



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

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 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.

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.

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.

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

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.

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 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.

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 Gazzette 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.



Introduction:

For the 14th consecutive year, AMAN continues to prepare its annual report on the developments occurring on the state of integrity and anti-corruption efforts in Palestine. It monitors official anti-corruption efforts exerted during the year as well as the integrity of governance and challenges faced in the management of public affairs. In addition, it highlights the main forms of corruption prevailing and the criminalization and prosecution of the corrupt carried out during the year. The report also follows-up on governance in the management of public funds, and in particular as it relates to transparency during the preparation, approval and implementation of the public budget including fairness of distribution of revenues and expenditures. The report also highlights issues, institutions or cases of corruption that are of public interest, in order to place it on the agenda of public opinion and public officials.

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.

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 monitors the variables of the status of corruption and anti-corruption efforts that it collects from several reliable sources. The information and data are then studied by AMAN's analysis team along with participation of local experts before it is presented to AMAN's Board of Directors for approval.

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. 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, and the protection of public funds as well as in building effective State institutions for Palestine.

AMAN firmly believes that promoting integrity and anti-corruption efforts do not conflict with the Palestinian national project, which seeks to end the Israeli occupation, achieve self-determination and the right of return for the Palestinian people and to establish a democratic Palestinian state. On the contrary, AMAN realizes that the success of this goal is certain to strengthen citizens' confidence in the ruling authority and its executive, legislative and judicial institutions, hence deepening 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.

Contents of the report:

This report is divided into five sections:

Section I

Variables of the state of integrity, transparency and accountability system in 2021 in Palestine

Section II

Forms and manifestations of corruption

Section III

Governance in public funds management

Section IV

Issues under the spotlight.

Methodology of the report

First: Monitoring and collecting relevant information

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, in addition to monitoring the variables of the status of corruption and anti-corruption efforts from its many sources; most important of which are:

- Relevant information and data collected and documented during the year by the monitoring unit at AMAN's resource center, specifically data included in reports issued by relevant bodies as well as procedures and decisions issued by the Council of Ministers, ministries, the ACC, the Corruption Crimes Court and prosecution; the Palestinian Central Bureau of Statistics (PCBS); the SAACB; the Independent Commission for Human Rights (ICHR); World Bank reports on Palestine; Transparency International (TI).
- Conclusions and recommendations of specific research reports and work-papers conducted by AMAN's various departments and units during the year; analysis results of actual cases received by AMAN's Advocacy and Legal Advice Center (ALAC) and responses received from the competent parties;

AMAN stands fully behind its methodology and the accuracy and validity of the information obtained from reliable sources and is included in this report. AMAN is also ready and willing to review and evaluate any new data if needed.



conclusions of investigation reports prepared by AMAN in cooperation with media organizations and journalists.

- Main conclusions reached by forums and participatory networks in which AMAN and CSOs participate.
- Confirmed cases revealed by journalistic investigative reports relating to integrity, transparency, accountability and combating corruption.
- Data and information recorded during face to face interviews with officials, as well as documented deliberations from workshops, conferences, debates and general discussions related to integrity and anti-corruption.
- Variables measured by a number of integrity, transparency and accountability indicators on the management of public affairs and funds.
- Data and conclusions of the results-analysis of the Palestinian public opinion poll, conducted by AMAN. Also results of opinion polls carried out by Palestinian research and studies centers on citizens' perspectives of the status of corruption and anti-corruption during the year.

All of the above information is examined and verified by the team in charge of the report at AMAN.

Second: Information analysis

- Collected information is analyzed quantitatively and qualitatively by AMAN's analysis team.
- Outcomes of the analysis team meetings are documented in minutes specifically for the report.
- Based on the analysis results, the lead researcher is responsible for preparing the first draft of the report before presenting it to the analysis team for their review and feedback. This process is repeated numerous times before presenting its semi-final copy for review and input of the Advisor to AMAN's Board of Directors on Anti-Corruption Affairs, who was on board all during the preparation stages of the report.
- A number of experts with knowledge of Palestinian public institutions are called upon to discuss the semi-final draft of the report.
- Once the internal and external reviews of the report are completed, the report is presented by AMAN's executive director to the Board for approval.
- The report is edited to ensure that it is error-free and linguistically sound before it is printed and issued.

In order to obtain information from its official sources to prepare this report, AMAN contacted most ministerial and non-ministerial public institutions to obtain information on the most important developments and challenges faced by them during the year using specific indicators of integrity, transparency and accountability.

As a methodology for preparing the report, AMAN adopts the variable monitoring and information collecting method for analyzing and drawing conclusions before providing recommendation.

The general environment surrounding efforts to promote integrity and combat corruption in 2021

External environment

Israel continued to implement its racial discrimination policy against the Palestinian people affecting all aspects of their lives, most important of which include: confiscation of more Palestinian land, violations of national and civil rights, the emergence of an “apartheid” system in general and ethnic cleansing in particular especially in Jerusalem. It also increased the colonization activities by enabling Israeli settlers to take over more of Palestinian land with the aim of imposing a fait accompli that limits the future of their right to self-determination. Furthermore, it continued to seize their public resources hence severely hindering their building of effective Palestinian institutions in the service of their people.

As for Jerusalem, Israeli policy and practices in Jerusalem illustrated their intentions to Judaize the city. The Sheikh Jarrah and other neighborhoods witnessed various forms of attacks on Palestinians living there attempting and at times succeeding to expel them from their homes

The escalation of condemnation of Israel’s racist policy and the increase of popular solidarity in many countries of the world to demand the rights, dignity and justice of the Palestinian people

under the pretext of Jewish ownership of these homes prior to 1948, all of which is backed by the Israeli judicial system. Also, house demolitions under different excuses and take-over of Palestinian homes in the old city continued, in addition to recurrent incursions into al-Aqsa Mosque by settlers. In this regard, Israel’s hidden agenda of incursions is to change the status quo concerning the mosque divide the time and space allowed for Muslims access to the Mosque. Furthermore, the Israeli occupying forces launched a military aggression against the Gaza Strip from May 10-21, 2021.



Similarly, Israeli piracy of funds also continued. In particular, refusal of the Israeli authorities to deal transparently concerning Palestinian revenues collected by Israel due to its control over borders and crossings, not to mention the amounts it deducts from these revenues in exchange for electricity, water and



Oppressive Israeli policies aiming to weaken the Palestinian people and their institutions continued





In 2021, the international community limited its role to supporting the stability of the humanitarian situation in the GS, pressuring Israel to stabilize the economic situation and prevent the collapse of the PA.

In 2021, International interest in the Palestinian cause and their struggle with the Israeli occupation continued to decline.

medical treatment bills all on its own where it was proven more than once that Palestinian money was actually stolen by Israelis.

The Israeli government also continued to deduct part of the “clearing tax” funds (Al-Maqassa) under the excuse of the PA’s continuing to pay salaries to families of martyrs and prisoners. In short, 50 million shekels (NIS) per month for the last three years have been stolen by the occupation authorities. This has affected the Palestinian agenda of reform and objectives related to improving the management of public funds. It also contributed to the decline in areas of integrity and anti-corruption, not to mention the effects of the occupation at the economic level in terms of its control of issuing permits and approvals to cross borders and checkpoints in the occupied territory. The occupation used this authority to serve its interest under the pretext of “security” or for the interest of collaborative officials managing Palestinian affairs in the West Bank, Gaza Strip and Jerusalem, at the expense of the Palestinian people. Israel also tightened its control over Palestinian natural resources, first and foremost water and energy, and exploitation of the Palestinian gas fields adjacent to the GS. Moreover, the Israeli government took illegal measures to withdraw legitimacy from Palestinian CSOs that contributed to exposing its racist policies.

Arab supportive role towards the Palestinian cause also took a plunge in 2021, exemplified by the suspension of financial support as pledged by the Arab League, and in the signing of agreements with Israel by the UAE, Bahrain and Morocco.

Internal environment

One can consider 2021 an extension of the past year in terms of the environment surrounding anti-corruption efforts with little changes to be noted. During the year, the Corona pandemic continued to spread with its direct and indirect health and economic negative impact. However, public life witnessed a reduction in preventive measures and hence “normal” life was partially restored in concurrence with the provision of vaccines to citizens.



At the level of democracy and civil liberties, there were attempts to cancel unions’ and foundations’ elections in addition to actually cancelling the legislative elections at the end of April, 2021 after completing all needed preparations. In terms of civil life and civil society’s work space, a decision by law No.7 of 2021 was issued

by President Mahmoud Abass amended the Charities and NGOs Law No.1 of 2000, which became obsolete by order of the new law. The newly issued law aimed at restricting the work of Palestinian Charities and NGOs. The desire for the government to dominate and control these institutions was clearly reflected in the content of the new law. The year 2021 also witnessed multiple human

rights violations to include the killing of activist Nizar Banat by members of the Palestinian security forces, the suppression of protests over his killing and the arrest of activists and attacks on media professionals who covered the events. Furthermore, the negative impact of the internal division and the absence of



Challenges that accompanied the response and recovery from Covid-19 and the continued state of emergency revealed a weakness at official and national level to manage disasters properly. This is mainly due to the absence of a regulating law and the absence of a national participatory plan to activate the National Disaster Center. Moreover, fragility of the database, prepared by the government prior to the events, led to lack of transparency and procrastination of initiatives by those concerned in activating the role of state institutions, which in turn led to chaos and at times full failure of some initiatives. For example, the case of aid distribution to the affected workers, and the deplorable deal to exchange the vaccine with Israel. In the latter example, the official commission of inquiry revealed that some administrative and criminal suspicions were proven against some officials in the MoH

The absence of the PLC, the internal division and clear decline in human rights constituted negative factors affecting accountability and anti-corruption efforts.



the role of the PLC in monitoring the integrity of governance in the West Bank and Gaza Strip (WB&GS) also continued, not to mention the interference of the President's office in the appointment of the Head of Higher Judicial Council, which weakened the judiciary's independence.

Although preparations for the legislative elections were completed, the Palestinian leadership

The continued division and declaration of a state of emergency reinforced the closed and non-transparent government's policy in several fields, especially legislation, management of public budget and public fund, in terms of adherence to the necessary standards and provisions of laws such as the Public Procurement Law on public tenders. Not to mention the impact based on loyalty at the expense of competence and merit.



Ignoring the role of the Legislative Council in the preamble to the new legislation reflects the desire of the executive authority to monopolize the power of legislation, contrary to the provisions of the Basic Law.

decided on April 30, 2021, to postpone these elections along with the presidential and the National Council elections in the whole of Palestine. This deprived citizens from exercising their right to choose their representatives in addition to increasing popular tension and preventing opportunities to hold the government accountable for its actions hence negatively impacting 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.

Post Dissolving of the Legislative Council

Decrees issued by the President disregarded provisions of the Basic Law; a violation intended to terminate the role of the Legislative Council

“Based on the provisions of the Amended Basic Law of 2003 and its amendments, in particular, provisions of article 43” on decrees or laws by decisions issued by the President of the PA stating that that: “The President of the National Authority shall have the right, in cases of necessity that cannot be delayed, and when the Legislative Council is not in session, to issue decrees that have the power of law. These decrees shall be presented to the Legislative Council in the first session convened after their issuance; otherwise they cease to have the power of law. If these decrees are presented to the Legislative Council, as mentioned above, but are not approved by the latter, then they shall cease to have the power of law.”

Through monitoring of the official newspaper (Al-Waqa’ Al-Filisteenyia) AMAN noted a change in the legislative language under which the Palestinian legislations are being issued by the PA President. Specifically, this was after the president’s declared decision on December 23, 2018, stating that the Constitutional Court had ruled to “Dissolve the Legislative Council and call for legislative elections within six months of the date.” Therefore, since February 19, 2019, beginning with issue no. 152 of the official newspaper to the present day, the statement “Based on the provisions of the Amended Basic Law of 2003 and its amendments and in particular, provisions of article 43” remains deleted from the introduction of the laws by decisions and replaced by a new text: “Based on the Palestinian Liberation Organization statute...”

In addition, the article stating that “the decrees by decision shall be presented to the Legislative Council in the first session convened for approval” was also removed noting that the above stipulation must be included in every law by decision.

This important constitutional change didn’t come in vain, but rather it is an attempt to abolish the existence of the Legislative Council and a recognition that the temporary fait accompli (absence of the Legislative Council) is permanent. This is apart from the fact that the resolutions passed by law issued during the last three years have not presented to the Legislative Council at its first session.

The brutal killing of activist Nizar Banat following his arrest on Thursday morning, June 24, 2021, increased popular tension. This being an example of the declining situation of human rights and civil liberties and numerous violations of abuse of power in 2021 by the PA in the WB and the authority in the GS. Violations of media freedoms during 2021 totaled (126) violations by PA officials with 80 of them committed in June and July, according to MADA Center for Media Freedoms.¹

According to ICHR monthly reports published on its website,² the ICHR recorded in the first eleven months of 2021 (32) violations concerning the right to assembly and freedom of expression. While the number of complaints received by the Commission that relate to torture and ill-treatment including torture of detainees amounted to (153) violations on the right to physical safety in each of the WB&GS. In addition, the Commission received (193) violations relating to the right to freedom and personal security, in both, the WB&GS. These violations included administrative detention (i.e., detentions without a court hearing); detaining citizens for exercising their legitimate rights; committing violations of legal procedures during arrests; and refraining from carrying out court orders concerning release of detainees, not to mention the use of the state media to provoke and mark protesters.

The Council of Ministers issued the Decision No. (3) of 2021 to amend provisions of the Code of Conduct in public employment with the aim of preventing public employees from exercising their right to express their opinion freely, hence reflecting a government approach that limits freedom of expression.

In 2021, public opinion polls in Palestine indicate to citizens' frustration and mistrust of anti-corruption efforts. This is linked to the increasing number of violations of civil liberties, as combating corruption becomes an impossible task when civil rights and freedoms are constantly violated, according to citizens' opinion.

Corruption and combating it is a priority for Palestinians

Despite the many ordeals Palestinian face on daily bases that include Israel's continued aggressive policies and practices, the health and economic crisis as well as the on-going negative impact of the political division, the majority of them find corruption to be one of the most crucial issues to deal with. In this regard, results of the public opinion poll on "The Status of Corruption and Anti-Corruption in Palestine"³, conducted in October 2021 indicated pessimism among citizens and placed combating corruption at the top of the list of the most crucial challenges that need to be addressed as follows: combating corruption, occupation policies, the economic crisis and the internal political division, where 28% of respondents said that addressing corruption is a priority. It was followed by issues related to the oppressive Israeli policies, the acceleration in the economic crisis with 23% each, and the internal division with 13%.

The weak rule of law, lack of respect for human rights and decline in civil freedoms contributed to the loss of confidence in public institutions' officials in the WB&GS.

1 See monthly reports issued by the Palestinian Center for Development and Media Freedoms (MADA) from 2021/12/31-1/1 <https://bit.ly/3GUo3cT>.

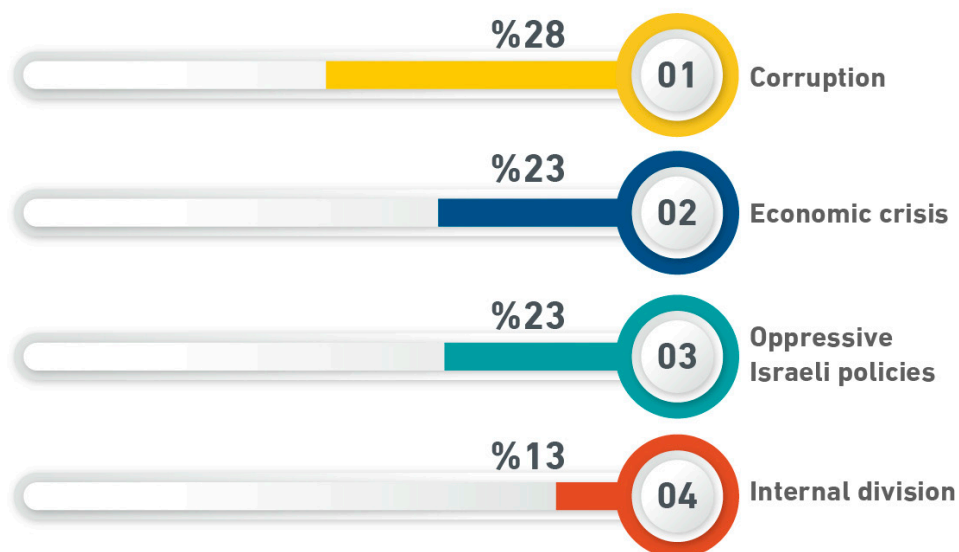
2 See: monthly reports of the Independent Human Rights Commission published at the following link: <https://ichr.ps/ar/5/1>.

3 For more details, see the Coalition for Accountability and Integrity -AMAN "The Status of Corruption and Anti-Corruption in Palestine", <https://www.aman-palestine.org/reports-and-studies/14706.html>.



Citizens question the seriousness of the accountability of those responsible for the vaccine exchange deal with Israel

The challenges that need to be addressed as follows



The PCBS indicated that 2021 saw a 6.7% increase in GDP compared to 2020.⁴ Except that the PA's public finances faced serious challenges one of which is that aid fell to a record low despite the increase in public financial revenues, which is due to higher public spending at the same rate. This increased the PA's budget deficit to \$1.36 billion in 2021, as well as contributed to the accumulation of arrears owed to the private sector.⁵

Also, according to the PCBS data, the unemployment rate reached 27.8% in 2021, 17% in the WB and 51% in the GS. The unemployment rate was concentrated among graduates to exceed 35%, which led to a shortage of skilled labor in the Palestinian local market in the WB.⁶

The declining economic situation has made addressing it a priority on the citizens' agenda to call on the Palestinian leadership to address along with combating corruption, ending the internal division and the occupation.

