



AMAN
Transparency Palestine



Fourteenth Annual Report

The State of Integrity and Combating Corruption in Palestine

2021

The Decline in the Integrity of Governance Has Contributed to the Erosion of Citizens' **Trust** in State Institutions and Officials



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Executive summary

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The Coalition for Accountability & Integrity (AMAN) has exerted all efforts to verify the information contained in this report, and hence bears no responsibility for the use of any of the information for purposes outside the context of the goals of this report once it's published.

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Executive summary

For the 14th consecutive year, the Coalition for Integrity and Accountability (AMAN) continues to prepare its annual report on the developments occurring on the state of integrity and anti-corruption efforts in Palestine. The report monitors official anti-corruption efforts exerted during the year while considering the surrounding environment and its implications on those efforts. The report also follows-up on governance in the management of public funds, and in particular, on transparency during the preparation, approval and implementation of the public budget, including fairness of distribution of revenues and expenditures. Moreover, the report highlights issues, institutions or cases of corruption that are of public interest, in order to place these issues on the agenda of public opinion and officials

In its preparation of this report, AMAN relies on a scientific methodology of collecting relevant data from the various and available sources related to developments at the level of integrity, transparency and accountability in the Palestinian society in general and the public institutions in particular. Furthermore, it also monitors the variables of the status of corruption and efforts to combat it, which it collects from several reliable sources. The information and data are then analyzed by AMAN's work team along with participation of local experts before it is approved by AMAN's Board of Directors.

The report aims to provide specific recommendations to Palestinian decision-makers and related parties to help them adopt measures and procedures that enhance the integrity of governance and to fortify the National Integrity System (NIS) against corruption. It also aims to empower and assist participants, anti-corruption advocates and activists including CSOs to engage in anti-corruption efforts, protection of public funds as well as in the building of effective institutions for the State of Palestine.

AMAN firmly believes promoting integrity and anti-corruption efforts do not conflict with the Palestinian national project, which seeks to end the Israeli occupation and achieve self-determination, the right of return and the establishment of a democratic Palestinian state. AMAN also realizes that the success of this goal is certain to elevate citizens' trust in the ruling authority and its executive, legislative and judicial institutions, which will deepen their willingness to bear the financial and life burdens of this major challenge. Therefore, AMAN is determined to continue to release and publish this annual report.

The year 2021 was a continuation of the year before in terms of enhancing integrity and anti-corruption efforts with some changes and or developments. For example, the Corona pandemic continued to spread hence its direct and indirect health and economic effects also continued. However, daily life did witness a reduction in preventive measures and "normal" life was partially restored in conjunction with administering vaccines to citizens and the improved state of economic and health recovery.

In terms of democracy and civil liberties, attempts have been made to disrupt the elections of trade and popular unions. In addition, legislative elections were cancelled after all stages of preparation

In its analysis, AMAN adheres to a professional and objective approach concerning issues and data related to the management of public affairs and public funds in order to reach conclusions and recommendations; take and adopt an appropriate position independently and without any political or partisan interventions.

This report aims to provide specific recommendations to decision-makers in order to adopt measures and procedures that enhance the integrity of governance and fortify the National Integrity System against corruption.

were completed at the end of April 2021, without convincing justifications, except for Israel's negative position on the election arrangements in Jerusalem. In terms of civil life and civil society's workspace, the Law by Decision No.7 of 2021 to amend Law No. (1) of 2000 regarding the Charities and NGOs and its work has been suspended by a law degree by President Mahmoud Abbas. The newly issued law aimed at restricting the work of Palestinian Charities and NGOs.

The desire for domination and government control over these institutions was clearly reflected in the content of the new law. The year 2021 also witnessed multiple human rights violations including the killing of activist Nizar Banat by members of the Palestinian security forces and the suppression of protests related to his killing, in addition to arresting activists and attacking media professionals who covered the events. Furthermore, the negative impact of the internal division and the absence of the role of the PLC in monitoring the integrity of governance in the West Bank and Gaza Strip (WB&GS) also continued. This is in addition to the political interference in the appointment of the Head of the Higher Judicial Council, which weakened the independence and oversight role of the judiciary.

