software for the duration of the training period. This does not include paying a senior employee of the company to train the new hires, nor does it include paying an external trainer to provide courses to the new hires. If awarded, the company can pay for the course fees and request reimbursement with proper documentation. The request cannot be made for any payments dated prior to the Grant Agreement sign date.

## Program Details

### Duration

The applications for The Student Internships Stipend Window will be open for the operational duration of the TechStart project, starting in Q1 2022, and applications will be evaluated on a rolling basis as received.

### Target Group

IT services firms from the Palestinian IT sector, in accordance with the guidelines of TechStart's Environmental and Social Management Framework (ESMF), to ensure broad outreach and impact within the local entrepreneurial ecosystem. The targeted group also includes mature tech and tech enabled startups. Firms are considered mature tech or tech enabled startups if they can prove traction / demand in the market and are generating revenues.

## Grant Amount

There is no limit on the number of stipends each company can apply to during the project lifetime, (depending on the evolving business opportunities that each company has and the success of implementing previous support under the UpSkill Program).

## Grant Structure – Financial Support

The financial support will be an In-Kind Grant that covers the amount of The Student Internships Stipend window, paid directly to the bank account of the individual employees (student interns). The financial support will be governed by terms and conditions as per the Grant Agreement. Upon selection of the general terms of the grant for the applicant, and once the eligible activities have been identified and selected, a grant agreement will be signed with the beneficiary company which defines, among other things, the grant amounts and expected disbursement dates, as well as the required materials/documents as evidence for payments for co-financing. The grant will cover eligible expenses starting from and including the month of signing the Grant Agreement (regardless of the date of signing the agreement within that month) unless otherwise indicated in the agreement. However, the grant will not cover expenses incurred prior to that.

## Eligible Expenses – Use of Funds

The UPSKILL grant funding shall be used solely for upgrading the skills of the Palestinian IT service workforce and shall not be used to repay any borrowings, make any dividends or bonus payments to staff, management, shareholders or consultants, or to pay any advisory, placement fees or bonuses to external advisers. Retroactive payments (i.e., payments in arrears) are not eligible.

Stipends are only available for mid-level and advanced-level skills/ technologies. Appendix I includes the IT services/ Technologies eligible under TechStart UPSKILL program and the type of skills / technologies that are excluded from this program.

## Non-Eligible Expenses – Use of Funds

The following are all considered as non-eligible expenses for the purposes of this program:

- Retroactive payments (i.e., payments in arrears)
- Any dividends or bonus payments to staff, management, shareholders, consultants, or revenue share agreements
- Repayment of funds loaned to the company by related parties, including the founder/entrepreneurs, other individuals or financial institutions
- Payments to cover fees levied by investors or pay any advisory or placement fees or bonuses to external advisers
- Use of funds to engage in activities that contravene the ESMF guidelines. Activities within nature reserves or such designated areas
- Purchasing land, commodities, futures, shares, securities, or other financial instruments
- Income tax, which must be covered by the employer, and any other taxes payable by the company or individuals.

- Salaries of consultants and any other non-employees of the applicant
- Employee Benefits, bonus, overhead (Except for beneficiaries of Expatriates & Diaspora stipend window who will receive the specific expatriate & diaspora stipend)

## Non-Eligible Projects – Use of Funds

The program will NOT support beneficiaries/ projects in relation to any of the following projects or activities:

- Tobacco production, processing, storage
- Alcohol, wine, spirits
- Projects that involve alteration to rivers or other natural environments
- Mining Projects
- Logging Projects
- Adult Entertainment Projects
- Gambling Projects
- Property Development

## Selection Process

### Student Internships Stipend Window Eligibility Criteria

Each company applying to this window must meet all of the following eligibility criteria to be considered for further evaluation:

1. Be a company legally registered, and operating out of the West Bank and Gaza; or in the process of legal registration; or committed to register with Ministry of National Economy
2. Firms are IT services companies and business service providers working in the technology field in software development, computer programming and consultancy, data processing, hosting or related activities, or mature tech / tech-enabled startups<sup>1</sup> that have some traction in the market and are already generating revenues.
3. Be operational for at least 6 months prior to applying to the program. A company is considered operational if it engages in activities on a daily basis to increase the value of the enterprise, has existing customers, or has employment contracts and paying salaries
4. Projects have minimal or non-existent environmental impacts.
5. The position(s) requested is aligned with the listed skills/ technologies mentioned in Appendix I

After potential beneficiary firms have passed the initial eligibility criteria, further evaluation of their applications, based on selection criteria, will be conducted to decide if they are admitted to or rejected from the program.

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<sup>1</sup> Firms are considered mature tech or tech enabled startups if they can prove traction / demand in the market and are generating revenues

## Student Internships Stipend Window Selection Criteria

1. Firms should provide evidence they have growth potential and a commercially sound business plan, including company vision, workforce expansion plan and can showcase the use of the student intern in their business development activities.
2. The company has experienced and complementary leadership and a management team with the right skills and personal strengths
3. Firms should have a solid and targeted training/ internship plan and scope of work for student-interns; students must be in their final two years at university planning to graduate with an IT related degree to qualify.
4. Firm should provide the list of proposed student interns that passed the company interview

The following are the selection criteria for the proposed trainees under the Student Internships Stipend Window:

1. Students must be currently enrolled in an accredited Palestinian University in West Bank or Gaza in their final two years at university planning to graduate with an IT related degree to qualify, with enough time for training prior to graduation, as the stipend coverage will not continue beyond the date of graduation
2. Students must not be immediate family members for the owner/manager or an immediate family member for the spouse of the owner/manager of the IT firm. Immediate family members include: spouse, child, niece/nephew, parent, siblings, grandchild, in-laws.