The state of disapproval and criticism has escalated on traditional and social media means concerning the biased appointments of officials' sons and daughters in important public positions such as in the MoH, embassies, etc.

4 See: The Palestinian Central Bureau of Statistics: <https://www.pcbs.gov.ps/postar.aspx?tabID=512&lang=ar&ItemID=4145&mid=3915&wversion=Staging>.

5 The Palestinian Economic Monitoring Report, submitted to the Special Liaison Committee, November 17, 2021 <https://documents1.worldbank.org/curated/en/673241636127238194/pdf/Executive-Summary.pdf>.

6 See: The Palestinian Central Bureau of Statistics: See The Palestinian Central Bureau of Statistics: <https://www.pcbs.gov.ps/postar.aspx?tabID=512&lang=ar&ItemID=4145&mid=3915&wversion=Staging>.

First: variables in the reality of the integrity, transparency, and accountability system in 2021 in Palestine



1. Developments in the political system and the integrity of governance

➤ Developments on the legislative authority

Official accountability of the government is dysfunctional due to absence of PLC; the main body for controlling its performance and management of public funds and affairs

- The continued absence of holding general elections has significantly affected the integrity of governance and the legitimacy of the those few in power. It also disrupted the balance between the pillars of the political system and halted the peaceful transfer of power as well as disrespected the constitutional procedures adopted by the Basic Law and Independence Charter. Furthermore, it increased the possibility of internal conflict if or when the position of the presidency is vacant. Moreover, it negated constitutional rules, such as the provisions of item 3, article (26) of the Basic Law, which imposes the right of citizens to choose “representatives who are elected through elections”

and article 2 of the basic Law which considers the people as the source of power...practiced via the legislative and executive authorities as well as article 5 of the Law that stipulates that “The president of the National Authority is directly elected by the people” every four years.



The postponement of the legislative elections at the end of April provoked public anger and highlighted the imbalance in the integrity of governance. It also deprived citizens of the opportunity to create change through free and fair elections and within a democratic process. In addition, it clearly highlighted the issue of imbalance in the integrity system of governance, which enhances opportunities for political corruption where the individual, partisan or factional interests prevail at the expense of the public interest.

No general elections have been held since the President and the Legislative Council's terms expired in 2010, leaving the issuance of legislations for public affairs' management solely in the hands of the PA president through the issuance of decrees, where some decrees were issued in the interests of particular individuals or for mere control over decision-making centers by the powerful elites. while some decrees there was no need for issuing them in the first place. This also left the government accountability free in respect to the preparation and implementation of public budgets in the absence of official control body

The continued disruption of the mechanisms to assume positions of power, in line with the principle of equal opportunity and holding periodic elections denied citizens the right to choose their representatives in governance; a violation of the Basic Law, which granted citizens the right to hold such positions as well as to respect the principle of equal opportunities to hold key positions by appointment.



The Hamas policy of rejection to run local elections in the GS weakened the legitimacy of councils members; hindered citizens' right to accountability and wasted opportunities for international grants and assistance needed for infrastructure development.

Issuing legislations for reasons other than the public's interest.

(the PLC). The abovementioned factors significantly weakened the integrity of governance and provided fertile grounds for some opportunists to take advantage and obtain personal privileges at the expense of public interest.

- The holding of local elections in the WB was a fragmented step⁷ due to the failure of the authority in the GS to allow elections there, and for conducting these elections in the WB in two stages.⁸
- Amendments made to the Local Government Units Elections Law through a presidential decree allowed the Council of Ministers to conduct local elections in stages without relying on recommendations of the CEC, in accordance with the law before being amended.

Civil society held the authority in the GS responsible for preventing local elections to be conducted simultaneously and on time in the WB&GS, and considered it be a disruption of the democratic life affirmed by the Palestinian Basic Law. Furthermore, CS considered the act a factor that deepens the division between state institutions in both parts of the country and weakens popular accountability and oversight on the management of public affairs and funds at the level of LGUs, noting that the majority of citizens in the GS expressed their desire to hold and participate in local elections.

AMAN and Ro'ya Society for Capacity Development conducted a public opinion poll in December 2021 in the GS to study citizens' views on holding election for LGUs councils in the Strip. Results of the poll showed that the majority of respondents (84%) are in favor of running the elections and 73% of them who said they were ready to participate if the elections were to be conducted. And a large majority (71%) confirmed their support for running the elections simultaneously in the WB&GS.

Local elections were last held in the GS in 2005. In 2012 and 2017 they held in the WB only where Hamas rejected to hold them in the GGS. In addition, the authority there continued to make changes in several LGUs in terms of selecting and appointing members for the new boards of directors.

7 At its 143rd meeting on 17 January 2022, the Council of Ministers issued a decision to postpone local elections in the GS based on the CEC's letter stating that it could not work in the Strip. <https://wafa.ps/Pages/Details/39855>.

8 See: the CEC statement <https://bit.ly/3zFEO8N>.

Passing laws by decisions to dominate governance and to achieve personal gains

In 2021, laws by decisions continued to be issued by the President's office that were not in the public's interest, but rather to dominate public bodies and specifically the regulatory institutions amongst them. An example of these laws includes: Law by Decision No. (39) of 2021 amending the State Audit and Administrative Control Bureau Law No. (15) of 2004 and its amendments issued on October 25, 2021. This amendment allowed the President to appoint the head of the bureau without nomination by any side. In addition, the decree granted the President the power of discretion to extend the term of the head of the bureau for three additional years after the expiry of his original seven-year term and altered the organizational structure and job formation to be in agreement. Another example is the Law by Decision No. (8) of 2021 on the Shari'a Judiciary, where it was amended to grant Chief Justice the rank of President of the Supreme Shari'a Court instead of a minister's rank. This entails additional financial concessions, and grants power to the President of the State to appoint individuals to this post without placement by a judiciary body. Such decrees were noticed due to their aim of serving the interest of specific groups and not the interest of the public.

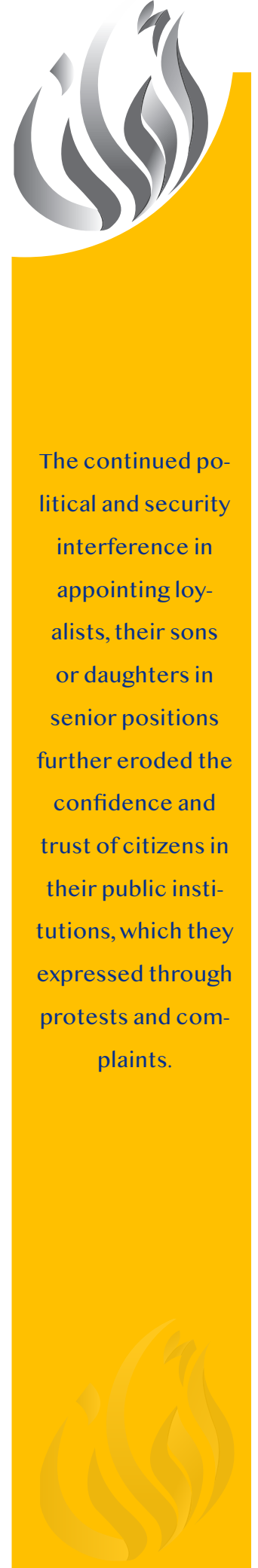
It is safe to say that this type of governance environment and the non-institutional decision-making mechanism allows some persons and powerful individuals access to undeserved privileges.

- Disruption of elections of a number of grass-roots organizations such as: The General Union of Palestinian Students, the General Union of Palestinian Expressionist Artists and the Journalists Syndicate is to ensure loyalists' control in decision-making positions.

Senior positions (appointments and promotions)

Many of the senior positions' appointment, including promotions and transfers, in ministerial and non-ministerial independent public institution were nominated by powerful confidants and supported by two security agencies, the intelligence and preventive security apparatuses under the pretext of security. These positions were granted based on personal or partisan considerations to the regime loyalists and their sons who are members of the ruling party. This included appointments in the diplomatic corps, Shari'a Judiciary and security services taking for granted the principle of equal opportunity for all citizens, not to mention lack of transparency. This allowed those in power to harness state institutions to serve the regime and not the public. Furthermore, decisions were taken to penalize those who deviate from loyalty to the regime, as those taken by some ministers... early retirement, dismissal from their duties, or transfers to different locations.

Despite holding competitive interviews in many ministries and public institutions for vacancy the supervisory positions, appointments and promotions are still made exceptionally and with favoritism.





Automatic upgrades, especially in the security services, accumulated senior positions and high ranks in the organizational structures of many institutions.

AMAN continued to monitor decisions related to senior positions' appointments, promotions, transfers, term extensions, secondments and dismissals. According to the official newspaper (Al-Waqai' Al-Filisteeniya), in 2021, appointment in senior positions included the following: ambassadors, heads of non-ministerial institutions, deputies, and deputy assistants, attorney general assistants, judges and general directors. Following is a summary of these positions in numbers:

Changes in Senior Positions in 2021	Number Targeted
Appointments	52
Promotions	88
Transfers	7
Term extensions	7
Commissions	2
Secondments	1
Dismissals	1

In the Gaza Strip: on June 23, 2021, the Change and Reform Bloc in the Legislative Council approved the formation of a committee, headed by Mr. Essam Al-Da'alis, to follow up on the government's work and its programs. The committee consisted of 16 members, five of whom were added by subsequent decisions,⁹ most of them are deputy ministers. This "Government Follow-up Committee" restored the work of the Council of Ministers exemplified by carrying out transfers, relocations and appointments of senior officials loyal to the regime in ministries and institutions with no transparency, respect for equal opportunity, job competition or declared criteria. On July 12, 2021, the committee announced a number of these actions that included several leadership positions in public institutions.

In 2021, appointments in public senior positions were noticed during the legislative election's preparation stages (i.e., prior to postponement). This provoked suspicions that these were used as a "personal bribe" to appease some people or to prevent them from nominating themselves for elections or in anticipation of the results.

Based on the abovementioned concerning senior positions' appointments, promotions and transfers monitoring in 2021, AMAN sees the following:

- Senior positions' appointments continued with no respect to the equal opportunity principle, job vacancy announcements, job competitions, or clear terms of reference for the available positions, in both the WB&GS.
- Internal and external appointments in the diplomatic corps continued to be conducted with no respect to the principle of equal opportunity and with no official oversight to examine principles of efficiency and merit.
- Extension of position's term for some employees post their legal retirement age, as well as amending laws to extend the legal term for heads of commissions with no justifications continued during 2021, which provides opportunities for exploitation.

⁹ See: Al-Waqai' Al-Filisteeniya) P.5760-, November 2021.



- As of the end of 2021, the government did not adopt a system that includes Specific conditions for the position of governor and deputy governor. This was due to the absence of a governing law for this purpose. In addition, it was noticed in recent years that a security background check standard was adopted for assuming these positions instead of the principle of equal opportunity.
- The seniority-based promotions policy continued to be carried out in the security services without thoroughly studying the institutional structure for job vacancies. This weakened performance and allowed for unqualified individuals to assume leadership positions. Therefore, a legislation or an amendment of the Security Service Law with regard to automatic promotions and the principle of merit and efficiency is required.
- Despite the issuance of the system No. (10) of 2021¹⁰ on expert recruitment and temporary or seasonal employment that aimed to organize the recruitment process for these posts, the phenomenon continues to be practiced as a transitional (interim) mechanism for subsequent permanent appointment.

It is crucial for today's governance system more than ever to take measures and procedures that guarantee clarity of appointment in public and sensitive positions. This requires the establishment of a "governance quality control committee" to look into appointments of candidates for these posts (civil and security) and to ensure that procedures related to competition and announcement of job vacancies are respected, and complaints related to the process are taken seriously.

The General Personnel Council (GPC) role on senior positions' appointments and promotions remained limited in 2021 as in past years. It comprised of providing data to employees listed for promotion, and to implementing the President's decisions in this regard. It is worth noting that although job descriptions for senior positions have been approved, it is not certain that they are referred to for employment, promotions or transfers.

¹⁰ See: website of the Fatwa and Legislation Office; official newspaper. Issue No. 180. <https://bit.ly/3Fl34P1>.



The government continues to apply a closed policy approach with citizens as it shows no regard to transparency or to the principle of participation in the development of policies, legislations and or procedures in the management of public affairs.

Ambiguity surrounds the resignation and appointment of heads of regulatory institutions!

The resignation or dismissal of Dr. Ahmad Barak and Mr. Azzam AL-Shawwa, Head of the ACC, and Governor of the Palestine Monetary Authority (PMA) respectively in the beginning of 2021, remained ambiguous. No official body provided any explanation concerning these resignations regardless of the significance these two positions carry in terms immunity granted by law while in office. Or of their impact on the quality of governance and the guarantee and protection of the rights of citizens and the state. To further clarify the picture, the head of the ACC was appointed a year and seven months before his resignation, while the PMA Governor's term was renewed only thirteen months before his resignation (i.e., not completing half of their legal terms) noting that these legal periods are granted primarily to ensure the independence, impartiality and effectiveness of these regulatory institutions.

Lack of clarity of appointment, dismissal and resignation in such positions, as well as the ambiguity in decision-making by officials in this regard undermines the integrity of governance and compromises the credibility of the ruling administration. It also weakens trust in decision-makers and hence enhances lack of confidence in all State institutions.

Transparency of the Council of Ministers in decision-making and measures

2021 witnessed a number of policies, legislations and few decisions, concerning public affairs, issued by the executive authority (the Presidents Office and government) that lacked sufficient transparency.

- The public budget is issued with no details and without informing citizens, or consulting with CSOs beforehand

The 2021 Budget Law was issued without informing citizens or discussing it with CSOs representatives (i.e., ignoring representatives of the taxpayer). In addition, it was published at a later date with no details concerning allocations of centers of responsibility. This weakened the ability of CSOs to analyze and assess the data available as well as hampered methods of accountability followed by them in this regard.

- Continued lack of consultation or participation of citizens' representatives in policy-making, or access to information

Difficulties in implementation of the Cross-Sectoral National Plans

Difficulties in this regard are due to the government's lack of integrative mechanisms for implementing these plans and to the weak relationship between the MoF and the General Secretariat at the Council of Ministers; the first being in control of the budget and the latter responsible for follow-up with donors and partner parties.

The government often refrains from including citizens' representatives and CSOs in the process of policy-making or the development, implementation and control of national plans. These plans continue to fail in achieving their goals for many reasons, such as: lack of sufficient budgets and the precarious relationship between the Prime Minister's office and the Finance Minister's office. Such issues didn't only hinder the achievement of the desired goals, but also contributed to the loss of citizens confidence in the follow up and supervision parties in charge of these plans.

Although the Law by Decision No. (37) of 2021 on communications and information technology included indicators and provisions related to governance of the private sector, it was prepared and issued without the relevant parties' participation and or community consultations.

In 2021, the Palestinian government continued to discuss various bills in secrecy and without sharing it with citizens' representatives or stakeholders until the time of issuance or are posted in the official newspaper. Legislations such as those resulting in fees, taxes, costs and financial burdens on citizens, as the case in the basket of economic legislation, were issued with no consultations or discussions with partners from the civil and private sectors CSOs, research centers, federations and partner unions taking place.

- The policy of lack of disclosure of assets and resources owned by politicians exposed to corruption continued to be applied, where it settles for filling out financial disclosure statements through an ineffective system used in Palestine that does not provide for the publication of such statements as it considers them confidential.
- Failure to disclose cases of conflicts of interest upon occurrence The conflict of interest system remains inactivated¹¹ as no committees have been formed in ministries and public institutions to review and study disclosures submitted by individuals subject to provisions of this system. In addition, the specific conflict of interest disclosure form is not posted on the ministries and institutions websites, which indicates the lack of seriousness of high officials to apply it.
- Weak terms and conditions for moving from public centers and positions to private sector employment. Applies also for senior security officials who remain active participants in political organizations in violation of the law, all of which allows for opportunities to obtain undeserved privileges. It also weakens the integrity of governance due to senior staff possession of information and decision-making power that can impact decisions far from public interest.
- Poor transparency in the management of state resources , Failure to issue the two main laws, the Competition and Antitrust Law and the Franchising Law, that regulate the management of natural resources owned by the Palestinian people, but are under the responsibility of the PA, or has been allocated and managed by private sector companies to provide public services on behalf of the state.



The conflict of interest system remains ineffective, and public positions are being exploited for personal interests.

¹¹ See: website of the Fatwa and Legislation Office; official newspaper. Issue No. 164. <https://bit.ly/3FI34P1>.



Postponing the general elections weakened the integrity of the government and the citizens' trust in it.