In the meantime, Israel's racist policy of confiscating Palestinian land and violating the national and civil rights of the Palestinian people not only continued, but rather expanded and deepened in terms of discrimination and ethnic cleansing practices. The emergence of the settler government's policy of "apartheid" in general and its ethnic cleansing policy in Jerusalem in particular, are two of many examples of these practices. Furthermore, the continuous building of new colonies and support for the Zionist colonizers to steal more of the occupied Palestinian lands further exasperated Palestinians agonies. These sinister policies and actions aim to impose a reality on the ground that severely limits the future of self-determination for the Palestinian people, not to mention continuous usurping of Palestinian public resources hence preventing the building of effective Palestinian institutions in the service of the people. Moreover, corruption cases were uncovered in 2021 related to Palestinian brokers and Israeli employers joining hands to provide permits for Palestinian workers inside occupied Palestine 1948 (Israel), through facilitation of Israeli officials, involving grand bribes under the label of commission.

Absence of the Palestinian Legislative Council, the continued internal division and the apparent setback in respect for human rights constituted negative factors disruption of official accountability and anti-corruption efforts.

The on-going division and the continued state of emergency reinforced the government's already closed and ambiguous policy, especially in relation to legislations issuance, the management of the public budget and public funds in terms of compliance with the necessary standards and provisions of related laws, such as the Public Procurement Law on Public Tenders.

The most prominent conclusions for 2021 are:

First: At the level of government policies

Although preparations for the legislative elections were completed, the Palestinian leadership decided on April 2021, 30 to postpone the legislative, presidential and the National Council elections, in the whole of Palestine. This deprived citizens from exercising their right to choose their representatives, increased popular tension and prevented government accountability, which negatively impacted the system for promoting the values and behavior of senior officials. It also weakened the commitment of official parties to adopt transparency, allow access to information and accept accountability. Other factors that contributed to the erosion of citizens' trust in officials of public institutions include decline in the integrity of the government due to the weak rule of law and lack of respect for human rights; decline

in respect for civil liberties in the WB&GS; and weak effectiveness of the role of public institutions in decision-making, including the role and integrity of the judiciary.

- Despite President Mahmoud Abbas’s decision on October 18, 2021, to form a national committee for administrative reform, headed by the Legal Counsel of the Head of State, the Commission never published its workplan or a clear and specific results report of the work assigned to it. It is worth noting that the mentioned committee was tasked with reviewing the laws, regulations, and structures on which the institutional construction of the state is based. It was also required to study all matters related to public employment and functions in order to reform, develop and restructure this area including rationalizing expenditures and improving performance, as well as regulating the functional and structural relationship between the state institutions and PLO institutions. However, it seems that some understood the aim to be the replacement of some officials and the nomination of other individuals for these positions. In this regard, rumors and sometimes almost certain news were spread of upcoming changes senior posts involving a number of ministers, ambassadors, governors and security officials. However, the issue was discontinued without any disclosed reasons.
- Challenges that accompanied the response and recovery from the Covid-19 virus and the continuation of the state of emergency declared by the government revealed the weakness of the formal and national readiness to manage disasters. This is mainly due to the absence of a regulating law as well as the absence of a national participatory plan to activate the National Disaster Center. The fragility of the database, prepared by the government prior to the disastrous events, led to the slowness and lack of transparency of initiatives of those concerned in activating the role of state institutions. It also led to chaos and at times full failure of carrying out activities, as in the case of aid distribution to the affected workers.
- Execution of the Cross-Sectoral National Plan continued to be unimplemented due to financial and administrative reasons. Two of these reasons are the government’s failure to put forth full and comprehensive mechanisms for implementing cross-sectoral national plans, and the fragile relationship between the Ministry of Finance (MoF), who is in charge of management of the public budget, and the General Secretariat at the Council of Ministers who is responsible for follow-up on these plans with the funders on the one hand and partners on the other hand.
- Failure to hold elections due to factional disputes greatly affected the integrity of governance and legitimacy of those in power (political elite) hence deepening the gap between them and citizens. It also created an imbalance within the pillars of the political system, since it brought to halt any opportunities for a democratic peaceful transfer of power and showed lack of respect for procedures stipulated in the constitution, the Basic Law and the Palestinian Independence Charter, all of which agreed by the Palestinian people. In addition, it disrupted basic constitutional commands such as provisions stated in the 3rd item of article 26 of the Basic Law that grants citizens the right to choose their representatives “representatives from the people are to be elected through general elections” to be in governance positions. Also, article 2 of the Basic Law which considers the people to be the source of power to be exercised through the legislative and executive authorities, and the 5th article of the Law that states: the “president of the PA is to be elected by the people through direct elections every four years”. In conclusion, the absence of holding elections could ignite an internal struggle if or when the president’s position is vacant.

In 2021, role of the international community in occupied Palestine was limited to supporting the stability of the humanitarian situation in the GS, pressuring Israel to stabilize the economic situation, and preventing the collapse of the Palestinian Authority (PA).