## Application Content

Firms applying for The Student Internships Stipend Window must complete the online application and provide all the following set of materials:

- Completed application form, in English
- Business Registration Certificate, or signed commitment template to register with MoNE, attached to the application form
- Historical financials/accounting records for the previous two years for firms over two years old; for start-ups or SMEs under two years old, must provide records for previous operating periods (3 months at minimum) (Profit/loss statements, not balance sheet)
- List of shareholders/ owners and copy of their IDs
- Management Resumes including CEO / top managers
- Business Plan including budget, expansion, marketing, sales, etc.
- List of existing customers / clients
- Student training plan including scope of work or job description for the student-intern
- List of students with proposed stipend amount and duration of stipend that should be aligned with number of hours proposed to work and complexity of the technology
- Copy of ID for suggested students
- Signed commitment letter to sign part-time contract with students for the duration of the stipend window

The PIA may request additional documentation from the applicant as it deems necessary during the assessment of the application.

## Application Instructions

While completing the online application, applicants should consider the following:

- There can only be one application per company submitted at a given time, but companies can include requests and the required specific documents for different stipend windows when they apply
- All information provided in the application must be true and accurate
- All applications including information and documentation must be submitted in English.
- Only applications submitted via the program's online portal will be considered
- All application supporting material must be uploaded to the relevant section of the online portal (no hard copies will be accepted)
- Only complete applications will be considered for evaluation
- Uploading Documents:
  - The applicant firms may be asked to revise or provide additional information to their application by DAI within a given timeline
  - Applicants are solely responsible for all relevant documents being uploaded in the appropriate sections of online portal

Failing to satisfy any of the above requirements can lead to the application being rejected.

## Application Review & Selection Process

The application form is accompanied by a Frequently Asked Questions (FAQs) document that has been created for applicants to better understand the program's scope, eligibility criteria, in addition to instructions on how to complete and submit the application.

The application will be open for the duration of the project life, during which applications will be reviewed on a rolling first come first served basis. The following diagram gives an indicative timeline for the application processing.



## Disbursement

Based on the type of grant(s) awarded, the appropriate disbursement plan approved by the committee and tailored for each grant recipient needs will be developed. Beneficiary firms acknowledge that the stipends paid on behalf of them to their employees are the employee's entitlement and at no time shall the beneficiary firms request or require any portion of these payments returned to the firms. Failure to abide by this will result in immediate termination of the support and immediate request of refunding of all funds made available to the beneficiary firms.

## Termination of Grant Agreements and Funding

A grant may be terminated, and a grant beneficiary is required to repay the grant in full under the following circumstances where the grant beneficiary:

- a) uses the grant funds in contravention to the purposes stated in its application
- b) uses the grant funds to pay for expenses listed in the non-eligible expenses as listed above
- c) uses the grant funds to fund non-eligible projects as listed above
- d) has deliberately made false or incomplete information to obtain the grant, at any time during the lifetime of the grant
- e) fails to cooperate and provide the necessary monitoring & evaluation information as requested by the TechStart
- f) fails to cooperate with the TechStart or WB auditors
- g) violates any of the Environmental & Social Safeguards stated in the Grant Agreement

## Conflicts of Interest

All procedures for approval for grant funding will be done with the utmost diligence and any conflicts of interest declared. Any TechStart/DAI staff or selection committee member involved in the above procedures will be required to declare any personal or organizational relationship or interest in any enterprises or individual applicants, and/or disclose those interests in which they have a particular stake.

Additionally, applicants are to take all necessary precautions to avoid conflicts of interests or the perception thereof and shall inform TechStart/DAI without delay of any situation constituting, or likely to lead to, any such conflict.

There is a conflict of interest where the impartial and objective exercise of the functions of any grant applicant, grant selection committee member, or TechStart/DAI staff in relation to the execution of this project is compromised because said applicant, committee member or staff member is in a position to derive personal benefits from actions or decisions made in their official capacity due to personal or professional relationships.

## Fraud and Corruption

DAI will require Beneficiaries to adhere to the highest ethical standards. The following practices as defined by the World Bank, shall not be tolerated and shall lead to termination of the grant agreement:

- “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of another party
- “fraudulent practice” is an act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation
- “collusive practices” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party
- “coercive practices” is impairing or harming, or threatening to impair or harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract
- “obstructive practice”
  - deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a World Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
  - acts intended to materially impede the exercise of the World Bank’s inspection and audit rights



## Monitoring and Reporting

### **Monitoring**

All program Beneficiaries are expected to follow regular monitoring processes. The aim is to assess the impact of support on firms in terms of the key performance indicators of the program, capture the feedback and satisfaction of supported firms and individuals, and facilitate timely modifications of implementation activities as needed.

In addition, field visits may be conducted, to allow TechStart to strengthen direct monitoring and technical assistance to the Beneficiaries.

### **Reporting**

Reports will be periodic based on agreement terms and will focus on essential Beneficiary firm information required to track grant funds spending.

Firms' reporting will be through semiannual surveys administered twice per year and a Closeout Report that is completed by the grantee at the conclusion of the grant. Individual trainees supported by the program will be required to submit a closeout survey at the end of their support to capture their satisfaction, feedback, and employment status. Follow up surveys with trainees, whose contracts are terminated at the beneficiary company, will be implemented within 3-6 months after the end of their contracts to verify employment.

# APPENDIX I

## Type of IT services/ Technologies eligible under TechStart UPSKILL Program