In the absence of the PLC, the executive authority has been managing most public and natural resources directly or indirectly with little or no transparency especially in regard to publishing concession agreements and contracts granted. For example, the PA continues to refuse to publish the full contracts of the majority of the concessions' agreements concluded in areas of telecommunications, electricity, stock market management and others. It has only published parts of these contracts and often long after the signing of the agreements. This is in addition to the non-publication of any memorandum of understanding (MoU) or documents relating to the Eastern Mediterranean Gas Forum. Moreover, the government does not allow citizens access to data on persons, officials and or parties who have received special concessions to manage state land and waqf property in the WB&GS.¹²

In the Gaza Strip, areas of state land were exchanged, allocated or leased to individuals and investment companies without any clear selection criteria and without adherence to legal procedures in this area. In addition, contrary to regulating laws, some committees or bodies were created to manage State property and land where based on their recommendations areas of land were allocated and managed at the expense of the public interest.¹³

The National Integrity System Index (NISI) shows weakness in the system and its immunity against corruption

Results of the Index pointed to weak governance integrity in three areas: at the level of access to power, indicators of means and mechanisms for access to power, such as elections and appointments, received very low and low marks. In terms of transparency: indicators on transparency of citizens' participation in decision-making and on avoiding conflicts of interest showed great weakness. While indicators on the effectiveness of formal accountability and oversight of the ruling political class posed a major challenge to the integrity of governance due to the dismantlement of the PLC by the President. It also weakened the independence and effectiveness of the oversight role of both the administrative judiciary and the SAACB. In addition, the absence of the general elections, which means the absence of a unified legislative council, was exploited by the ruling elite through domination over all three authorities of governance and widened the already weak citizens' confidence in power in general, and in the factional political class (loyalists and opposition).

Source: Coalition for Accountability and Integrity (AMAN), 2021. The Palestinian Integrity Index, 2020, Ramallah, Palestine. <https://www.aman-palestine.org/reports-and-studies/15739.html>

• Use of religious institutions for political purposes

It was noted that some personalities who hold official positions in religious institutions in the state, such as the Grand Mufti¹⁴, positions in the Shari'a Courts¹⁵ and Al-Awqaf (Endowment) and Religious Affairs¹⁶ have employed religion on

¹² For further information, see: the Coalition for Accountability and Integrity AMAN 2021. Integrity of Governance and the Environment of Integrity, Transparency and Accountability in the Management of Public and Natural Resources, Ramallah, Palestine. <https://www.aman-palestine.org/reports-and-studies/15724.html>.

¹³ The State of Integrity and Transparency in Management of Public and Natural Resources in the Gaza Strip, Gaza, Palestine. <https://www.aman-palestine.org/reports-and-studies/15717.html>.

¹⁴ See: Mufti Mohammad Hussein, "No elections Without Jerusalem: Excluding it is a Implementation of the Deal of the Century on the Ground". <https://www.wafa.ps/Pages/Details/21452>.

¹⁵ See: Al-Habbash: "Elections are Not a Magic Solution to End the Division, and I Respect the Position of this Faction". <https://bit.ly/3KZZPAD>.

¹⁶ See: Ministry of Endowments and Religious Affairs Facebook page; 28 January 2022

some occasions for political purposes to support the ruling authority (political regime) in the WB&GS. In this regard, 2021 witnessed a number of practices, declarations and participations in gatherings such as the Friday sermon, to offer allegiance to the regime or to justify its decisions by declaring a fatwa of their importance to the common good.



Translation

(Facebook Page): the Palestinian Ministry of Al-Awqaf (Endowment) and Religious Affairs Friday Sermon and prayer; Al-Ouja Great Mosque/Jericho: His Eminence Sheikh Hatem al-Bakri, Minister of Al-Awqaf and Religious Affairs; meeting with Al-Attyat Clan.

The sons of the clan announce the renewal of their support and allegiance to His Excellency President Mahmoud Abbas, may God protect him.

Official and community control over the political authority

Although there are constitutional mechanisms and rules governing accountability and control over the political authority in general and the executive authority in particular, the President's dissolution of the PLC, supported by an order by the Constitutional Court reinforced the feeling among many officials that this absence left them free to act as they please without any official control. This is in addition to the ramifications of the decline in judiciary's control role over the executive branch in light of the amendment of the Law of the Judiciary, which took away its independence, especially the administrative judiciary's role. This allowed the executive branch to be the sole party for decision-making of public affairs and strengthened a totalitarian regime in each of the WB&GS. In addition, it further eroded citizens' confidence in state institutions and the political system.

Some officials of religious institutions continue to use religion for political purposes





Decline in the independence of the judiciary's control role on officials and their decisions due to amending the Judiciary Law.

Publication of the SAACB reports, which exposed some legal, financial and administrative deviations in many ministerial and non-ministerial public institutions disturbed some high officials.

Amending the Judiciary Law by the issuance of the Law by Decision No. (41) of 2020 granted the President the power to appoint the first President and judges of the Administrative Court and the President of the Supreme Administrative Court and judges. This was executed after consultation with the President of the Higher Judicial Council and the Minister of Justice (the president is obliged to consult). Furthermore, the mentioned amendment also granted the President the right to appoint presidents and judges of all administrative courts, which makes the administrative judiciary at all levels subject to the executive authority. This weakens its independence and impartialities in looking at the appeals submitted to it, which is mostly administrative decisions issued by the executive branch that deviate from the principle of legitimacy, rule of law and encroach on human rights and its freedoms.

Despite the effectiveness of the SAACB in its control over public institutions, attempts to control, dominate and weaken its independence never stopped.

The Law by Decision No. (39) of 2021 on amending the State Audit and Administrative Control Bureau Law¹⁷ included four revisions that altered the rules of appointing the Head of the Bureau as follows: 1. the appointment decision is made directly by the President of the State of Palestine; 2. the President has the power of discretion to extend the term of the head of the Bureau three additional years after the expiry of the seven-year term stipulated in the original law; 3. the Palestinian president adopts, hence controls the organizational structure and the job formation chart; 4. Cancellation of the mandatory period for appointing a new head for the Bureau in the event of a vacancy. All of the above weakens the independence and partiality of the Bureau's work.

¹⁷ See: Decision No. (39) of 2021 on amending the Law of the State Audit and Administrative Control Bureau No. (15) of 2004, official newspaper, issue No. 186. <https://bit.ly/34HQZxt>.the

2. Developments in the governance of the public civil sector

The monitoring and follow-up¹⁸ process of the status of integrity, transparency and accountability in the management of Palestinian public affairs during 2021 showed improvement and progress in some areas and sectors versus the decline and challenges in other areas.

In this regard, President Mahmoud Abbas issued a decision on 18/10/2021 to form a national committee for administrative reform headed by the Legal Advisor of the Head of State. The committee was tasked with studying laws, regulations and structures of state institutional building. Also, to study all issues related to public employment in terms of needed reform, development, structure uplifting, expenditure rationalization, performance enhancement, and control of the functional and structural relationships between the PLO institutions and the State's. However, the committee did not publish a work plan or results achieved, which indicates that the change was a matter of formality and only to relocate some officials and or nominate loyalists to decision-making positions. This was confirmed by semi-certain news that leaked of the upcoming changes that include a number of ministers, ambassadors, governors and security officials.

» Integrity values

2021 was a continuation of previous years in terms of public institutions' poor commitment to raising awareness and training on provisions of the specific Code of Conduct (CoC) for public service employees.

The above poor outcomes are attributed to the lack of commitment of public institutions officials of adopting effective policies, procedures and measures that oblige employees to work in accordance with the values contained in the provisions of the COC, the "Gift Receiving System and the "Conflict of Interest System" issued by the Council of Ministers. This was noted as the abovementioned tools were not utilized as indicators of commitment and or as mechanisms of control, accountability and as annual evaluation tools in public institutions.

- The approved Gift Receiving System for public service employment to combat bribery is not enforced

The system was published in the official newspaper (Al-Waqa' Al-Filisteeniya)¹⁹ on December 26, 2019. However, this was carried out without revisions recommended by CSOs, which is to define the acceptable ceiling for in-kind gifts as the absolute rejection of monetary gifts and to refer anyone who violates its provisions to administrative, or penal accountability if proven to have accepted or failed to declare receiving a cash gift, since it constitutes a corruption crime. As it stands, no case was reported to have been referred to the ACC for violating the system throughout the year.

- The end-of-year bonus was distributed to the employees of some ministries without the existence of objective criteria to which the ministers could follow. This provoked resentment and a sense of favoritisms among some



A reform committee with no results to show.

Year-end bonuses were distributed to all ministries' employees without uniform and declared criteria.

The government issues legislation (laws and regulations) and instructions to promote integrity but does not promote implementation follow-up; nor does it present these documents to citizens for discussions prior to publication.

¹⁸ Data and results of special reports conducted by AMAN, as well as information collected from the public sector in its civil and security branches, developments and challenges in promoting integrity and combating corruption during 2021.

¹⁹ See: Website of the Fatwa and Legislation Office; official newspaper. Issue No. 162. <https://bit.ly/31PPISD>



There is no improvement in the adoption of a policy of transparency in the work of the public sector.

- ministers due to the absence of a declared criteria in this regard. It also strengthened mistrust towards the State's officials and employees.
- The Council of Minister's system No. (21) of 2020²⁰, published in 2021 defining responsibilities, specializations and work mechanisms for the Council and its General Secretariat prevented the publication of minutes of the Council's meetings, hence the Secretariat continued to publish only titles of the meetings (i.e., no details). In addition, the Secretariat does not allow access to draft laws.
 - The issuance of the Public Reward System No. (3) of 2021²¹ for employees participating in board directors of public and private institutions is considered a step towards enhancing integrity. The system aims to determine and control the amount of rewards spent and to establish specific standards and a nomination mechanism for board membership. Also, the system No. (18) of 2021 was issued to amend remuneration of public employees participating in the boards of directors of public and private institutions' system No. (3) of 2021²² aiming to define interactions with the members of boards in the private sector.
 - Despite the issuance of the decree No. (5) of 2021 on improving public freedoms²³ in all of Palestine including the freedom to practice political and national actions, in accordance with the related provisions of the Basic Law; the emphasis on the prohibition of prosecution, detention, arrest and all types of accountability outside provisions of the law for reasons related to freedom of opinion and political affiliation, arrests based on the expressions of opinion and political action have continued.

As for the GS, in 2021 newly hired public employees were obliged to sign a declaration and pledge form, issued by the GPC, to review the public employment COC. In addition, a special workshop was conducted on application of the civil service, which included parts of the mentioned COC for employees of the Ministry of Education (MoE)²⁴, Ministry of Transport²⁵ (MoT), Ministry of Interior and National Security, the Water and Environment Quality Authorities. However, institutional procedures for promoting the COC, documentation of conflict of interest cases and of gift acceptance remain ineffective in the GS.

» Transparency principles

In 2021, the level of transparency declined in Palestine in regard to recovery procedures related to the "Corona pandemic" as well as other areas. The decline included: poor provision of information on the Coronavirus vaccines; lack of information concerning the financial situation; and results and fate of the National Cross-Sectoral plans by replacing it with superficial statements on special projects in the various Palestinian governorates. In addition, the Council of Ministers continued to restrict publication of decisions related to procurement and tenders as well as draft legislation issued by the Council. In this regard, only titles of decisions are posed on the Council's website and no archives of past

20 See: Website of the Fatwa and Legislation Office; official newspaper, issue No. 175. <https://bit.ly/31PPISD>

21 See: Website of the Fatwa and Legislation Office; official newspaper, issue No. 177. <https://bit.ly/31PPISD>

22 See: Website of the Fatwa and Legislation Office; official newspaper, issue No. 184. <https://bit.ly/31PPISD>

23 See: Website of the Fatwa and Legislation Office; official newspaper, issue No. 176. <https://bit.ly/31PPISD>

24 A respond letter from the MoE in Gaza to AMAN on December 28, 2021.

25 A respond letter from the Ministry of Transport and transportation in Gaza to AMAN, on January 2, 2020.

governments are not published. Furthermore, the Right to Access Information Law and that of the National Archives Law also have yet to be passed.

- **The status of published information on the official websites of public institutions**

At the beginning of 2021 the government posted its sectoral and cross-sectoral strategic plans and policy plan on the Prime Minister's website²⁶ in addition to publishing the 18th government performance report-emergency year 2020.²⁷

- ✓ The SAACB, as always published its annual report that incorporates all its oversight work on public institutions and ministries, on the Bureau's website. The Bureau also issued, for the second consecutive year, an accompanying report illustrating the extent to which these bodies are committed to the recommendations presented in its reports.
- ✓ The ACC continued to issue monthly progress reports. The reports include various details related to complaints and reports on corruption received by the Commission.²⁸
- ✓ The Government Follow-Committee in the GS consistently published titles of decisions at the end of the government's meetings on the Government Information Office's website.

- **Announcing job vacancies in public employment**

In 2021, the GPC continued to announce job vacancies in governmental institutions on the Council's website. 147 ads were noted on the site for jobs available in the various institutions, such as the MoH, MoE, MoL, MoF, Ministry of Communications and Information Technology (MoC&IT), Foundation for the Care of Families of Martyrs and Wounded, Tulkarem Governorate and the Jerusalem Governorate.²⁹ Job applications are submitted electronically only through the public portal of the GPC (www.gpc.pna.ps)

In the Gaza Strip, after a pause of more than seven years, it was announced that competition is open for the supervisory positions in (327) government departments at the level of all ministries and other government institutions to include positions of directors of departments, heads of section, popular leaders and all that is in between³⁰. Applications can be submitted through the GPC's official website.

- Information found the websites of public institutions does not necessarily reflect the will and approach of many officials in disseminating public information



The Right to
Access Information Law has
been inside the
government's
drawers for
years due to
fear of being
held accountable by the community.

26 See: The Prime Minister's website <https://bit.ly/3fg8nVg>.

27 See: The Prime Minister's website <https://bit.ly/3fg8nVg>.

28 See: the Palestinian Anti-Corruption Commission's official website. <https://www.pacc.ps/library/FlipperIndex>

29 See: the General Personnel Council Website: <https://www.gpc.pna.ps/diwan/viewPublicVacancyList.gpc> date of entry to the site was on 12/2021/1/; ads include the period between April 18, 2021 and December 20, 2021.

30 Website of the GPC on October 4, 2021.



Decline in publications posted on government institutions websites such as budgets, annual plans and assessment reports. Examples include websites of the Ministries of Endowments and Labor

With the exception of few, the majority of websites of ministries and public institutions under the control of the “Government Follow-Up Committee” in the GS reflect a state of division and dissociation from their counterparts in the WB.

Transparency of websites of public institutions examined in the West Bank

Indicator	No.	Indicator	No.
Has a website in Arabic and an available map of the site	23	Mechanism for responding to complaints is unclear and time-bound	23
Website is dysfunctional	2	No section for suggestions, consultation and measurement of satisfaction of the service recipients is available	22
The site contains all services provided by the institution to citizens	12	Geographical location is clear to the public.	15
Services guide is published on the site	11	Contact internal groups are clearly defined	7
Target groups receiving services from the institution are shown	10	Annual work plan is published	1
Requirements for providing services are clearly illustrated	10	Work evaluation reports are published	2
Service related forms are available on the site	7	Strategic plan is available on its website	10
Awareness-raising materials on the services provided are available on the site	6	Job vacancies are announced	2
Fees of services provided to the public are specified on the site	6	Procurement and tender bids are clearly announced	4
Time required for providing the services is clearly stated on the site	5	Annual reports are published	5
Available, updated and published contact means and numbers are posted on the site	16	Annual budgets are published	0
Institutional structure and sections are published	10	Special reports on services are published	8
Website includes a complaint section	16	Agreements with third parties to provide or improve services are published	9
Website is easily accessed and user-friendly	16	Results of applications (university grants, employment results, bid results) are published	1

In the Gaza Strip, there are 29 institutions with websites available in Arabic and (6) institutions with dysfunctional websites or have no official websites, these are: the General Secretariat at the Council of Ministers, Ministry of Planning and Development, Ministry of Women Affairs, the Water Authority (the site available is that of the Water Authority in the WB with an icon for the GS), and the Crossings and Borders Authority (Rafah Crossing); as for the SAACB in the GS, it has and never had an official website; it only has a page on Facebook.

According to the transparency indicators applied in the GS, the institutions that least post on their websites are: The Ministry of Youth and Sports, Foreign Ministry and the Ministry of Tourism and Antiquities. While public budgets, annual plans, applications’ results, work evaluation reports, job vacancies and time required for obtaining services were the least published fields on official websites.

Transparency of websites of public institutions examined in the Gaza Strip

Indicator	No	Indicator	No
Has a website in Arabic and an available map of the site	29	Mechanism for responding to complaints is unclear and time-bound	8
Website is dysfunctional	6	No section for suggestions, consultation and measurement of satisfaction of the service recipients is available	7
The site contains all services provided by the institution to citizens	29	Geographical location is clear to the public	23
Services guide is published on the site	22	Contact internal groups are clearly defined	20
Target groups receiving services from the institution are shown	18	Annual work plan is published	8
Requirements for providing services are clearly illustrated	15	Work evaluation reports are published	4
Service related forms are available on the site	4	Strategic plan is available on its website	11
Awareness-raising materials on the services provided are available on the site	8	Job vacancies are announced	3
Fees of services provided to the public are specified on the site	2	Procurement and tender bids are clearly announced	5
Time required for providing the services is clearly stated on the site	2	Annual reports are published	6
Available, updated and published contact means and numbers are posted on the site	21	Annual budgets are published	0
Institutional structure and sections are published	19	Special reports on services are published	18
Website includes a complaint section	19	Agreements with third parties to provide or improve services are published	21
Website is easily accessed and user-friendly	11	Results of applications (university grants, employment results, bid results) are published	12

• Transparency of public procurement³¹

the Public Procurement Council continued to post purchase operations on the unified portal (shiraa.gov.ps) where the number of public institutions owning an account on the portal reached 160 parties compared to 136 who owned partial accounts in 2020 using the portal only to announce their bids. In addition, the Council of Ministers, during its meeting held in Ramallah on 20/9/2021, decided that “all purchasers must use the unified standard tender forms, publish plans, purchases and referrals on the Portal, as of 30/9/2021”. Moreover, the Higher Council for Public Procurement Policies also completed the formation of the “dispute review unit”,³² in addition to publishing the ten forms approved by the Council of Ministers in accordance with the Council’s decision No. (07/35/18/م أ) on the Procurement Council’s website³³.