The continued hinderance of the process for a peaceful transfer of power, in accordance with holding periodical elections and the principle of equal opportunity for assuming public offices, has denied citizens the right to choose their representatives in governance institutions constitutes a violation of the Basic Law, which granted citizens the right to assume public offices' positions. It is also in violation of the equal opportunity principle to hold key positions by appointment.

- In 2021, legislations that are not in the interest of the public continued to be issued by the PA President. Examples include: The Law by Decision No.39 of 2021 amending the State Audit and Administrative Control Bureau Law No. 15 of 2004 and its amendments, and the Sharia' Law. Such laws by decisions were clearly issued to reinforce domination of the President's office over public institutions and in particular the regulatory institutions.
- In 2021, appointments, promotions and job transfers to senior positions in public institutions continued to be carried out, which included ministerial and non-ministerial independent bodies. These positions are filled through a nomination by a close relative or associate in power and supported by the intelligence and preventive security apparatuses under the pretext of "safety". However, although these actions are carried out under the justification of safety, in fact they are usually done for personal or partisan considerations (for regime loyalists and their children). This included appointments to the diplomatic corps, security institutions and the sharia judiciary, all at the expense of merit and efficiency and without adhering to the principles of equal opportunities or to transparency procedures. This allowed the government to bind state institutions to serve those in charge of the ruling regime, and to fortify the current system by appointing loyalists in senior positions and not necessarily for public interest.
- In 2021, decisions were taken by some ministers to punish those who deviate from loyalty to the regime by either referring them for early retirement, dismissing them from their jobs or transferring them to marginal positions.
- The Government continued to neglect the adoption of the National Cross-Sectoral Strategy for Integrity and Anti-Corruption as a binding reference for plans within the ministries and public institutions. This left strategy's status as a special file run by the Anti-Corruption Commission (ACC). It also reflected the government's abandoning of its direct responsibilities to follow up and implement the national plan.
- In 2021, appointments to senior and special posts continued without respect for the principle of equal opportunity, and often, without posting job-vacancy announcements or conducting competitions. In addition, appointments were executed without official oversight to ensure the integrity and transparency of recruitment procedures, in both the WB&GS. Moreover, although job descriptions are prepared and approved, it is not certain that they are adhered to in the process of hiring, promoting or transfer of employees. Moreover, as in previous years, the role of the General Personnel Council (GPC) remained limited to providing data to staff listed for promotion to higher category (which is submitted to the Council) and by implementing the President's decisions on the appointments and promotions of this category.
- As in previous years, the public budget continues to be subjected to a policy that lacks transparency and participation in its preparation and implementation follow-up.
- The on-going internal division and the continued state of emergency has reinforced the government's closed and non-transparent policy in more than one area. This is especially true in regard to legislations and budget management in particular. It is also true in regard to management of public funds in terms of compliance with the necessary standards and provisions of laws such as the Public Procurement Law on public tenders. This is not to mention the loyalty-based consequences at the expense of efficiency and merit.
- Continued weak follow-up of Palestinian financial audit with Israel. This negligence allowed a number

of brokers, including Israeli officers and officials in the Civil Administration of the Occupation, to loot and steal Palestinian public funds by taking advantage of the lack of transparency of the PA's financial rights. In addition, Israeli authorities are able to loot Palestinian funds due to the lack of knowledge of the PA of the accurate amount, which should be deducted to pay electricity, water and sanitation debts.

- The Ministry of Finance's commitment to the public finance management reform plan remains limited, especially in regard to: transparency of the salaries bill, fairness and the importance of stopping net lending and in addressing the financial drainage resulting from the failure of the health insurance system.
- The MoF's policy to delay the payment of its financial obligations to service suppliers contributed to the decline in the quality of services and goods agreed in contracts such as ensuring the provision of cleaning products to hospitals, and in the efficiency of the infrastructure restoration.
- To address the financial crisis caused by an accumulated deficit, the government continued to follow its adopted policy of increasing taxes, and to depend on the accumulation of arrears and debts, as solutions to the crisis.
- As for the LGUs, the continued Hamas policy of preventing local elections in the GS weakened the legitimacy of the members of the appointed councils; hindered citizens' right to hold them accountable and wasted opportunities to access international grants and assistance for infrastructure development.
- Results of the LGUs Transparency Index showed a disparity in the level of use of websites by these bodies. This was attributed to the following reasons: poor awareness among some LGUs employees of adherence to the principles of transparency and the importance of these principles to the community; technical malfunction in the official websites of some local bodies; some LGUs don't allow access to websites; others websites are disabled in some icons that don't display their content even though they exist; no continuous update and or development on some sites to ensure the necessary dissemination and disclosure of required information; some LGUs suffer from the limited role of public relations units to communicate with citizens.
- The public media with its various tools, which is funded by citizens, continued to convey the opinion and views of the executive branch only without presenting the diversity of viewpoints of the Palestinian society. On the contrary, it obscures views and opinions of those who oppose or are not support of the regime.
- Official commissions of inquiry initiated by the government or the President remain without a clear legal framework as a reference for defining their establishing parties, members, criteria method of formation, and work mechanisms, in addition to defining the extent of obligation to appear before them, and mechanisms for their recommendations to be taken seriously. This void reinforced the lack of citizens' trust in the government's investigative committees assigned to investigate violations practiced by some officials or employees working in the state's institutions.

Second: at the level of integrity

- Despite the strong criticism that accompanied the issuance of the Law by Decision No.42 of 2021 on companies, for not meeting all governance requirements, this law has already strengthened many of the measures, procedures and governance indicators stipulated in the Public Corporate Governance Code that are also in line with developments in the corporate sector and private sector governance.
- The issuance of the Public Servants' Remuneration System No. (3) of 2021 for those participating in the boards of directors of public and private institutions. The system aims to determine and regulate the amounts of rewards spent to board members in addition to setting the criteria and mechanism for the nomination of the members, which will contribute to enhancing integrity.

- The phenomenon of security and political interference to fill senior positions by loyalists or their children continued, which generated several protests and complaints as well reinforced the erosion of citizens' trust in state institutions.
- The programmed upgrade, particularly in the security services, has accumulated senior positions and high ranks on the organizational structure of many institutions.
- The conflict-of-interest avoidance system remains ineffective in public institutions, which provides opportunities for those with the tendency to be corrupt to exploit their positions. In addition, the disclosure system also is left ineffective due to the failure of forming the needed committees in ministries and public institutions to review and study disclosures submitted by individuals subject to the provisions of this system. Furthermore, the conflict of interest disclosure form has not been posted on the websites of ministries and public institutions, which is an indication of the lack of will of officials to comply with its provisions.
- Although CSOs recommended that the government amend the Gift Receiving System, published in the Official Gazette on December 26, 2019, to include the followings: indicate clearly the acceptable ceiling for in kind gifts, and to make it perfectly clear that monetary gifts are absolutely unacceptable, violators of provisions will be referred to administrative accountability or penal accountability if proven to have received a cash gift, or if he/she didn't disclose of the gift received; the government has not modified the system . It is worth also noting that during 2021, no cases were referred to the ACC for violating the system.
- Using religion for political purposes continued during 2021 in the WB&GS. In this regard, it was noted that some officials of religious institutions were employing their institutions in favor of supporting the political system.
- In 2021, the law-enforcement authorities continued to be incompetent in respect to protecting State-land that continued to be subject to encroachments by powerful individuals through illegal means. They also failed to implement court orders that were successfully obtained by the Land Authority.
- The end of the year bonuses for ministries' employees were distributed without a without uniform and declared standards for all ministries.

Third: At the level of openness and transparency:

- Improvement in the public procurement system was noted. In particular, a standard form for contracts and tenders, approved by the Council of Ministers, was published and posted on the Unified Public Procurement Portal (shiraa.gov.ps).
- Approved standard tender forms have been adopted and published on the unified portal by government institutions and LGUs. This illustrated their commitment and hence contributed to enhancing the transparency of public procurement in the West Bank.
- Publication of the SAACB reports disturbed some officials and prompted them to press for the amendment of its law in order to weaken the institution's independence status.
- The government continues to remain closed to citizens by ignoring the importance of transparency and use of a participatory approach in policy development, legislation preparation and procedural measures in the management of public funds and affairs.
- Adoption of a transparent policy at work in the public sector remains weak. This is evident in the Council of Ministers' publication of titles only of decisions issued by it on the website designated for this purpose. This means that current full reports and archives of previous governments are not published. In addition, debates in the Council's meetings concerning bills continue to be ambiguous.
- The Access to Information Law continues to be held hostage by the government for fear of community participation and accountability.
- In the Gaza Strip, publication on the Ministry of Finance's website concerning contracts remain incomplete.