Despite the development of the public procurement system, there remains some challenges facing the Higher Council for Public Procurement Policies, such as: the inconsistency in posting the Council of Ministers’ decisions on bids on the Portal to ensure that all related data are compiled in the system.

31 See: Website of the Public Procurement Council; <https://www.shiraa.gov.ps/procurementlist>. Entry date 21/2022/1/.

32 See: website of the Higher Public Procurement Council «Unified Purchase Portal», Dispute Review Unit, [shiraa.gov.ps](https://www.shiraa.gov.ps)

33 See: Website of the Public Procurement Council «Unified Purchase Portal» Legal framework. [shiraa.gov.ps](https://www.shiraa.gov.ps)



Improvement in procurement is due to the Public Procurement Council’s adoption and publishing of the unified standard tender forms as well as the commitment by many government institutions and LGUs in publishing most purchase processes on the portal, hence contributing to the promotion of transparency in public procurement in the WB.





The MoF's policy of delaying payments owed to service providers has affected the quality of goods and services agreed upon in contracts.

In the Gaza, information posted on the MoF's website on public procurement, tenders' or public supplies contracts is insufficient.

As for exceptions of direct purchases requests, they must only be approved in cases that apply to the Public Procurement Law by Decision No. (8) of 2014, article (28), as was the case in buying (4 million) doses of Pfizer and (500,000) doses of Sputnik, coronavirus vaccines.³⁴

In 2021, the Council did not complete the integration of all government centers of responsibilities and LGUs into the unified portal, nor was the E-purchase strategy achieved, which can enhance transparency in the procurement processes of these institutions.

- Status of procurement operations in the Gaza Strip

Public procurement operations, in the GS, continue to depend on the two laws of tenders and general supplies, not the Public Procurement Law, and lacks some of the criteria and rules needed to enhance integrity in this area. In 2021, the website of the MoF in the GS shows 100 bids³⁵ for multiple ministries and institutions that were posted. However, this platform lacks sufficient information on: contracting mechanisms; the purchase book; information on direct contracts with some companies and reasons/justifications for contracting. shortages also included: publication of periodic reports on government procurement that detail size, type, competent parties, summary of purchase contracts that include amount, price, services to be rendered, source of the funds allocated for projects, and the blacklist of companies that have violated signed contracts concerning services and goods in past years penalties imposed... in accordance with the law.

» Accountability systems

The accountability system in public institutions and ministries faced many challenges in 2021. In this regard, the 2020 SAACB's³⁶ annual report, issued on August 24, 2021 revealed that many of the abovementioned parties do not respond to the Bureau's oversight reports and if any did respond, it is usually very insignificant. However, the issue of institutional response to the SAACB oversight reports comes within the framework of official accountability for centers of responsibility and officials defined by the Palestinian Basic Law. In Gaza, however, the SAACB continued to submit its oversight reports on government and LGUs to the Legislative Council in the GS the (Reform and Change Bloc). However, the reports were not published, hence no knowledge of the extend by which institutions respond to the SAACB reports and its recommendations.

It is the duty of officials to provide answers and explanations to citizens regarding their conduct, decisions and actions given that it is a right of the Palestinian people. It also serves to protect and improve the system; provide accountability and ensure the integrity of employees and restore citizens' confidence in state institutions.

³⁴ Council of Ministers' Decision No. (105) on 192021/4/.

³⁵ See: website of the MoF in the GS

https://www.mof.gov.ps/index.php?option=com_content&view=category&id=38&Itemid=207&limitstart=0.

³⁶ See: The SAACB; 2020 Annual Report. <https://online.fliphtml5.com/bcvov/fmym/#p=1>



- Reports submitted by most public institutions including ministerial and non-ministerial entities remain traditional, where achievements are reported without being linked to workplans or to challenges faced. They also fail to show achievements from objectives stipulated in their approved and adopted workplans. Moreover, the number of public institutions reporting and publishing their work remains very limited.
- As of to date, the government has not published any reports concerning the amount of money returned by ministers and heads of some public commissions, which they obtained unfairly through salary raises and rental privileges few years ago as demanded by the President's decision on August 19, 2019, to return the abovementioned funds.
- Government complaint reports remain old-stylem, The General Department of Complaints at the Council of Ministers issued the 2020 annual complaints report on complaints received by government departments. The report was officially published at the end of September 2021³⁷ showing the total number of complaints received, addressed or transferred to the following year in addition to the most complaint-receiving institutions in 2020. However, the report does not offer details concerning reasons for refusal or transfer of complaints. Neither does it show analysis of complaints, which may help to end problems arising from certain policies or procedures in government work.

Complaints submitted to ministerial, non-ministerial and security agencies during 2020³⁸

Indicator	Ministry	NON-Mins	Governorate	Security Inst	Total 2020	Total 2019
No. of departments...dealt with citizens' complaints	22	21	11	14	68	67
No. of complaints received in 2020	16,123	713	2,399	573	19,808	8,465
No. of accepted complaints in 2020	14,702	650	2,144	569	17,622	7,362
No. of rejected complaints in 2020	1,721	54	214	4	1993	1,015
No. of transferred complaints from 2019	300	30	309	9	648	658
No. of addressed complaints in 2020	14,349	652	2,161	567	17,702	7,416
No. of transferred complaints as of the end 2020 to 2021	353	64	333	0	761	692

Data in the Annual Complaints Report shows that complaints received in 2020 are more than double the number received in the previous year, going from

Many officials do not report to citizens under the pretext of "based on the President's directions and the Prime Minister's instructions", hence evading personal responsibility.

The continued absence of the Legislative Council significantly weakened accountability of the government and senior officials. It also weakened the control role of the SAACB.

³⁷ See: the Council of Ministers' website <https://bit.ly/3fdFusX>

³⁸ The 8th Annual Complaints Report in Government Departments-approved by the Council of Ministers on 13/2021/9/, General Secretariat of the Council of Ministers, General Complaints Department, 2020. <https://bit.ly/3fdFusX>.



The government annual report shows the weakness of the available database in the Ministry of Labor's handling of the compensation issue, which encouraged deceit and wasta.

The increase in the number of complaints received reflects citizens' distrust of public institutions and in the government's fairness and procedures.

The majority of complaints in the GS are related to salaries, aid, services provided by the civil affairs office and health services (medical treatment abroad).

8,465 complaints in 2019 to 19,808 complaints in 2020. The report also shows that more than half of the complaints (10,842) were submitted to the MoL where (9,328) of them focused on the lack of benefits received from the Corona Pandemic Workers Assistance Program, which encouraged deception and the use of wasta. These results are the outcome of the weak database available at the MoL concerning the Palestinian labor force, particularly the informal sector, and not asking for assistance from the local committees to identify the people most in need.

The data also shows that about half of the complaints (9,899) were submitted through the government's computerized system of "e-mail", while the number of complaints filed in person were (2,360) complaints, an average of 12% of all complaints. The report did not specify the reason/s behind the irregular number of entities committed to the unified complaints system and its changes.

Complaints received by the governorates' councils were mainly related to civil peace; services provided by the government departments, public institutions and LGUs, public safety and consumer protection. While complaints received by the security services mainly entailed violations of the right to life, and the right to physical and psychological safety; lack of good service provision; poor behaviors of the security officers; failure to implement court orders; and illegal detentions.

Usually complaints mean that someone is unhappy about a certain issue/s or service or about a bad treatment he/she were subjected to in addition to being at times a call for support in the face of an infringement by a person or entity on the complainant. Although this mechanism helps to solve some dilemmas for citizens, it is not a replacement for accountability nor does it free officials from having to report on their work progress as well as explain, justify and bear responsibility for their decisions and actions. The increase in the number of complaints mentioned in this report reflects the dissatisfaction of large segments of citizens of the services and assistance provided. This was apparent in the MoH, MoL, MoSD and governorates, in addition to the feeling of unfairness and mistrust in the state institutions and their officials.

In the GS, the number of complaints received by the Ombudsman during the period of 1/1/2021-31/12/2021 totaled 2687 complaints. Of these 2167 files were closed while 520 files remain pending.

According to the Council of Ministers' Decision No. (8) of 2016 a complaint is:

a written or electronic document filed by the complainant or his/her guardian, custodian, or agent to report a behavior, misbehavior a dereliction of duty or of the way the duty is performed, failure to perform a duty, or a failure to take an action that was supposed to be taken by the head of the government department or any of its employees or concerning any form of discrimination or violation of or breaching the applicable legislation. This complaint shall be sent to the competent minister and/or the Directorate General and/or the Unit and/ or the Section.

Statistics regarding government complaints, in the WB&GS, still do not reflect the complaints identified by the Council of Ministers' decision No. (8) of 2016,

nor the mechanism by which the complaints were handled. For example, the SAACB is considered an official party for receiving complaints related to all public institutions, while the security services receive complaints regarding disputes between them and the citizens. Similarly, the MoL's receives complaints concerning laborers, and the MoSD on social assistance requests etc. Therefore, drawing conclusions from deaf numbers is not possible. What is possible is to examine the nature of complaints before categorizing them according to the subject matter and in-line with the previous Council of Ministers' decision; depending on the party complained against and the official party responsible, in order to follow up and correct the situation.



Appointment of officials for several public institutions (ministerial and non-ministerial) without placement by the Council of Ministers under Article 69/9 of the Basic Law

Public institutions still operating without legal reference, which hinders oversight and accountability of its officials

Public institutions whose officials and employees receive their salaries from the public treasury- funded by the Palestinian taxpayers- operate without a special regulating law that defines its work, reference party and methods of accountability. Examples include: The General Petroleum Authority, the General Authority for Borders and Crossings, the National People's Congress of Jerusalem, the Central Armament Directorate, the Supply and Processing Authority, the Palestinian Investment Fund and others.

Some institutions were established by Presidential decrees or by government systems or decisions, in violation of article 9/69 of the Basic Law, which stipulates "Public institutions are regulated by a law passed by the Palestinian Legislative Council and are annexed to the Council of Ministers". Independent budgets were allocated for these institutions within the public budget. While some institutions were established by a presidential decision that did not include any provisions relating to governing their work including reference parties for submitting progress reports.

Failure to define the legal, administrative and financial framework of some of these public institutions led to the absence of clear criteria in terms of a legal framework and regulating laws for its employees. Therefore, some operate according to the Civil Service Law, and others apply specific regulations. While some of them follow a dual system where one part of the staff follows the Civil Service Law, and the some follow a special system, not to mention the failure to determine the financial system under which these institutions operate. This allowed for unjustified benefits and privileges for its officials or employees, most of the time through presidential decrees and without placement by the Council of Ministers, as stated in Article 69/9 of the Basic Law.

In reference to the security services, the majority of these agencies do have governing laws regulating their work. However, the detailed legislation and regulations remain unfinished.

The status of some public institutions, given the absence and ambiguity of their legal references leads to uncertainty and imbalance concerning their establishment, regulating laws, appointments and promotions. And also in leads to real issues in terms of being subject to Palestinian legislations and regulatory institutions.





Failure to complete the security institutions work systems hinders accountability and weakens adherence to the governing laws of these bodies.

- In 2021, AMAN addressed the majority of public, ministerial and non-ministerial institutions whether to inquire about current compelling issues or to prepare this report. Some institutions responded favorably while other important ones did not cooperate, such as: the Council of Ministers, Public Prosecution, MoF, MoH, GPC, Ministry of Communications and Information Technology, MoSD, MoL and the General Authority for radio and Television.
- Delays by the government, public institutions' officials, ministerial and non-ministerial in 2021 in publishing facts or providing explanations to many issues of public opinion gave the opportunity for spreading information through several non-reliable sources on issues such as the killing of the activist Nizar Banat; developments on the Gas file and agreements related to electricity; appointments in senior positions and embassies or collection and distribution of humanitarian aid in the GS.

3. Governance in the security sector

- Despite the work invested to promote the values of ethical conduct in the work of the security services, stated in provisions of the CoC, its agencies continued to interfere in politics contrary to the law.

In 2021, members of the security services continued to play a political role in public life, whether by assuming political positions and tasks or partisan positions (Fateh in the WB and Hamas in the GS). In addition, many meetings took place in 2021 of a political nature, especially during the legislative elections' preparation period where many activities were monitored on official Facebook pages of some security services such as: "Public Relations for Palestinian Preventive Security" involvement in the electoral process, which is contrary the law. Its aim was to "coordinate the success of Fatah" with security parties, or outside the security forces.





Translation:

Public Relations of Palestinian Preventive Security
Public Relations and Media/Hebron

Major General Ziad Hab al-Reeh, Director General of Preventive Security Services in the Northern Governorates, visited the Hebron Governorate. His visit was accompanied by the Governor of Hebron, General Jibreen Al-Bakri, as well as leaders of the security services of the four Fatah provinces: the north, middle, south Hebron and Yatta. He was greeted by the secretaries of the regions, mayors, tribesmen, women's staff, women's committees and factional district committees' members from the area. During the meetings, the current situation was discussed especially with regard to the elections. After he conveyed to them President Abbas's greetings he informed them about the decision of the political leadership to run in the up-coming elections. He said it was a national entitlement and urged them to register quickly and to take these elections seriously to protect the national Palestinian project.

After the meeting, his excellency, the governor of Hebron and the leaders of the security services visited the house of Nabil Abu Qubita, the Secretary General of the Fatah movement in Yatta and congratulated him on the success of his surgery.

هيئة التوجيه السياسي والوطني 11h • 5

مفوضية نابلس تلتقي بأعضاء اقليم فتح ومسؤولة اتحاد المرأة بالمحافظة

نابلس - التقت مفوضية نابلس بمسؤولة اتحاد المرأة وأعضاء اقليم فتح في المدينة، وتم خلال اللقاء بحث التعاون المشترك لتنفيذ أنشطة تتعلق بالانتخابات.



5

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العلاقات العامة للأمن الوقائي الفلسطيني 9 March • 6

العلاقات العامة والاعلام / الخليل

بالتعاون بين العلاقات العامة والاعلام في مديرية الخليل والإخوة في التوجيه السياسي تم تقديم محاضرة في المديرية بعنوان تعزيز الانتماء والولاء...وعن الانتخابات وكيفية العمل لحشد الدعم القائمة الشرعية وضرورة حث المواطنين بالتصويت لصالح قائمة الشرعية...والتعالي على الجراح والوجع الشخصي في سبيل تحقيق هدف عام الا وهو الفوز بالانتخابات



Translation (R):

Public Relations of Palestinian Preventive Security

Public Relations and Media/Hebron

In cooperation with the Public relations and Media Directorate-Hebron and our brothers in the "political guidance", a lecture entitled Strengthening Affiliation and Loyalty...and was given on recruitment to support the legitimate list in the upcoming elections, and the importance of recruiting votes for the list...and to transcend wounds and personal pain in order to achieve a higher goal, which is winning the elections.

Translation (L): The Political and National Steering Authority

The Nablus Commission met with Fatah members from Nablus and the head of the Women's Union in the governorate to discuss joint cooperation in carrying out election-related activities.

The Security Forces Service Law No. (8) of 2005 prohibits members of the security services, regardless of level, from party affiliation and participation in



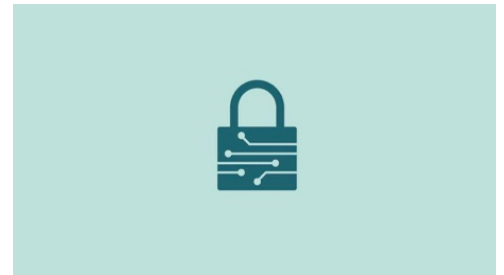


political activities. Therefore, the continued lack compliance with this law by the security services gives some security personnel, protected by their superiors, an influence on political life for factional or personal interests. It also allows for the exploitation of resources and information owned by these services and not in the public's interest.

- Security forces continue to monitor political activists for the benefit of the ruling class

A 2021 report issued by Facebook³⁹ revealed that two Piracy groups, one is affiliated to the Preventive Security Service in the WB and another the “Barren Snake”, with no affiliation known, carried out activities, mainly in the WB, that violated citizens’ privacy. The violations included journalists, government opponents, human rights activists, as well as PA and Fateh officials. This shows the security services’ interference in political life for the benefit of the ruling elite, in addition to violating the basic Law in this regard. And despite calling for an open investigation by the Palestinian human rights organizations concerning this issue, no announcement about such investigation was declared by the government or the prosecution and no results have been published.⁴⁰

- Frequency of training sessions on the specific Code of Conduct for Members of the Security Sector is still limited. This is despite all the cooperation and coordination carried out in 2021 between the Ministry of Interior (MoI) and CSOs, and the integration of the Code in courses held by the Military Training Commission for officers.
- Openness in relationships with civil society



Cooperation between Civil Forum for the Promotion of Good Governance in the Security Sector (The Forum) and the MoI continued in 2021, where many activities and interventions were carried out. These included several research papers and analytical reports aiming to present recommendations that will bring about change; a plan to promote integrity in the security sector and another on communication for the security institutions were also achieved in 2021.