- Contrary to the law, the National Anti-Money Laundering Commission does not publish its annual report on its findings.
- The public budget, during its preparation and follow-up implementation, continues to be subject to a non-transparency and non-participation policy.
- The government's policy in managing the gas file, the natural resource owned by the Palestinian people, is vague and non-transparent and prevents citizens' representatives from being informed. In this regard, the Government continues to refrain from disclosing any details related to the membership in the Eastern Mediterranean Gas Forum including the nature of Palestine's membership in this forum. It also withholds information about Palestinian rights in the mentioned forum and the subsequent obligations required of Palestinians, as a result of signing such agreements. Unfortunately, this applies to the agreements and understandings reached in the electricity sector between the Palestinian and the Israeli occupation concerning the extent Palestinian electricity companies have access to gas coming from the gas field in the GS and not from Israel.

This report differs from other general and or specific reports in that it contains results and analysis of monitored changes that occurred during the year in areas related to integrity, transparency, accountability, and to the status of corruption and anti-corruption in public institutions, based on a set of standards. Mainly, the report examines the extent to which public officials have adhered to these values and principles at work and whether there was improvement, continuation or decline in their practices in comparison with previous years.

Fourth: At the level of accountability

- Amendments made to the Palestinian Judiciary Law compromised the independence of the judiciary authority in its oversight role of officials and their decisions.
- Absence of the PLC significantly weakened accountability of the government and senior officials. It also weakened the regulating role of the SAACB hence leaving the government free of accountability.
- The Office of the President continues to control the power to appoint officials of public institutions without mechanisms to hold them accountable periodically.
- The government has scheduled the collected amounts related to the issue of raising the salaries and rental allowance privileges given to ministers and some heads of non-ministerial public bodies, who did not return them in full, but the government did not publish this.
- Failure to complete the regulating systems of the security institutions hinders holding them accountable and weakens their adherence to the provisions of the governing law.
- The government's annual complaints report remains traditional in terms of style and content. It is limited to being a statistical report that does not show details of addressing complaints, degree of satisfaction of the complainant in regard to methods and solutions reached to his/her complaint. The report also does not point out weaknesses or errors that need to be noted and addressed to avoid future complaints concerning public institutions.
- In Gaza, most complaints raised to the authorities in Gaza are related to inquiries, observations and suggestions. While their complaints to the PA government in the WB, however, are related to aid and assistance, salaries, health services (treatment abroad) and services provided by the Office of Civil Affairs.
- Weakness of the public database at hand, especially concerning non-official workers and or those working in family businesses, had a negative impact on the Ministry of Labor's (MoL) addressing the compensations issue (Al-Izz relief fund). This in turn encouraged the phenomenon of deceit and wasta.

- Increased effectiveness of community accountability for LGUs. Many councils attended the accountability and consultations sessions held in partnership with the local community institutions.
- Official control over companies, especially shareholding companies that manage public facilities, is ineffective. For example, some companies do not comply with the full provisions of the Corporate Governance Code, particularly in regard to transparency, such as the non-compliance of a number of companies to publish the concession agreement and its annexes and specifically the financial annex. Moreover, citizens' complaints about prices and services rendered by the telecommunications and electricity companies continued to flow.
- Although elections are not held by federations and grass-roots organizations or are often carried out as a matter of formality, they are held regularly and periodically in a number of trade unions and NGOs. In 2021, for example, elections were held in unions such as the Medical Association, Pharmacists Syndicate, Engineers Union and the Agricultural Engineers Union. Elections were also held in the Chambers of Commerce, Industry and Agriculture.

Fifth: at the level of combating corruption

- Private sector companies are not subject to the provisions of the Anti-Corruption Law due to the non-inclusion of the sector on the list of sectors subject to the mentioned law. This was an issue that was raised by the report review on Palestine's commitment to the implementation of the United Nations Convention Against Corruption (UNCAC), which is an internationally prepared report. The review discussion and report questioned the role of the regulatory institutions on the private sector as well as the ambiguous role of the ACC in pursuing corruption cases in it, since it poses one of the risks of laundering money.
- Efforts to combat money laundering in Palestine continue to be unclear due to the silence of the National Anti-Money Laundering Commission and its lack of publication of any significant reports, data or statistics, about the extent of the spread of this crime and amounts of funds involved. In addition, no documents were published to date through the official channels assigned by law on follow-up to the National Assessment of the Risks of Money Laundering and Terrorist Financing report that was submitted to the Prime Minister.
- Promotion of spoiled/expired food, tax evasion and money laundering remain the most widespread forms of economic corruption.
- According to AMAN's annual opinion poll survey, the most common forms of corruption are abuse of power, wasta and nepotism.
- The public sector and the LGUs remain the sectors providing the most opportunities for the spread of corruption. Reports by the ACC and the Public Prosecutor's Office indicated that the majority of files, complaints and corruption reporting were related to these two sectors.
- The majority of citizens believe that corruption continues to increase and are pessimistic about the government's efforts to reduce it.
- Confidentiality of information does not mean lack of transparency in the work of the Public Prosecutor's Office, which investigates crimes of economic corruption, especially when it becomes a public opinion's issue. Examples include: the crime of trading with dates produced in colonies illegally built on Palestinian land. This issue should be resolved in accordance with the law and without any intermediaries before it blows out of proportion and becomes a case of settling accounts, extortion and or an issue to be settled financially.

Recommendations

The recent decline in human rights and civil liberties and freedoms, and the issuance of legislations, resolutions and the adoption of policies that aim to serve certain individuals without considering the public's interest warn of nothing but bad news such as: turning the current system into a totalitarian regime; driving the current state into violence; threatening civil peace; disrupting life of the whole country, which may bring about the collapse of the political system. This calls for raising the voice of reason and putting the supreme national interest above any other considerations, be it class or personal. It also calls for the following: the adoption of a national action plan to restore unity mainly between the WB&GS institutions; creating conditions for a national vision to end the occupation and build an independent state; focus on rebuilding trust between citizens and their political system that ensures respect for public freedoms enshrined in the Basic Law; apply procedures, measures and policies for a fundamental and comprehensive political reform process that contributes to the mobilization of the forces inherent in the broad sectors of our people. This becomes vital if specific tools, mechanisms and means are developed to combat corruption and promote integrity. This is feasible by adopting a cross-sectoral anti-corruption strategy that defines the roles of all partners and their oversight mechanisms to be followed up by the highest level to ensure commitment by all participating parties in taking responsibility to address challenges and obstacles indicated by the report concerning the political integrity of the governance system. Also, to correct the current imbalance in governance by ensuring a separation of powers in practice; develop the accountability systems and codes of conducts in public institutions ensuring effective implementation of the integrity values and transparency principles hence paving the way for restoring citizens' trust in state institutions and its officials.

At the level of government policies

- Respect for the rule of law; build effective institutions with responsible officials who adhere to the values of integrity and are held accountable in accordance with the Palestinian Basic Law and in line with values of the Declaration of Independence Charter and the Code of Conduct for public service positions.
- Recognition for the importance of the legislative authority by setting a date for elections (legislative and presidential) asap that would provide wide citizen participation in order to restore balance in the political system (i.e., a balanced separation of powers) and to strengthen parliamentary oversight hence preventing political corruption.
- Establish a permanent and comprehensive disaster management system that is capable of addressing each stage of the disaster properly. In addition, the system must provide clear instructions, terms of plans and procedures needed when facing emergency situations. It should also be clear in assigning tasks and responsibilities, especially with regard to the collection and distribution of aid, which should be assigned to the Ministry of Social Development (MoSD) in partnership with other competent parties (governorates, LGUs, emergency committees etc.). Furthermore, it is important to develop the partnership with the civil and private sectors to ensure that citizens are safe and the country is run as best as possible under such exceptional circumstances, not to mention ensuring that social assistance is being distributed fairly.
- Adopt an open policy towards civil society to include the basic principles for respecting this sector's work and to view it as a partner, not superficially, but to include its representative in public decision making as well as to ensure that all officials and employees of public institutions act in line with this policy on the ground.
- The government must adopt and commit to an austerity and rationalization plan that considers fair distribution of resources and burdens, and to give priority to the health sector and programs supporting the poor, the marginalized, needy groups and to citizens living in areas threatened by the colonizers and the taking-over by the occupation.