The forum includes the following institutions: AL-Haq, MIFTAH, Shams, TRC, PCPSR, Bir-Zeit University- Law Institute, JLAC, Hurryat, WCLAC, PCPD, Qader Center, Mada Foundation, Istiqlal Foundation, Filastinyat, Executive Secretariat of the Forum, AMAN and the PICHR, observer member.

Within the same context and to strengthen internal and external control over the security forces, The Forum prepared a diagnostic report on the effectiveness of complaints departments and the reality of internal control units in the security

Spending on the security sector still accounts for the largest share of the Palestinian Authority's budget.

39 See: <https://about.fb.com/news/202104/taking-action-against-hackers-in-palestine/>

40 See: Statement by the ICHR. <https://www.ichr.ps/media-center/3809.html>.

sector. Moreover, the Forum implemented an initiative to institutionalize the CoC for security forces to include control over its implementation; as part of promoting the values of integrity among officials and security personnel.

Expenditures of the security sector

The security sector continues to account for the largest share of public expenditures allocated in the public budget. As of November, spending on the security sector amounted to 3.2 billion Israeli Shekles NIS, accounting for 22% of the total expenditures. Moreover, the total salary bill for security employees accounts for 85% of the security sector's budget.

- **Procurement in the security sector**

Despite developments and attempts to control purchases and financial spending in the security sector, as well as posting it on the Public Procurement Portal and the Directorate of Public Supplies, the security services purchased hundreds of vehicles in 2021 even though the PA is going through a financial crisis. The purchases were also executed without any clarification or justifications. This is an example of the purchases processes followed in the security services (i.e., in need of more disclosure of procurement details; issuing procurement data in an accessible format; making all contracts available to the public, including modifications after bidding has been awarded).

In 2021, the security sector continued to operate with the special financial regulations issued in 2010. These regulations are renewed annually by the Minister of Finance without publication or establishing through the Council of Ministers a specific financial system that defines the mechanisms of spending and the responsibilities of the various parties. Moreover, the Council of Ministers did not issue regulations that define purchases of a sensitive security nature stipulated in the Law by Decision No. (8) of 2014 on public procurement.

- The majority of the security services and agencies still do not publish their annual reports on their respective websites; nor do they publish their annual workplans or any disciplinary action taken against its members who committed offences that called for such action. The police is only agency that publishes statistics concerning its work.
- Administrative control on the security agencies

Oversight of security institutions performance is viewed with great importance... since it is intended to strengthen and activate the accountability systems, prevent abuses at work and improve the governance of the agencies.

The SAACB continued to carry out its monitory and control role on the security sector institutions. It prepared three reports on three of its agencies: the customs control agency; the central armament directorate of the Palestinian Security Forces and the Supply and Processing authority. The SAACB published a summary of some of its reports in its 2020 annual report on the extent by which institutions implement its recommendations where it pointed out that the customs control agency and military medical services responded well to the recommendations. However, recommendations concerning military salaries were not taken very well and only one out of the eight recommendations was implemented.

- Limited satisfaction with the security sector's complaints units





Transparency and accountability are still weak in the work of the security services in the Gaza Strip

For the last four years⁴¹, reports of the General Complaints Department in the Council of Ministers, have shown that the number of complaints received by the complaints units at the security services have been declining and have decreased by half in 2020 compared to 2017 (573 VS.1,432). In this regard, results of the survey measuring the satisfaction of individuals who submitted complaints or have been unsatisfied with the results by which their complaints were dealt with...28% of respondents said that they were (fairly dissatisfied or dissatisfied) with the results. And only 18% said that they were (satisfied or V. satisfied) with the results⁴².

In the Gaza Strip:

- The security services and the (MoI) did not publish the budget allocated to the security sector, nor any information on procurement for the sector.
- The Ministry of Interior continues to provide no explanation on the internal accountability within the security establishment. Moreover, the Intelligence Agency also does not publish any reports on violations, penalties and disciplinary sanctions against officers and or members of the security services, or results of inquiry commissions.
- According to a respond letter sent by the Ministry of Interior and National Security to AMAN⁴³ stating that “many reports were submitted to the reference parties within the ministry, but none of them were posted on the ministry’s website.”
- Distribution of 18,000 copies of the CoC to members and officers of the Ministry of Interior and National Security and providing training for 613 associates on its provisions.
- Circulating the deputy minister’s decision No. (103) of 2021 on the procedural manual that aims to regulate the process of receiving, submitting and following-up on complaints within the complaints’ units of the Ministry of Interior and National Security; to also simplify contacting methods for complainants to reach the various complaints processing services within the Ministry.

4. Governance and Combating Corruption in Local Government Units (LGUs)

• Code of Conduct for LGUs employees

Despite the fact that the CoC for LGUs employees has been approved for several years, many councils have not utilized the Code to promote behavioral values of employees nor to use it as means of evaluation or accountability. Sadly, training and knowledge of the Cod’s provisions remain limited among employees of LGUs as a whole.

• Improved transparency in local government units (LGUs)⁴⁴

Several major municipalities classified (a) have published the terms and stan-

41 Annual reports of the General Secretariat at the Council of Ministers, State of Palestine – Council of Ministers. palestinecabinet.gov.ps

42 For more information, see: AMAN, 2021. The effectiveness of complaints units and departments in the security services from the perspective of citizens. Ramallah – Palestine <https://bit.ly/3rh5jp2>.

43 Respond letter from the Ministry of Interior and National Security in the GS to AMAN on 32022/1/.

44 For more information, see: Transparency index and its application in the work of Palestinian LGUs in the WB. <https://www.aman-palestine.org/reports-and-studies/15498.html>



dards of services they provide to the public. Published was also procedural work hand-books; administrative structures; budgets and details on tenders for their projects were either posted on their websites or Facebook pages. However, results of a research conducted on municipalities of large cities showed that there were a number of municipalities that did not have official websites...only Facebook pages, and some that solely depend on FB for publications in addition to the absence of instructions that assists citizens to access the information they need.

- **Disparity in the level of use of websites by local Government Units (LGUs)**

Employees of LGUs lack sufficient awareness of the importance of transparency to their work as well as to the community as a whole symbolized by their lack of attention to their websites as some were found to be either fully dysfunctional or some icons are malfunctioned and do not display content. This is in addition to the lack of updating and development of these sites to ensure the availability of the necessary publications and disclosure of all required information. Also, some of them are poor in the area of public relations; a necessary skill for communicating with citizens.

- Federation of Palestinian Local Authorities efforts are limited in strengthening the governance of local councils. Although the Federation did develop the Complaints Response Guidebook for LGUs in 2021, complaints units in some of these Units are not activated and cannot be considered an accountability or an evaluation and development tool in these bodies, hence requiring the development of complaints units in local councils.
- in 2021, the Municipal Development Lending Fund (MDLF) continued to develop social accountability mechanisms by institutionalization of community accountability committees in several municipalities in the WB&GS. Applying the participatory approach, annual workplans were adopted by the Councils, especially those in areas (C) since it is considered one of the Fund's tools for assessing the governance in local councils.

Challenges to the community accountability system in local government units

Responses to community accountability tools continued to progress in the various local bodies of the WB&GS. Examples include, the establishment of the Qalqilya Social Accountability Committee and the signing of an MOU between the Tubas municipality and the Commissioner of the Municipal Community Accountability Committee aiming to strengthen the role of these committees. However, studies and reports conducted by AMAN in 2021 on LGUs indicated that community accountability mechanisms and tools remain limited as an approach.

- **Poor awareness of the forms of corruption among LGUs employees**

Although CSOs and the ACC continue to conduct activities in accordance with the interventions outlined in the cross-sector strategy plan to promote integrity and combat corruption, the majority of the local councils continue to do little to raise the awareness of LGUs about the forms and causes of corruption.

- Although big improvement has occurred to the financial and administrative systems in LGUs in recent years, further development in the management





Preceded by government institutions, LGUs continued to take second place in terms of the number of corruption cases detected.

of internal oversight of some LGUs is needed, being the first warning station. This is important in order to fortify the financial system in particular and prevent corruption in this area; prevent the possibility of wasting public funds and maximize the use of the limited financial resources. The 2020 SAACB report indicated in this regard to the state treasury and the treasury of the LGUs in which the control was conducted, lost about 20 million shekels (About 18.1 million NIS- LGUs treasury, and nearly 1.6 million NIS- state treasury) as a result of non-compliance with certain provisions of the laws, regulations, systems and instructions governing their work.⁴⁵

- In the GS, 11 municipalities published the citizen's budget on their websites, these are: the Rafah and Maghazi; Khan Younis; Absan the great; Khaza'a; Jabalyia Al-Nazaleh; Nsseirat; Bani-Suheil; Um-Anasr; Breij and the Soors.

The Municipal Development Lending Fund: promoting transparency, accountability, and community participation in LGUs

Conditions for loans and grants:

The Fund is keen to elevate the level of good governance in the local government sector through grants and loans provided for all municipalities in the WB&GS. These funds are utilized to raise the level of citizens' participation in decision-making through the various capacity-building packages and by developing and updating information systems, in the financial, administrative and service fields. This is carried out by preparing the necessary guidebooks and building public service centers in municipalities of the WB&GS, which will facilitate citizens' access to high quality and quick services as well as provide access to electronic service institutions.

Promoting transparency principles is to support and adopt the principles of transparency and disclosure by informing citizens of the financial status of the municipality and of citizens' rights to access information. It is also about developing the financial data to simplify the preparation of a budget that is easily read and understood hence can and must be presented to citizens.

Inclusive participation from all categories of citizens: The Fund helps municipalities through citizens' engagement with focus on youth, women, and individuals with special needs' participation throughout the stages of the planning process, including setting priorities and following up on the implementation of projects. Moreover, in providing financial and technical support to municipalities, the Fund emphasizes the need to document citizens' participation and observations, as well as the municipalities' application of the social and environmental standards established by the Fund.

Strengthening the accountability systems by focusing on: contact and communication with the public, community participation and accountability and integrating governance indicators within the performance standards to encourage municipalities to comply with governance principles. The Fund The fund's support to municipalities include a computerized program to assist municipalities in dealing with citizens' complaints including providing quick responses.

⁴⁵ SAACB 2021 annual report covering the Bureau's work for 2020, Ramallah, Palestine. P, 208

5. Governance in the judiciary authority

Controversy in 2021 continued over the extent to which the judiciary maintains its independence following the issuance of decrees relating to judicial affairs such as: Amendment of the Courts Formation Law, the Judiciary Law and Law by Decision on the Administrative Court Law. In this regard, CSOs considered this to be the executive branch's attempt to control all branches of the judiciary authority, and in particular, the judicial oversight over the current administration and political authority. This was apparent by the appointment of the President and members of the Supreme Administrative Court, which is the first of its kind, and by weakening the of immunity of judges by amending the Judiciary Law. In the GS, advisor Diya' Addin Al-Madhoun, the former Attorney General⁴⁶, was appointed as head of the Higher Judicial Council in the GS. Chancellor Dr. Mohammed Al-Nahal was appointed Attorney General based on placement by the Higher Judicial Council and the approval of the Legislative Council "The Change and Reform Bloc."⁴⁷

- Despite the adoption of the amended Judicial COC in 2020 by the "Decision of the Higher Transitional Judicial Council No. (1) of 2020 on the Judicial Code of Conduct"⁴⁸, training and adoption of the Code as an accountability mechanism has yet to be satisfactory.
- limited improvement was noted in 2021 on transparency of the judiciary authority symbolized by the Higher Judicial Council's publishing of the annual report on its official website⁴⁹ after years of absence. However, the Council still does not publish its: decisions, circulars, judicial formation, nor the budget of the judicial authority on its website.
- Area of of independence, effectiveness, appointments and career affairs received an average rating on the Judiciary Integrity Index (Index), while capability received a low rating⁵⁰. According to the rankings of the Index's pillars, the transparency pillar received an advanced rank while the pillars of integrity and anti-corruption both received medium ranks, and the accountability pillar earned low rank. Clearly, in order to fortify the judiciary and prevent corruption, more accountability mechanisms need to be developed.
- Although published statistics are available on the volume and adjudication rates of cases, there is no specific written mechanism for the judicial authority where information relevant to the judiciary affairs can be accessed. Moreover, publication of the judiciary's annual report is not consistent.
- In 2021, the judiciary prepared and regulated a specific register for judges' financial disclosure; in addition to the compliance of judicial officials to file declarations of financial disclosures with the ACC.
- Imbalance in applying the principle "that judicial decisions are enforceable is

⁴⁶ See: website of the Higher Judicial Council. <https://bit.ly/3GM4wv7>.

⁴⁷ See: Facebook page of the legislative council

⁴⁸ See: Decision of the Higher Transitional Judicial Council No. (1) of 2020 on the Judicial Code of Conduct. <https://maqam.najah.edu/legislation/492/>

⁴⁹ See: website of the Higher Judicial Council. https://courts.gov.ps/list_ar.aspx?id=KwgzWoa4758765aKwgzWo

⁵⁰ For more information, see: The Coalition for Accountability and Integrity-AMAN, 2021, Integrity Index in the Palestinian Judiciary, 1st report. Ramallah, Palestine.





the result of the executive's failure to implement orders issued by the administrative judiciary. This indicates a "veiled interference" which undermines the judiciary's authority and weakens citizens' trust in it. Moreover, there are some manifestations of negative interference by the security services in judiciary affairs, such as the "Good behavior" certificate requirement for appointment (i.e., be approved by the security intelligence).

- The judiciary authority uses no formal feedback mechanism to survey public's opinion regarding its experiences with courts and the various departments of the judiciary.
- Complaints mechanisms in force in the judiciary remain incapable of being effective accountability means that strengthen performance of its employees.

According to a letter from the Council on 23/12/2021⁵¹ the Judicial Inspection Department in the High Judicial Council received in 2021, 95 complaints and follow up cases. Of these, 46 complaints were received by the Judicial Inspectorate, 32 of which were dealt with and closed; and 49 follow-up cases 28 of which were dealt with and closed, while the rest of the complaints remained under investigations.

- As for the Gaza Strip, the Judicial Inspection Department conducted only four visits, where it was not activated throughout 2021⁵². The number of written and electronic complaints reached 138, of which 115 were completed, accounting for 83%⁵³ of all complaints.
- Results of the public opinion poll, conducted by AMAN in 2021, indicated that 76% of citizens in the WB believe that there is corruption in the judiciary apparatus. This percentage rises among residents of camps, villages and towns to 80% compared to those living in cities with (73%)⁵⁴.

6. Governance highlights in the private sector

2021 witnessed a number of efforts to strengthen governance in the private sector:

- The Law by Decision No. (42) of 2021 on companies⁵⁵ strengthened many of the measures, procedures and governance indicators stated in the Code of Corporate Governance, in line with developments in the corporate sector and governance in the private sector. This was despite the strong criticism that accompanied the approval of this legislation of not meeting all of the governance requirements.
- The Law by Decision No. (37) of 2021 on communications and information technology⁵⁶ included important aspects of the telecommunications governance in Palestine.
- Although public shareholding companies⁵⁷ were committed to arranging the

51 Respond letter from the Higher Judicial Council to AMAN on 23/12/2021/12/.

52 Respond letter from the Higher Judicial Council in the GS on 24/2022/2/

53 The Higher Judicial Council. 2022. Annual report of 2021, Gaza, P. 18

54 For more information, see: AMAN Coalition, Public Opinion Poll on the Status of Corruption and Combating it in Palestine, 2021 (previous source).

55 See: Website of the Fatwa and Legislation Office. Official newspaper. The excellent Issue No. 25. <https://bit.ly/3nkwhU6>.

56 See: Website of the Fatwa and Legislation Office. Official newspaper. The excellent Issue No. 186. <https://bit.ly/3nkwhU6>.

57 For more details, see: AMAN. 2021. Public Shareholding Companies commitment to governance principles: «reality and strengthening



venue, date and time of meeting as well as prepared a detailed agenda for the convening of the general assembly in order to encourage all shareholders to attend, attendance remained very poor, hence, the principle of the right of each contributor to raise questions and inquiries, and the principle of voting by secret ballot were also poor. Meanwhile, the number of companies committed to forming an audit committee from the board of directors increased from 6 to 30 companies. Also, the number of companies adhering to defining the committee's tasks, place and work conditions, quorum of its meetings, placement of an internal audit management to the committee as well as presenting reports to the board was increased.

- The Board of Directors of the Palestinian Capital Market Authority stipulated in the amended instructions⁵⁸ for issuing securities that “A strategic partner must bring an added value to the administrative, technical and marketing aspects of the source that would contribute to improving its financial and operational performance; provide information on the strategic partner's activities and ownership time frame; and to notify the Authority a minimum of one month ahead of the strategic partner's decision to sell its shares and reasons for the sale.”⁵⁹

Shareholding companies- listed on the Palestine Stock Exchange: disclosure of periodic reports in 2021

Periodic Reports	Deadline for disclosure	Listed Companies	Committed Companies	Compliance ratio
Annual Financial Reports for 2020.	31/3/2021	46	42	%91
Financial Statements for First Quarter of 2020	31/5/2021	46	38	83%
Semi-annual reports for 2020.	15/8/2021	47	40	85%
Financial statements for the third quarter of 2020	31/10/2021	47	41	87%

As of December 31, 2021, 35 out of the 46 shareholding companies listed on the Palestine Stock Exchange included bonuses and expenses of their board members in detail in their 2020 annual reports. with a ratio of commitment of 67%⁶⁰; and with an increase of three companies from 2019.

Despite all of the abovementioned, the private sector faced many challenges in 2021 in terms of governance that include:

1. Until now, the private sector has not been listed as one of the sectors that is subject to the Palestinian Anti-Corruption Law. In this regard, The UNCAC commitment review report, which is prepared internationally in accordance with the mechanisms to review the extent to which states comply with the provisions of the UNCAC, raised many questions on measures that prevent the Palestinian private sector from being involved in anti-corruption efforts, including: effectiveness or lack thereof of the oversight role of regulatory institutions, and the ambiguous role of the ACC in pursuing corruption cases in the sector.

mechanisms», Ramallah, Palestine. <https://www.aman-palestine.org/reports-and-studies/16289.html>.

58 The Capital Market Authority. <https://www.pcma.ps/Pages/newsPage.aspx?IDs=1141>

59 The Capital Market Authority. <https://www.pcma.ps/securitiesSector/Pages/Instructions.aspx>.

60 A response letter from the Capital Market Authority to AMAN on December 8, 2021.

According to results of the Judiciary Integrity Index, transparency indicators earned an advanced rating; integrity and anti-corruption indicators received a mediocre scores, while the accountability indicators received a low rating.





Law enforcement authorities slow down the enforcement of judgments.

Publication of periodic reports and disclosure of financial statements by the core companies is good reaching 88%.

2. To promote transparency and integrity: public shareholding companies are still required to adopt regulations that identify conflicts of interest for board members that are defined and publicly announced. The regulations should also disclose: amounts and size of board members' expenditures, privileges granted to them and the number of shares they own. In addition, regulations must demand that administrative systems be published as well as the employees' salary scales, on their official websites.
3. Control of the Capital Market Authority and the Corporate Controller on public shareholding companies ineffective. For example, some companies do not comply fully with provisions of the governance code, especially those relating to transparency; as the non-compliance of a number of companies to publish the concession agreement and its annexes, especially the financial annex.
4. To promote integrity: For the sake of transparency, it is still required to determine the number of consecutive rounds allowed for a person to remain president of the board of directors in given company.

Establishment of government companies without an approved regulating law

In 2021, the government announced the establishment of several government companies without a regulating law, which is contrary to Article (21) of the Basic Law that stipulates that "The executive authority may establish public companies regulated by law". The companies established include: the Fiber Optic Company, Palestine Natural Gas Company, Palestinian Correspondence Company, Public Transport Company, the Electricity Transmission Company and the Palestine Water Company. In addition, the government did not announce its decisions related to the establishment of these companies neither did it consult with partner companies within the same sector⁶¹.

7. Highlights of governance development in civil society organizations (CSOs)

- In 2021, some CSOs failed to publish their budgets, audited financial reports and annual reports on their websites. While some organizations were satisfied by merely publishing news about their work, activities and some of their projects implemented in its areas of competence.
- Although a large number of CSOs adopted the civil sector CoC since 2009, many CSOs have not applied provisions of the Code nor did they utilize the code as an internal accountability tool in their institutions.
- There is still a lack of awareness of the concept of conflict of interest in the membership of the boards of directors of some civil society organizations, although it's been adopted by many of them. This is attributed to lack of activation of the code, absence of training and weak self-regulation mechanisms in the NGO sector.⁶²

CSOs continued to hold their annual general assembly meetings as required by the Non-Governmental Organizations and Charities Law. However, many CSOs do

⁶¹ See: interview with the president of the public buses' companies. <https://www.wattan.net/ar/video/361524.html>.

⁶² SAACB. 2021. The 2020 annual report, Ramallah-Palestine. P. 113.

not apply internal accountability on the president and members of their boards effectively. And due to the absence of societal accountability mechanisms within CSOs, it is therefore vital to focus on voluntary self-regulation in order to establish the concept of good governance based on a system of values, principles, standards and foundations agreed upon in the Code to ensure that resources are used to serve the objectives of the organization, benefit the target group/s and society in general.

Self-regulation of CSOs through a framework or coordinating model can serve to empower and engage these organizations in the overall national effort to combat corruption. It can also reinforce their accountability systems within and strengthen their position in the Palestinian society.

- **The governance of the agricultural cooperative sector continues to suffer from a weak level of integrity, transparency and accountability**

Governance in cooperatives suffers from multiple weaknesses due to the absence of a specific code of conduct. Also, procedures to limit conflict of interest in agricultural cooperatives are insufficient, not to mention that they have not been publishing their budgets and work progress reports. Furthermore, adherence to accountability and its systems has been lacking, since more than half of these cooperatives did not hold meetings for their governing bodies for the last three years. This weakened governance and hence was reflected in the mechanisms to reduce conflicts of interest.

- **Elections are being held by trade unions regularly, but not by federations and grass-roots organizations**

Elections have been held regularly by a number of trade unions and CSOs where 2021 witnessed elections for some unions such as the Medical Association; Pharmacists Union; Engineers Union; and Union of Agricultural Engineers. Elections were also held in the Chambers of Commerce, Industry and Agriculture. However, unions and grass-roots organizations have not been holding periodic elections, but some have held simulated elections.

- **Some CSOs that provide services suffer from inadequate financial procedures**

Some charitable organizations that provide services for a small fee suffers from poor financial measures and procedures as indicated by the SAACB reports. This calls for further and improved procedures and measures to regulate the financial and administrative aspects to ensure that capabilities are better utilized and service provision maximized.⁶³

- **The active role of civil society organizations in promoting community accountability**

CSOs in both the WB and GS exerted great efforts to improve governance and anti-corruption by carrying out their oversight role on the transparency of government 's management of public funds through accountability hearings and reports. In this respect, the majority of community accountability sessions were held with the health sector, particularly with regard to the provision and distribution of the Cronavirus vaccines. Efforts were also exerted by CSOs to



Official control over corporate business continues to be weak; private sector companies are not subject to the Anti-Corruption Law until today.



⁶³ SAACB. 2021. The 2020 annual report, Ramallah-Palestine. Previous source. P. 112128-.



The establishment of government companies without an approved regulating law and without sufficient financial and human resources.

CSOs are active in social accountability.

strengthen the capacity of young people in holding government agencies accountable, including security agencies in addition to partnering with the ACC in some training and awareness programs. Also, some CSOs signed MoUs with the ACC with the aim of participating in the implementation of the activities, programs and policies of the National Anti-Corruption Strategy, each according to its competence.

• **Citizens find CSOs' role continues to be limited in terms of combating corruption**

Many citizens continue to view CSOs' role in combating corruption as limited despite efforts exerted by these institutions in areas of awareness raising and community accountability whether through holding hearing sessions for public institutions' officials in the WB&GS, or by adopting issues of public interest by carrying out advocacy and pressure campaigns to remedy the situation. Regardless, 50% of citizens see that the role of CSOs is ineffective, and 49% see it as effective of mediocre⁶⁴

Media's Role in Combating Corruption

In its contribution to anti-corruption, the Palestinian media in 2021 excelled in addressing issues of public interests and affairs through television and radio programs. To this respect, it invited government officials and CSOs representatives and other experts to discuss issues related to combating corruption, or to publicize data and information on a wide range of areas of public institutions' management or the provision of public services. During these televised programs, many officials were held accountable where citizens were allowed to express their opinion on many public issues. This is in addition to a good number of investigative televised, radio and written reports that highlighted public cases in which corruption or job exploitation are suspected.

Also, in 2021, the Palestinian media provided radio and television coverage on community accountability sessions held by communities for public institutions on government actions and decisions. This played an influential role in the reversal of the executive branch's decisions on specific cases such as amending the Charities and Civil Society Organizations Law of 2000, and the Law by Decision to halt elections in trade unions and popular unions.

Regardless of the above, citizens continue to view Palestinian media's role to fall between weak and mediocre in terms of exposing corruption expressed as follows: (48% weak; 39% mediocre; 12% effective).

Results of the 2021 poll conducted by AMAN indicate that 69% of citizens consider social media to be the most effective media in detecting and highlighting corruption cases that occurred during 2021 (73% WB and 18% GS). followed by visual media according to 17% of citizens (16% in the West Bank, 18% in the Gaza Strip). While 9% believed that the audio media was the most effective (7% WB and 13% GS) and written media was more effective in the opinion of only 3% of respondents.

Media Means: Detecting and Highlighting Corruption Cases in 2021

Sources: The Coalition for Accountability and Integrity (AMAN), Public Opinion Poll on the Status of Corruption and Combating it in Palestine 2021, a former source.

64 For more information, see: the 2021 Public Opinion Poll on the Status of Corruption and Combating it, in Palestine. AMAN (previous source).

Second: Forms of corruption, prosecution and criminalization of the corrupt

1. Most prominent forms of corruption in 2021⁶⁵

Implementation of the national cross-sectoral strategy to promote integrity and combat corruption 2020-2022

Implementation of the proposed interventions to the Strategy, in 2021, to reduce opportunities of corruption and promote integrity in public institutions remains limited. On another note, the ACC continued to sign MoUs with CSOs and government institutions to promote integrity and raise anti-corruption awareness among the public sector and LGUs employees.

The Pandora's Papers were part of a series of investigations carried out by the International Consortium of Investigative Journalists (ICIJ) in October 2021. They uncovered numerous secret transactions of about 35 current and former leaders and more than 300 government officials around the world, including Arab political figures such as rulers, heads of government and ministers. Also included were individuals close to politicians in eight Arab countries, some of whom were connected to ownership of offshore companies in countries that are considered safe tax havens like Panama, the British Virgin Islands and others, in addition to purchasing property for the political class in other countries. And although Palestine was not mentioned in these papers, analysis of the reality of the Arab region found that most of these individuals purchased their foreign companies after assuming office, coupled with the turbulent political events related to the political instability in those States, particularly during the Arab Spring and its aftermath.

- A total of 886 complaints and reports were received by the ACC in 2021, 48 of which were rejected due to lack of competent. While the number of complaints transferred from 2020 accounted for 335 files.
- Suspicions of corruption offences received by the ACC in 2021 were divided as follows: abuse of power, nepotism, favoritism, illicit gain, complacency in performing public duty, forgery, bribery, abuse of trust, job abuse, embezzlement, failure to disclose conflicts of interest and money laundering.
- A total of 82⁶⁶ files and cases were received by the Anti-Corruption Prosecution in 2021, 44 of which were referred by the ACC and 38 from other sources (i.e., nearly half of the files came from outside the ACC).
- The most important suspicion of corruption offences received by the Anti-Corruption Prosecution were forgery, abuse of power, abuse of trust and complacency in performing public duty.⁶⁷



Social media rated top among other media means in highlighting administrative and financial corruption, according to citizens.

The government did not deal with the "Strategy for promoting integrity and combating corruption" and its plan as a cross-sectoral plan with the government being accountable for it, and for obliging official parties to implement the necessary interventions to achieve its objectives.

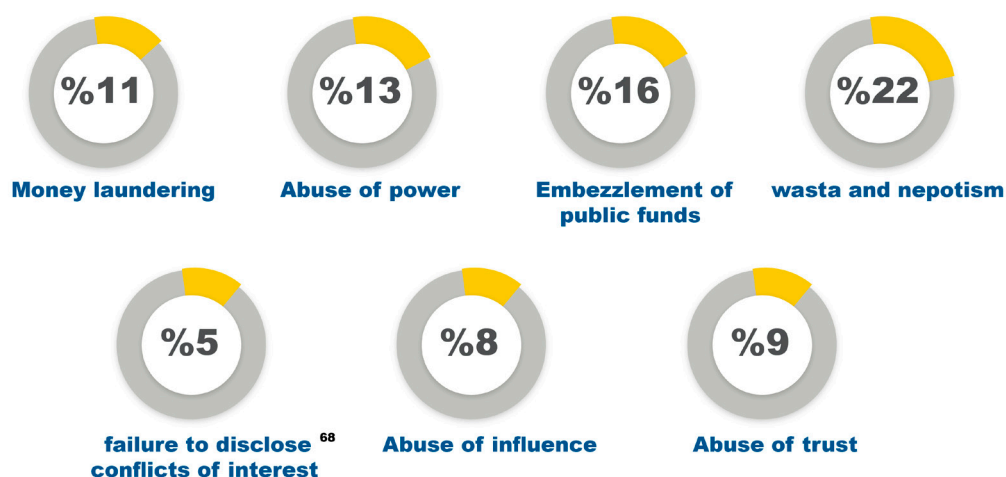
⁶⁵ Respond letter from the ACC to AMAN on 22022/2/.

⁶⁶ See: The corruption crimes prosecution completes legal proceedings in 63 investigative files in 2021. <https://bit.ly/3JrfDdU>

⁶⁷ The same previous source



According to results of the 2021 public opinion poll, the most widespread forms of corruption in Palestine were as follows:



Distribution of complaints and reports received by the ACC in 2021, by sector

Sector	No. of Complaints	Ratio
Public sector	468	53%
LGUs	299	34%
Civil society	50	13%
Private sector	15	
Others (committees, councils, jury members, international organizations)	33	
Outside jurisdiction	21	
Total	886	

The table above illustrates that the complaints received by the ACC are concentrated in suspicions or claims of corruption cases mainly in the public sector accounting to 53% of the total number. And in the LGUs by a ratio of 34%, while the rest of the sectors and others accounted for 13% of all complaints.

- 51 out of a total of 82 files and case received by the Public Prosecutor's Office in 2021 (i.e. 62%), are focused on suspicion of corruption crimes in the public sector; followed by local committees and bodies with 24 files (29%), and 7 files related to civil society and grass-roots organizations that provide services (9%).
- At the time data by the ACC shows that complaints and reports related to senior levels officials are only 13% of total complaints and reports. Citizens have a different opinion on the corruption map, where their impression, according to an opinion poll on the reality of corruption and combating it in 2021, the description of the perpetrators of corruption as senior officials is very high, as 77% of citizens believe that corruption is concentrated in senior levels, while only 20% of citizens believe that corruption is committed by employees at lower levels⁶⁸. It seems that one of the reasons for this dif-

⁶⁸ For more information, see: Coalition for Accountability and Integrity (AMAN), Citizens' Opinion Poll on the Status of Corruption and Combating it in Palestine 2021, previous source.



ference is due to the citizens' lack of confidence in Palestinian officials, and the failure to see serious accountability for senior officials, or their belief that citizens and normal employees are afraid of reporting senior officials.

- The results of the 2021 opinion poll on the reality of corruption and combating it in 2021 showed that the main sector most vulnerable to corruption is government institutions (52%), followed by LGUs and the private sector with 16% each and last are CSOs with 15%.
- The number of complaints received by the ACC concerning high-ranking officials (minister's status, diplomatic corps officials/ambassadors, presidents, prosecutors and members of the judiciary) in 2021 was 119 complaints and reports accounting to (13%) of the 886 complaints received.

"Citizens' perspective of Wasta"

Results of the 2021 public opinion poll on the status of corruption in Palestine showed that 45% of citizens who said they sought public institutions for a public service in 2021 were compelled to use wasta.

25% of citizens said it is to avoid the bureaucratic procedures and hence saving time, and 20% said it was "fear of being taken by someone else underserving of it due to corruption practices". While 17% said the most important reason is lack of confidence in the integrity of service providers.

Handling of complaints and reports received by the Anti-Corruption

Commission

- Out of 886 complaints and reports on corruption received by the ACC in 2021, only 95 cases were referred to the general administration for investigation, which is about (11%). This requires additional efforts to raise awareness of the public regarding corruption forms and crimes.
- In 2021, the ACC referred a total of 45 files to the Public Prosecutor's Office, compared to 102 in 2020.
- Of the 218 files in the Public Prosecutor's Office (82 in 2021 and 136 from previous years) it only processed 63 files and cases. In 2021, it referred 34 cases to the Corruption Crimes Court, regardless whether the source was the ACC or others indicating an accumulation of files within the Public Prosecutor's Office for the coming years. This requires increasing the capacity of the investigative bodies of the ACC and Prosecution.⁶⁹

In 2021, AMAN tried to obtain information from the public prosecution in the GS, but unfortunately without success.

Visitors of the Advocacy and Legal Advice Center-AMAN (ALAC)

In 2021, the number of visitors to the ALAC center at AMAN reached 582 individuals. The center provided legal consultation to approximately 100% of them and adopted 55 cases, a ratio of 9% of the total cases received. This ratio actually represents the cases suspected of corruption or is related to the integrity system. The defendants were divided among official ministerial and non-ministerial institutions, security agencies, the judiciary and the public prosecutor's office with 71%; LGUs 18%; CSOs, trade unions and the private sector 11%.

⁶⁹ See: the Corruption Crimes Prosecution completes legal proceedings of 63 investigative files in 2021. <https://bit.ly/3JrfDdU>.



The continuation of the phenomenon of accumulating corruption cases in both the Public Prosecution Office and the Court of Corruption Crimes.

Abuse of power, wasta and nepotism remain the most widespread forms of corruption.

Moreover, weak integrity values, transparency principles and accountability systems were the most prominent issue in the cases adopted by the Center by 43%. It was followed by wasta and nepotism by 20%; abuse of position influence by 13%; embezzlement and waste of public funds by 12%. The remaining cases were in regard to other corruption offences such as obstruction of justice, profiteering from public office, bribery and others.⁷⁰

2. Prosecuting and criminalizing the corrupt

The most prominent corruption charges for cases received, foreseen or dismissed in the Corruption Crimes Court in 2021 were: complacency in performing required job duties; forgery, whether falsifying official or personal documents, or using forged documents; bribery as an offer, a request and an acceptance; obtaining personal benefit; fraudulence and abuse of trust; embezzlement; illicit gains; abuse of power, profiteering from public office.⁷¹ 34 files were referred by the Anti-Corruption Prosecution to the Corruption Crimes Court, in addition to 62 cases that were previously transferred, where only 23 of them were processed, which reflects a slow build-up of unresolved cases.