- The security sector: based on a review of the Palestinian experience over the past 27 years in this area, a comprehensive restructuring of this sector is necessary and must include all of its institutions apparatuses, size, and needs in terms of number and budgets needed. This is essential in order to enhance the effectiveness of the police force and to strengthen the sector's structure.
- No new public sector's appointments (civil and security) must take place for a period of time except when necessity dictates. In addition, it is important to ensure that competition procedures for job vacancies are adhered to, and to establish a "governance quality control committee" to monitor the integrity of public appointments.
- The structure and discourse of public media institutions must be reviewed in order to reflect the aspirations and concerns of the various social segments of the Palestinian society and its political opinions and to promote national unity, since it is its duty to represent all citizens. This requires the issuance of a governing legislation.
- The government must adopt the Anti-Corruption Cross-Sectoral Strategy as one of the cross-sectoral strategies under its wing through the usual mechanisms used to adopt strategies by the Council of Ministers and to oversee its implementation. This is vital for building a system of integrity and anti-corruption. The government must also stop considering the anti-corruption file is solely the responsibility of the ACC, but rather it should oversee the implementation of the strategy by ensuring that each entity is responsible for implementing its share of procedures and activities hence goals are achieved.
- The government must adopt a firm and binding policy to prevent the politicization of the public service; activate the role of oversight bodies including the SAACB to hold accountable any official who uses the public service office for factional political purposes or to settle personal accounts.
- Emphasize the recommendations of the National Coalition for Judicial Reform by: respecting the procedures for appointing the Head of the Higher Judicial Council and other judicial positions; separating the position of Head of the Higher Judicial Council as an administrative position and the Chief Justice of the Supreme Court as a judicial post; allowing community participation in the Higher Judicial Council; strengthening the integrity system of the Council including formation of its committees and units; repeal subsequent legislations on the judiciary and CSOs.

At the level of promoting integrity values in the conduct of public service officials and employees; Policies and measures to be adopted:

- At the level of the health system: the issuance of a Mandatory Health Insurance Fund Law that is inclusive and fair to all citizens (social solidarity system) and considers the poor and marginalized groups is a must. The law must ensure that the Fund enjoys administrative and financial independence and be annexed to the Council of Ministers or the MoH, as an entity.
- Amending the Local Bodies Elections Law to restrict the discretion of the Council of Ministers with regard to the postponement or holding of elections through phases in these units unless there is a technical recommendation from the Central Election Commission (CEC) indicating that elections could not be held in some specific bodies or a certain geographical area.
- The authority in the Gaza Strip must allow elections to be held in LGUs to allow citizens to choose their representatives in these councils.
- Issuing the executive regulations of the Security Forces Service Law in order to apply the rules and regulations related to appointments and promotions within the sector. This will help keep a balance of the number of officers vs. the number of soldiers. It will also limit the increase in spending of the sector compared to other social sectors.
- Develop the gift receiving system in public service positions specifying clearly what is acceptable and what is absolutely unacceptable. The system should also set a ceiling for the in-kind gifts and specify clearly that any gift in kind that exceeds the specified ceiling should be considered as a cash gift and hence must be rejected, and to be very strict if the gift is given to a senior officer or the

like. Needless to mention that all violators must be referred to the ACC.

- Review of all laws by decisions issued at the end 2020 in terms of ensuring the independence and impartiality of the judiciary, especially judicial bodies that oversee the administrative aspect of public institutions and safeguard the integrity of appointments and promotions within it. Also, to reconstruct the permanent Higher Judicial Council in accordance with the Judiciary Law No. (1) of 2002.
- Implement the government's conflict of interest system through committees that are formed within ministries and other public institutions in addition to publishing the conflict of interest form on the ministries' websites to allow access to citizens.
- Issue a financial system specifically for security institution that define sensitive security-based purchases as stipulated by law, in order to regulate the financial management in the security and military institutions and apparatuses.
- Put a stop to encroachments on state land in accordance with the law; carry out all decisions issued against violators and ensure that they are held accountable for their transgressions.
- Call on CSOs to strengthen governance within their institutions through applying the specific Code of Conduct (COC) and commitment to principles and standards of good governance, in order to strengthen citizens' trust in CS's work.
- It is essential to centralize documentation and publication of data related to social assistance including those provided by the Zakat committees through the unified portal for social assistance in order to avoid any abuses in this area.

At the level of enhancing transparency in public service performance and allowing citizens and their representatives to participate in public decisions, the following policies and actions must be adopted:

- Apply the principles of transparency in governance; respect the right of citizens to access public information and participate in decision-making in the management of public funds and affairs.
- The government must define its policy and put forth clear instructions on classifying Information by defining what is administrative and hence is public and must be published on its website and what is confidential and therefore is secretive.
- Adopt the "Access to information Law" which specifies that it is the duty of officials and public employees to provide public information to citizens; approve the National Archives Law while at the same time work to complete the electronic archiving system for all files in ministries and other government institutions, as a first step to approving the mentioned law.
- It is urgent for the government to accelerate the completion of the e-government.