Status of the corruption cases in the Corruption Crimes Court 2021

No. of referred cases to the court	34
No. of transferred cases from previous years	62
No. of dismissed cases by the court	23

The majority of citizens believe that corruption increased in 2021:

63% of citizens believe that corruption increased during the last year. This ratio is higher in the WB than in the GS with 77% compared to 43% respectively. Moreover, citizens are pessimistic in their predictions about anti-corruption efforts in the coming year, especially in the WB as 59% of them said that they believe that corruption will increase compared with 55% in last year's poll. This percentage rises to 78% in the WB compared to 31% in the GS.

Source: Coalition for Accountability and Integrity (AMAN), Citizens' Opinion Poll on the Status of Corruption and Combating it in Palestine 2021.

Economic crimes that are related to corruption

• Money laundering derived from corruption crimes

The financial follow-up unit disseminated its report on trends, mechanisms, methods of combating money laundering⁷² and predicate/original offences to also include the law enforcement parties, public prosecution office, the regulatory and supervisory authorities responsible for combating money laundering crimes. However, the National Anti-Money Laundering and Terrorism Financing Committee has not published any significant reports, data or statistics on the extent of the outbreak of this crime or on funds earned through it.

⁷⁰ Coalition for Accountability and Integrity (AMAN), Advocacy and Social Accountability Unit, 2021

⁷¹ Response letter sent by the Council of Ministers to AMAN on 23/2021/12/.

⁷² Response letter sent by the financial follow-up unit to AMAN on 22/2022/2/.



As well it did not publish any type of follow-up, until today, concerning the national assessment report on the risks of money Laundering and terrorist financing, presented to the Prime Minister. As stated in the provisions of Law by Decision No. (20) of 2015 and the Law by Decision No (13) of 2016 on money laundering and terrorist financing and in particular, article 25, which provides for the director of the financial follow-up unit to prepare the following reports:

1. Periodic reports determined by the rules and regulations issued under the provisions of this Law by Decision. Also, an annual report to be presented to the Committee on activities of the Unit and those related to money laundering or terrorist financing; the annual report must be published after its adoption by the Committee.
2. The director of the unit issues a statistical report on trends, mechanisms, methods and situations relating to combating money laundering, terrorist financing and predicate offences.

- **Nature of the economic crimes registered at the Public Prosecutor's Office**

Cases of economic corruption receive widespread attention among citizens since marginalized (poor) communities are the most victimized by food and medicine corruption. The 2020 Public Prosecutor's Report, issued on October 20, 2021 in the WB, showed that there are 171 cases of economic crimes involving corruption. Of these, 71 case are related to trading in spoiled or expired food, 62 cases are related to tax evasion and 38 cases are related to money laundering. Following is a table illustrating the type and number of economic cases received by the prosecutor's office in 2020.⁷³

Economic crimes related to corruption crimes registered at the public prosecutor's office

Crime	No.
Expired and Spoiled food	71
Tax evasion	62
Money Laundering	38
total	171

- **Whitewashing of colonies' produced dates remains without definite results**

Although the prosecutor did announce, at the end of 2021, that his office is in the process of prosecuting and interrogating some businessmen on suspicion of whitewashing dates coming from Israeli colonies, these developments do not clearly show behind-the-scenes settlements or solutions that avoid binding legal requirements. This is especially possible since AMAN stirred the issue over three years ago in light of the ambiguity surrounding investigations related to this crime that encroaches on the economic, political and national security. This is over and above the negative impact it has on the steadfastness of

87% of the cases were of public sector and LGUs employees, while 13% were related to civil society, the private sector and international institutions.

13% of all complaints on corruption received by the ACC are related to senior officials in the diplomatic corps and ministers.

⁷³ State of Palestine Prosecutor's Office, 11th Annual Report 2020, Ramallah- Palestine, p. 44



Palestinian farmers in the Jordan valley. It is worth noting that AMAN received information concerning some owners being pressured through blackmail threats and prosecution to sell their factories to powerful people.

Information on economic crimes could not be obtained from the public prosecutor's office in the GS due to lack of response to AMAN's requests and letters, hence refusing to cooperate. In addition, the office continues to withhold its annual report, and therefore, no information is provided to citizens about its work, commitment to the plans developed and the integrity of measure taken before the court in terms of preserving the public right.

Information on the scale of economic crimes for 2021 could not be obtained from the public prosecutor's office in the WB. In this regard, the public prosecutor's office refused to provide AMAN with information for the last three years although there was full cooperation for years where it provided AMAN's report on the status of integrity and combating corruption with needed information.



Third: Governance in the management of public funds

Post dismantling of the PLC years ago, the PA issues the budget late and without regular consultations with citizens' representatives. In 2021, the President issued a law by decision on the fiscal year 2021⁷⁴ budget after it was secretly approved in the government; a three months delay of the due date under the Budget and Finance Regulation Law of 1998. Furthermore, what was published of the budget was brief and lacks detailed items clarifying allocations for each responsibility center. In addition, it was issued without any participation or consultation with representatives of CSOs or citizens on setting spending priorities or mechanisms to address the budget deficit crisis.

Moreover, most ministries and official institutions do not publish details of their budgets on their websites hence raising doubts about a comprehensive government policy that deliberately hides information from its citizens.

Transparency efforts in management of the public budget and funds remain insufficient, where the material published is not satisfactory, adequate or clear enough to draw a comprehensive picture of the government's financial situation.

As we reviewed the MoF website to

examine the extent of the Ministry's compliance with international standards for transparency of the budget, set by the International "Open Budget Initiative", we discovered that only 5 out of the 8 statements required were published. Noted in the table below the three missing criteria: Comprehensiveness of published data; commitment to publishing dates; easy access to data.⁷⁵

International standards for budget transparency		
Statement	Published	Not published
Pre-budget statement	Published	
Summary of the budget proposal		Not published
Approved and adopted budget	Published	
Citizen's budget	Published	
(Periodic reports (monthly and quarterly	Published	
Semi-annual report		Not published
Year-end report (final account) for 2020	Published	
Audited Report 2019		Not published

Transparency in the management of the fiscal deficit crisis

The government did announce its intention of applying an austerity policy in order to overcome the financial crisis that might have been caused by Israel's withholding of the clearing tax funds, decline in foreign aid and or flows in the structure of the general budget itself. However, the budget deficit has not been sustainably reduced for a variety of reasons, such failure to reduce operational spending and improve tax collection.

⁷⁴ Resolution of Law No. (12) for 2021 on the public budget for fiscal year 2021, Al-Waqa' Al-Filisteeniyis (official newspaper), issue No. 178

⁷⁵ For more information see: Coalition for Accountability and Integrity (AMAN).2021. The 2021 public budget semi-annual report. Ramallah - Palestine



The majority of Palestinians believe that corruption continues to spread and are pessimistic of the government's efforts to reduce it.





The National Anti-Money Laundering Committee does not publish the annual report on money laundering offence, which is contrary to the law.

Spoiled food promotion, tax evasion and money laundering remain the most widespread cases of economic corruption.

Confidentiality of information does not mean lack of transparency in the prosecutors' investigations of economic corruption crimes, especially when it becomes a public opinion issue.

In this regard, it is important to point out that the financial crisis facing the PA is mostly a structural crisis due to the conditions and circumstances the PA was established under, which have exacerbated, but not caused, the crisis. Therefore, is not expected to radically resolve this crisis as long as the current political and security landscape remains unchanged. However, it is possible to limit the accumulation of this crisis as well as reduce its ramifications through a number of financial reforms, first and foremost through rationalization and austerity in spending. However, it is vital to keep in mind that the option of austerity alone, while highly important, is not sufficient enough to solve the crisis, but must be accompanied by reform steps in tax policy.⁷⁶

Management of the fiscal deficit crisis is not transparent or participatory and has no strategy to stop the financial drainage caused by net lending, ghost salaries and failure of the health insurance system.

The government and the MoF did not respond, in 2021, to recommendations put forth by the Civil Society Team for Enhancing Public Budget Transparency (Civil Team) on rationalization and austerity although they were sent in an official letter.

The austerity plan is based on reducing expenditures by addressing the salary bill, net lending and financial burdens of the failure of the health insurance system. This plan gains extra significance due to the continuous decline in international aid and the rise in public expenditures (from \$3.7 billion to \$4.7 billion) against a very limited increase in revenue collection (from \$3.6 billion to \$3.7 billion). This suggests that it is necessary to look at areas that can reduce the budget deficit given the following core issues:

Expenditures:

Current expenditures continued to increase for most of the past years and at a faster pace than revenues, rising from \$2.9 billion in 2010 to about \$5 billion in the 2021 budget; with a cumulative increase of nearly 70%. Spending on the salary and wage bill remains one of the most important and weighted expenditure items in current expenditures. Therefore, reducing spending in this item must be included under any government spending austerity plan.

This also applies to special contracts, whether for ordinary employees or consultants, since it could be one of the austerity options, by establishing a binding policy for appointments through these contracts without allowing exceptions in implementation, as is now the case. In addition, austerity in job privileges, often associated with the higher administrative categories, is one of the most important, easiest areas to reduce. It is also the area of austerity that is most accepted and supported by the Palestinian public.

The salary item entails many details and complications that need thorough and in-depth analysis to determine the scope of reduction and in which of its detailed items this reduction is realistic, feasible and least costly at the economic, social and political levels. This requires the adoption of a transparent and participatory approach with the relevant parties in procedures and decision-making.

⁷⁶ For more information see: Coalition for Accountability and Integrity (AMAN). 2021. An updated report on the authority's financial crisis «reality and the difficult choices to reduce them.» Ramallah- Palestine. <https://bit.ly/3qlMgCZ>.

Revenues:

Despite the seeming improvement in tax collection, partly due to the implementation of some of the measures included in the Revenue System Strategy for 2014-2016, the tax policy continues to suffer from failure to expand the tax base to a satisfactory level. This is mainly attribute to the fact that there are large sectors and segments of society without tax files to date; weak tax justice in terms of non-tax escalation and failure to reduce the phenomenon of tax evasion and tax leakage, which costs the public treasury between \$500 million and \$600 million annually, according to the MoF estimates.

Net Lending:

Net lending has been and continues to be a financial burden on the public budget, where it has increased in the last five years to about NIS 1 billion per year. Its basic components are made up of the electricity prices borne by the PA, medical transfers, water and wastewater purification, etc. Unfortunately, despite the abovementioned, it is worth noting that no practical action has been taken sufficient enough to stop this depletion of the public treasury, nor any binding mechanisms set for stakeholders.

Urgently needed: commitment to a public finance management reform plan in the areas of salary bill transparency; stopping the increase in net lending caused by nepotism and favoritism; addressing the financial depletion of the budget caused by failure of the health insurance system. (side Margin)

Public Debt:

Internal and external public debt continued to rise in 2021, from \$2.5 billion to \$3.6 billion, while the total PA's obligations to contracted parties exceeded \$9 billion dollars, or 65% of the GDP. This poor optimal use of financial capabilities and resources will become the burden and responsibility of future generations if not addressed today.

The Pension Fund Authority (Fund) continues to be in danger of collapse due to debt accumulation owed by the government

Two chronic problems face the Fund: the first is the debt accumulated by the Government due to the irregular transfer of all staff contributions by the MoF. Second: failure to transfer the government's contribution of each participant to the retirement fund, in accordance with the retirement system. Added to the above is the fear that accompanied the financial crisis in 2020, due to the suspension of transfer of the clearing funds to the PA by the Israeli authorities for seven consecutive months, not to mention the economic and social effects of the Corona pandemic. This led to liquifying some of the Fund's assets to cover part of the fiscal deficit to meet the pandemic needs.

• Non-commitment of the government to pay poor families' benefits

In 2021, the government only transferred to poor families one payment (120,000 families) out of the four stated in the public budget. This lack of commitment of the government to abide by its obligations has increased the needs of poor families and further weakened the capacity of marginalized groups.



To avoid the issue of whitewashing Israeli colonies-produced dates turn into a matter of settling accounts, blackmail or financial settlements, it is vital to address the issue according to the law and without the interventions from powerful intermediaries.

A no transparency and lack of participation policy is applied in the preparation and implementation of the public budget.



The government's way of addressing the financial crisis caused by an accumulated deficit, was to increase tax collection and deport the crisis based on the accumulation of arrears and debt.

The government's management of the gas file- a natural resource owned by the Palestinian people- is ambiguous, lacks transparency and hidden from citizens' representatives.

Management of the Gas file

Although Palestine joined the regional organization, "Eastern Mediterranean Gas Forum" (EMGF), which includes Egypt, Israel, Jordan, Greece, Cyprus and Italy, and the Council of Ministers approved in its session No.79 on September 28th.2020. the accession of the State of Palestine to the amended charter of the (EMGF), the Council did not publish the charter, nor did it share with the relevant Palestinian parties, particularly CSOs, any information related to the EMGF file and Palestine's membership in the forum.

In 2021. an MoU to develop the Gaza gas field and the necessary infrastructure was signed between the partner parties in the Gaza gas field, currently represented by the Investment Fund, the Contractors Union company CCC and the Egyptian Natural Gas Holding Company (EGAS). Details of the MoU such as: policies, mechanisms for developing the gas field, timelines set for implementation of the project, management of the file etc., were not shared with the citizens, not to mention that public policies on utilizing natural resources were not shared with CSOs representatives either given that the gas field is a natural resource⁷⁷ owned by the Palestinian people.

Within the same context, the Council of Ministers decided during its meeting on 6/09/2021 to establish a gas company⁷⁸, in order to manage gas facilities in Palestine and to be able to contract buying gas from various sources. All of the above-mentioned, due to the ambiguity of procedures, provides for an environment conducive to corruption.

- In light of the widespread phenomenon of encroachments on state land, which was clearly revealed to the Land Authority (LA) , the Council of Ministers issued an unpublished decision No. (5/232/17/M/R.H.) on January1, 2018, calling on the land authority to stop encroachments on all state land, and instructed the Ministry of Public Works and Housing (MoRWH) to provide requirements need to eliminate all infringements that took place after the said date. The Council also exempted those who acquired state land before 2010 from the possibility of regaining it. this lack of optimally investing for the benefit of the public treasury and interest squanders resources and threatens the wealth and wellbeing of the state of Palestine.
- After the government failed to implement its decision due to the lack of cooperation of the official law enforcement parties such as the governors, some powerful people tried to use their authority to influence the land settlement process by registering some state-owned land or some absent Palestinian families' land in their names, which provoked many problems and conflicts. This prompted President Abbas to form a commission in 2019, tasked with investigating infringements on state land. However, the commission never published the results of its investigations or a summary of measures taken to protect state land from infringements.
- On January 4, 2021, in its session No. (90) the Council of Ministers approved the recommendations of the standing technical committee for the leasing, delegation and investment of government Land, allowing citizens to apply for rental of state land.

⁷⁷ See: under the auspices of the President: Palestine and Egypt sign a memorandum of understanding for the development of the Gaza gas field (wafa.ps)

⁷⁸ See: the Council of Ministers' Decision No. 123, held on 72021/9/. <http://www.palestinecabinet.gov.ps/portal/Decree/Details/c01fd6fc-0f764-b63-9271-a94c560b6fc2>

- On December 30, 2021, the Law by Decision No. (43) of 2021 was issued on the management of state property⁷⁹, which included procedures and responsibilities of the various parties in the management and preservation of state property.

However, according to a reliable source, infringements and attempts to obtain concessions to use State land have increased by circumventing the law in a clear transgression, especially in areas such as the Valleys, Jericho and Ramallah. In addition, several Palestinian media sources revealed the continued encroachments on state land by powerful individuals and businessmen without law enforcement interference to protect and return its ownership. It is worth noting that procedures related to investigations or the reinstating of grabbed land remain unfinished although many years have passed since these events took place.

And despite repeated attempts by the LA to correct the situation of aggression on government land, particularly in Jericho governorate and the Jordan Valleys, these efforts remain limited and ineffective and does not provide radical solutions to protect and recover state land from aggressors or from those who were granted plots of land by the late President Yasser Arafat to build on, but never did and converted it for sale or lease.

attempts to take over agricultural land suitable for cultivating dates have reached the point of of blackmailing big businessmen who own such land with the threat of whitewashing dates from Israeli colonies for the benefit of a private real estate development company owned by powerful individuals close to persons working in the President's office.

Transparency of the public budget in the Gaza Strip

Since 2014, the authority in charge in the GS and its MoF continued to not meet the legal dates stipulated in the Palestinian Basic Law and the Budget and Finance Regulation Law No. (7) of 1998 by submitting the public budget (or an alternative financial plan). And although the Reform and Change Bloc of the Legislative Council⁸⁰ approved the 2021 budget in March 2021; three months behind schedule, it hasn't been published⁸¹ in full as of the writing of this report; only total values were revealed (i.e., details of revenues, expenditures and responsibility centers allocations were unclear). In addition, the budget was not discussed and approved publicly by the Council, which does not allow the tax paying citizens to have knowledge of the budget, its action plan, government programs and priorities concerning the spending of public funds.

The authority in the GS lacks transparency in the management of the public budget and funds, as it does not adhere to the standards of transparency, disclosure, participation and oversight.