At the financial level, the MOF must be obliged to:

- Follow-up on the implementation of the Expenditure Management Policy 2021-2023 on public finance management and expenditure rationalization.
- Publish the eight financial statements in harmony with the Open Budget Initiative for citizens to see; allow citizens' representatives to participate in the shaping of decisions related to the public budget and public expenditures in particular.
- Publish the full and detailed data on public debt, including arrears, debt owed to the Pension Fund Authority, bank debts and money owed to public employees.
- Address gaps and channels that lead to financial leakage: mainly it is channels that exists in the economic and financial relationship with the Israeli side.
- It is essential to commit to: paying the debt owed to the Pension Fund Authority by closing the settlements file; paying monthly fees and contributions regularly; and review the retirement system for political office holders. This is of great importance due to it is infringement on public employees' right to justice and equality in addition to being a heavy financial burden on the public budget. Moreover, replace this system with other mechanisms that guarantee the financial rights of political

office holders is in line with international trends that provide end-of-service bonus or a lump sum granted for a transitional and specified period of time.

- Adopt a progressive Palestinian tax system that provides tax and social justice for citizens.
- Demand that the authority in the GS disclose financial statements related to the management of public funds in the Strip.
- Publish all government decisions on public affairs on the official website of the Council of Ministers (i.e., not titles only). The government should also voluntarily publish all legal, financial and organizational public documents, and to ensure that they are easily accessed by the people free of charge. This does not apply to confidential and or personal or international relation secret documents or any information that might harm national security.
- Publish all documents on the gas sector management. This should include documents on the Eastern Mediterranean Gas Forum agreement detailing Palestinian rights and commitments in this area, as well as disclosure of the government's decisions regarding the establishment of the Palestinian Gas Company.
- Inform the Higher Council for Public Purchase of requests for exceptions of direct purchases, given that it is the official party in charge of tenders and of reviewing exceptions for purchases, according to the Public Procurement Law. In addition, all public purchase bids must be posted on the unified public purchase portal.
- Stemming from citizens' right to access public reports, it is important that all public institutions, ministries, NGOs and companies that manage or provide public services such as electricity, water, telecommunications etc. publish their annual reports through the various means available.
- Publishing government's procedures related to the collection of the sums obtained by the ministers as a result of raising their salaries and the extent of the achievement of completing the procedures.

At the level of strengthening accountability systems in public institutions, it is important to implement the following procedures:

- Adopt a clear and comprehensive concept of accountability in public institutions. This requires first and foremost the provision of detailed periodic progress reports that illustrate decisions and policies and the readiness to bear responsibility for them. To also illustrate the pros and cons and the extent of success or failure of these policies in the implementation of programs and projects.
- Establish a "quality control governance committee" to oversee and guarantee transparency of appointments in senior positions, and to ensure that candidates meet the job description requirements prior to the appointment. The committee must also control and ensure that their term in office does not exceed the period allowed by the law. This applies especially to ambassadors, governors, heads of security institutions and heads of ministerial and non-ministerial public institutions.
- Enforce accountability for all officials responsible for the recent crises, since they are responsible for actions of their staff, and stop ignoring the reports and recommendations of the fact-finding commissions.
- It is necessary to complete the security institutions' work regulations as required by the Security Forces Service Law of 2005 in order to be able to hold officials and employees accountable for their actions.
- It is important to accelerate the establishment of a specific financial system for the security services and to identify purchases of a sensitive security nature.
- The unified complaints system must be dealt with as a control mechanism in terms of the seriousness of examining and addressing citizens' complaints, and not to be content with statistics reports in this regard, as has been the case thus far.
- In order to effectively control companies that provide telecommunications to citizens and in accordance with resolution No. (37) of 2021, commitment must be shown to establish the Palestinian Commission for the Regulation of the Telecommunications Sector.

At the level of Anti-corruption and prevention of opportunities for its spread, a number of policies, measures and procedures must be taken:

- To accelerate the issuance of the Concession Law, and the Competition and Antitrust Law.
- To issue a specific law to regulate the work of the Palestinian Investment Fund as a sovereign fund, as stipulated in the Basic Law.
- To pass the General Directorate of Petroleum Law, as previously indicated by AMAN's recommendations. To also issue regulating laws for government companies that provide services or are in partnership with private sector companies that provide services to citizens such as the gas and public transport companies.
- To approve a law to regulate governors' appointments, where it defines conditions based on competence and experience, as well as to define duties, powers and accountability mechanisms.
- To grant the ACC the discretion and the right to protect anyone found to have properly reported alleged corruption suspicions and was threatened or retaliated against due to his/her reporting, even if he/she did not formally request protection.
- To criminalize corruption acts in the private sector's public shareholding companies and companies that run public facilities.
- To ensure that the National Anti-Money Laundering Commission commits to publishing its annual progress reports.



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