The table below illustrates the international standards needed to achieve budget transparency in the GS, which reflects the inclusiveness of published data, adherence to publishing dates, and easy access to data. However, the MoF did not even comply with the minimum requirements of the international budget

transparency standards, which includes the publication of the budget statements on time, issuance and publication of the citizen's budget, and publication

⁷⁹ See: PLO - Parliament Letter, Issue 313 of March 18, 2021 https://www.plo.ps/upload/Magazine/pdf_file/8116cc03f11d69004dcd40f0941cb51.pdf

⁸¹ See: Website of the MoF in the GS. <https://www.mof.gov.ps/>.



Over-debt, arrears and financial burdens provide room for future economic and social risks.

Powerful individuals illegally take over state-owned land Continued encroachments on state land with no protection from some law enforcement authorities, as required.





of the periodic and quarterly reports and final account. This shows that the closed and secret policy of the ruling authority has not changed in addition to being the sole party in charge of planning, budgeting and public funds management in general, and specifically since the Legislative Council (Change and Reform Bloc) approved the budget in its meeting on March 17, 2021. This weakens the Council's, CSOs and the media's roles in holding the MoF accountable.

International standards for transparency of the Gaza strip budget

Statement	Published	Not published
Pre-budget statement		Not published
Summary of the budget proposal		Not published
Approved and adopted budget		Not published
Citizen's budget		Not published
(Periodic reports (monthly and quarterly		Not published
Semi-annual report		Not published
Year-end report (final account) for 2020		Not published
Audited Report 2019		Not published
Pre-budget state0ment		Not published

90% of the financial plan of "Gaza government" goes to salaries. This means that only 10% is spent on all sectors, which is a low percentage, not to mention that the lion's share, 45%, of the budget goes to the security sector. Moreover, mechanism for securing the estimated fiscal deficit of NIS 1.790 billion has not been disclosed.⁸²

The absence of official disclosure of the public budget and the scarcity of sources of information creates confusion and leaves room for misinformation. This due to relying sources such as social media means and websites publications, which usually consist of briefings of meetings, hearing sessions or an announcement of the approval of the public budget or an annex with no details or supporting documents or reports.

Management of the Alms file (Zakat) in the Gaza Strip⁸³

The large number of entities managing Zakat in the GS continued as well as the lack of coordination between them in addition to the limited transparency in the distribution of these funds and the accompanying lack assurance of fair distribution, whether for in-kind or emergency assistance, not to mention the limited effectiveness of oversight and accountability over the whole issue. This is most likely due to the absence of a uniform criteria for classifying the poor, computerized system, or a unified portal for the beneficiaries' data available to those who manage the file, which makes it difficult to separate relief aid from actual needs such as medical treatment; education, etc.

Although Zakat general administration are subject to the CoC issued by the GPC, but is not binding to its committees. Also, the legislation governing the work of zakat committees is devoid of rules on preventing conflicts of interest. That said, it is worth mentioning that some prominent members of the Zakat committees in the GS worked as senior income tax officers in the GS.

⁸² See: The Economic newspaper March 28, 2021

⁸³ For more information see: AMAN. 2021. Integrity in the management environment of the zakat file in the GS, Gaza, Palestine Unpublished work-paper.

Moreover, disclosure of zakat funds remains weak in terms of lack of publishing periodic budget reports on funds related to the zakat file. In addition, no beneficiary selection criteria is published, nor are there mechanisms in place to ensure that beneficiaries have access to data and information on the methods and conditions for selecting beneficiaries.

Management of reconstruction in the Gaza Strip

Developments in terms of assessing the damage after the last war on the GS in May 2021 were noticeable. The damage was assessed by the Government High Commission for the Reconstruction of Gaza according to the manual “reconstruction of housing damage caused by Israeli attacks and disasters” that was adopted after the 2014 war on the GS by the Council of Ministers (National Unity Government). The guidebook includes the mechanisms and forms needed for the inventory and evaluation process. Participants in the reconstruction process (UNRWA, UNDP) were provided with statements on the victims in order that each party conducts its own inventory and evaluation of the various sectors. The infrastructure damage was monitored by the Ministry of Local Government (MoLG) and UNDP where they also assessed damages based on the guidebook issued by the World Bank. The Building Back Better ⁸⁴ approach was applied in the process mentioned.

Although the Government’s High Commission put forth a national reconstruction plan, the plan was not published despite demands by CSOs to share it with all relevant parties. Moreover, bodies in charge of reconstruction also do not publish reports and budgets related to this file, in addition to lack of clarity in the disbursement of grants provided by donor countries.

Failure of the PA government and the Workers’ Union to pursue the financial rights of Palestinian laborers withheld by Israel

Since Israeli occupation of the WB&GS in 1967, the occupation government has deducted millions of shekels from salaries of Palestinian workers in Israel under various claims such as equalizing tax, income tax or end-of-service benefits. Israel withheld but not transferred these funds to the PA as agreed in the Paris Economic Protocol signed in 1994, which provided for the establishment of a special fund for this purpose. And the PA did not establish the mentioned fund, hence did not manage the deducted funds or categorized them according to the nature of these deductions as intended by the agreement. This led to keeping these cuts and the rights of Palestinian workers hostage in the hands of the Israeli government and provided an opportunity for some Israeli brokers to intervene, bargain with workers and deduct even more of the workers salaries in order to redeem what is theirs to begin with.

However, in 2021, attempts were made to arrange for the transfer of salaries of Palestinians working in Israel to local Palestinian banks. In its repeated attempts for nearly five years to find a mechanism for the transfer of salaries as well as the accumulated cuts, since the early 1970s, estimated at 60 million NIS to the workers’ fund, the government prepared at the end of 2020 a draft system on regulating the pension rights of Palestinian workers within the Green Line. However, the system was not published or allowed to be discussed with the various

84 For more information, see: Coalition for Accountability and Integrity (AMAN). 2021. Status of integrity, transparency and accountability in the environment of the reconstruction process, transparency conference on public fund management in the GS. Gaza, Palestine, unpublished work-paper.





No commitment to
budget transparen-
cy and public fund
management in the
Gaza Strip

parties of the community with the aim of transferring workers' pension rights to a private fund and as part of the social security, although the Labor Union does not find it necessary to link the Fund to the Social Security Law, suggesting that a specific law can be issued to ensure that the Fund be exclusively for the workers' benefits.

AMAN considers that failure to establish a social security fund or a fund for Palestinians working in Israel is a loss to the workers and the public treasury. AMAN also called for including retrieval of Palestinian workers' financial rights related to income tax on any claim or complaint submitted to international organizations, particularly the ILO as the competent party in this regard.

Failure of the Palestinian government for years to protect the rights of Palestinian labors in the Israeli market and in the management of other funds such as: the Public Pension Fund, the Waqfet Izz Relief Fund, and the Khaled Al Hassan Foundation for Cancer Treatment and Marrow Transplant led to a loss of citizens' confidence, especially among Palestinian workers due to lack of belief in the PA's demands to retrieve their rights.



Fourth: Issues Under the Spotlight

1. Accountability of the Palestinian public media

Media content resulting from media and editorial policies developed by the public media administrations to address societal issues is neither objective nor balanced in terms of reflecting the state of pluralism amongst Palestinians. These admins include: Palestine TV, Voice of Palestine Radio, Palestinian News Agency (WAFA) and Al-Hayat Al-Jadida newspaper”. These public media outlets do not provide equal media space to everyone within or outside the ruling authority. This is due to fear of losing what little independence and professionalism they have by domination of the ruling party.

The fact that the Palestinian public media is politically dominated by the ruling elite has profoundly influenced its objectivity, editorial orientations and policies as well as in handling and addressing community issues. And due to this domination, public media is far from being a media that objectively represents the state and its citizens, as it failed to stand at an equal distance from the various components of society, the authority and opposition and or the authority and the community. This failure prevented it from expressing fairly and transparently the political and social disparities within the Palestinian society. Instead, it focused on promoting and instilling one narrative...that of the government and the ruling party. Therefore, this media has implicitly abdicated its vital responsibility of monitoring public sector institutions. Moreover, it played no role in combating the manifestations of corruption.

The official media strategy is based on three main pillars:

- (1) Full bias towards the political system with its various civil and security institutions, and adopted the President’s Office and government’s narrative and no other.
- (2) Full bias towards the political party of the head of state, the head of government and supervisors and officials of the media organizations; and to defend them and their decisions.
- (3) Neglecting independent voices opposed to the political system and the ruling party.⁸⁵



External pressures
and interventions
as well lack of
transparency in the
management of
reconstruction are
paid by the victims
of the Israeli bomb-
ing

⁸⁵ For more information, see: Coalition for Accountability and Integrity (AMAN). 2021. Management of the official media and its relationship to the integrity of governance in Palestine. Ramallah – Palestine.
<https://www.aman-palestine.org/reports-and-studies/16001.html>



The failure to establish a fund for the rights of Palestinian workers in the Israeli labor market by the Palestinian Authority represents an opportunity for Israel to piracy on these funds.

Editorial policy of the state media in covering the killing of activist Nizar Banat and in dealing with popular protests

The follow-up and monitoring of material posted on the websites of the Palestinian state media showed that the editorial policy is based on ignoring significant details concerning the killing of the activist Nizar Banat, in addition to failing to provide live testimonies about the incident despite their accessibility and presentation through other media means and on social media. The public media focused on statements and reactions of the government and official figures while excluding other key parties in this case as Banat's family, as well as human rights and CSO representatives who took to the streets in protest, took positions and issued statements in this regard.

The official media continued to ignore the marches and protests condemning the killing of Nizar Banat as news that should be conveyed to citizens. It also ignored the repression of protesters, media professionals and human rights activists as well as disregarding their testimonies despite being documented and interviewed by several media outlets and by human rights institutions. While at the same time, it provided lots of coverage of marches, organized by Fatah, in support of President Abbas and what they called his "legitimacy". They also provided coverage for leaders in the PA criticizing the marches, demonstrators and slogans raised, as well as of statements, opinions and positions defending the security services and their practices.

The Palestinian state media has not been able to ensure the flow of information between the political system and society to achieve disclosure between the two parties, and allow citizens to see and know what decisions and policies are taken and drawn within their official institutions. All for the sake of the integrity of these institutions and the integrity of the entire governing system. Moreover, official media did not provide an objective space for discussion and community controversy that would contribute to its development, and ultimately reach solutions and meeting points. On the contrary, it is apparent that this media is part of the state of the acute polarization, which prevailed especially on issues of public opinion addressed in this report.

Shortcomings, gaps and abuses in the work of public media and in its relationship with society did not come haphazardly or as a result of professional weakness, but due to the political system's tendency to dominate public media and use it to its benefit.

2. Absence of integrity, transparency, and accountability from the file of Khaled Al Hassan Foundation for Cancer Treatment and Marrow Transplant increases the erosion of citizens' trust in the PA institutions

- **Transformations in the legal status: from the sponsorship of the state to the bosom of the private sector**

For the past six years, the legal nature and objectives designed for the Khaled Al Hassan Foundation were altered. President Mahmoud Abbas issued the Decree No. 3 of 2016 on the establishment of the Khaled Al Hassan Center for Cancer Treatment and Marrow Transplant to be tasked with developing policies and programs for early detection and prevention of can-

cer, provide health care and medical treatment for cancer patients and conduct and supervise cancer-related studies and researches. In 218, a second decree was issued stipulating: “Contributing to the establishment of a hospital for the treatment and prevention of cancer” through the establishment of a company in partnership with the Palestinian Investment Fund (PIF) and the private sector. The PIF will be the supervisory body on the establishment procedures and activation of the company that will establish, finance, develop, and operate the hospital.

The third decree issued in 2021 further shifted the goal of establishing the center represented by the “development of a private hospital and/or specialized departments for the treatment and prevention of cancer in public or private hospitals”.

All of the above changes were made with no consultations with representatives of citizens nor of CSOs and without disclosure of the challenges that faced this vital project at national level.

- **From dream to mirage: building of the Khaled Al Hassan Hospital for cancer treatment**

Despite that in 2016, a donation campaign was launched under the title “A Rose of Hope...for a People of Hope “ in support of building the Khaled Hassan Hospital.... where the following steps took place: the foundation stone for the center was laid by President Mahmoud Abbas; commissioning the Palestinian Economic Council for Development and Reconstruction “PECDAR” to implement and supervise the project; work on designs and the hospital’s capacity during the first phase of 200 beds ; ground digging at the site of the hospital to be began. However, five years later, building of the hospital at the practical level did not begin.

Due to the absence of community participation in the process of policy development, implementation and oversight; the absence of transparency in decision-making relating to public affairs and funds as well as the failure to inform citizens of the developments and progress of national projects such as this led to poor estimation, during the planning stages, of the Palestinian capabilities to build a medical edifice of this magnitude. As a result, plans and other characteristics of the project were changed. First, the plan went from building a huge national medical “hospital” center to establishing a section/s in a hospital/s. second, it changed from being a self-financing, hence self-owned structure (due to citizens’ donations and state allocations) to a semi-private, profit-based project that includes the private sector. Third, shifting state self-financing care for cancer patients to buying the service from private hospitals, as before. This means cancelling the main goal for establishing the Cancer Treatment Center, which stemmed from the need to limit or stop medical transfers to hospitals in Israel or abroad, hence stopping the depletion of the public budget in general and the MoH budget in particular. Moreover, the absence of community participation also contributed to the loss of citizens’ confidence in the supervisors of the Center and the government.





The supervisory bodies of the Broadcasting Corporation are not subject to institutional accountability due to the absence of a law regulating their work and defining their institutional reference

3. Provision and distribution of the Corona virus vaccines

In 2021, the government and the MoH provided COVID-19 vaccines to citizens through direct donations from friendly countries, the World Health Organization, or through purchase by national funds. The government also announced that vaccines will be administered according to priority by registering on-line, all of which was executed.

However, although the government announced that it had a four-stage plan for administering the vaccine, weakness in transparency and integrity marred the first delivery of vaccines in regard to distribution. The Ministry faced lots of criticism concerning this due to the government's confession of giving the vaccine to a number of senior officials who did not meet the priority list according to the stated stages.

This criticism intensified due to the ambiguity that surrounded the Pfizer vaccine exchange agreement with the Israeli side, which included many violations, especially since the vaccines were close to being expired, according to the investigation committee formed by the Prime Minister in this regard, hence weakening citizens' confidence in the ministry's procedures concerning the type of vaccine and the fairness of its distribution, as stated in the WHO-approved protocols. It also reflected negatively on the public's response to the government and the MoH's instructions and measures to counter and reduce spread of the virus.

It should be noted that in the beginning of 2022, in the light of the popular protests, a meeting was held at the request of the Centre's Board of Directors with representatives of civil and private society and trade unions, where recommended that "Khalid al-Hassan Centre" hospital be a public without partnership with the private sector, and establishing a national committee to follow up on the promotion of transparency and integrity in the management of the project and to provide it with the necessary support.

4. Government fact finding committees and their impact on strengthening the integrity of governance

Although the government did set up several inquiry commissions in recent years, it never disclosed the results of some of them, or publish its reports. This due to the weak government will to the principles of transparency in the management of public affairs. This raised doubts concerning the seriousness of the government's intentions to identify and hold accountable the responsible parties for the violations committed, hence facilitating impunity.

The Government did not attempt to develop the personal responsibility values in political officials (i.e., instilling within each of them the principle that each of them is primarily responsible for the flaws in the institution he/she oversees, and to also take responsibility in cases of failure of carrying out one's duties, or if his/her failure resulted in harming citizens.

Official inquiry commissions remain without a clear legal framework to regulate their formation and establishing party, work methods, obligations to appear before them as well as respecting their recommendations. The absence of all that reinforces citizens' lack of confidence in the State institutions and apparatuses. (side margin)

Two investigation commissions were formed by the Council of Ministers in 2021. The first was on the killing of the activist Nizar Banat. It was headed by the Minister of Justice and its members included Deputy Head of the Military Intelligence agency, a representative of ICHR and a physician representing the family of the murdered, Nizar Banat⁸⁶. The committee did not publish a clear report of its findings, but settled for a brief statement by the head of the commission announcing the Nizar Banat' did not die of natural causes.

The second commission was formed to investigate the Corona virus vaccines deal between the State of Palestine and the Israeli occupation. The commission published its report on time, but the government did not show seriousness in its follow-up on the commission's recommendations. And although the government referred the report to the SAACB, no announcement was made regarding results of the reviews made by the Bureau. Moreover, the government has not declared any policies of measures presented by the Commissions' reports to avoid the recurrence of such violations.

The Minister of Health set up a commission of inquiry into the death of the child Salim Al-Nawati on January 11, 2022. The commission announced results of its investigations along with a number of specific recommendations related to individuals and parties investigated, in addition to recommendations to develop the Medical Purchase department. However, no specific actions were announced based on the recommendations made by the commission.

Furthermore, recommendations by the commissions were not translated into instructions for the various government parties to be implemented, hence no lessons learned by the government or its institutions. In addition, the PA also does not believe in building on past experiences and does not take the recom-

⁸⁶ The IHRC apologized for not participating in the Commission and formed a factfinding commission with Al-Haq institution. The family representative physician also withdrew from the commission of the day after the autopsy.





mendations of these commissions seriously by conducting self-evaluation of its policies, work mechanisms to ensure the soundness of future measures in order to protect its citizens.

In conclusion, if the government continues fail to learn from past experiences and to ignore recommendations of the fact-finding commissions and official investigations, establishment of these commission will hold no value as an accountability tool, and will also contribute to citizens' loss of confidence in these commissions and their effectiveness.

Failure to implement recommendations of the committees reflects the weak will for accountability and increases erosion of citizens' confidence in the PA institutions.



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