



Report on:

Integrity, Transparency, and Accountability in the Work of the Foundation of orphans' Funds Development and Administration

Report No. 312



2025



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Funds Development and Administration**

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Introduction

Orphans are among the groups that have historically received a high level of social solidarity in providing care, honoring them, and safeguarding their rights, especially their financial rights, such as the appropriate investment and development of their funds in accordance with Sharia' principles. the Foundation of orphans' Funds Development and Administration is considered the legal guardian of the funds of orphans that fall under its jurisdiction. Investing and developing these funds contributes to economic and social development and supports the establishment of developmental projects. These funds also cover the operational expenses of the Foundation that holds guardianship over them.

Although these funds belong to a specific segment of society, the orphans who require care and financial support, they are also afforded the legal protections granted to public funds, because of their multiple sources and the state's contribution to them. Therefore, the body responsible for managing and investing these funds must demonstrate a high degree of efficiency and strict adherence to the required Sharia' standards as well as the legal regulations governing investment. This includes protecting the funds, safeguarding them from risks, preventing misuse or waste, and ensuring that those responsible uphold the values of integrity, the principles of transparency and clarity, and the systems of oversight, accountability, and auditing in their operations.

Purpose of the Report

General Objective: To strengthen the environment of integrity, transparency, and accountability in the management and development of orphans' funds and to protect it from the risks of corruption.

Specific Objective: To examine the reality of integrity, transparency, and accountability in the management and development of orphans' funds, in addition to assessing the neutrality and independence in managing and developing these funds, and their investment within the framework of a set of relevant indicators. The report also aims to produce recommendations that would enhance the governance of the Foundation, ensure the commitment of its officials and staff to the values of integrity and the principles of transparency in their procedures, and improve the effectiveness of accountability and oversight systems for these funds, given that they are legally protected in the same manner as public funds.

Methodology for Preparing the Report

The preparation of this report is based on a descriptive and analytical approach, which required following these steps:

- Collecting and compiling relevant information from various sources on the subject.
- Reviewing published reports on the subject, particularly those issued by the Coalition for Integrity and Accountability (AMAN).
- Examining the legislative and institutional framework of the Foundation of orphans' Funds Development and Administration.
- Assessing the current reality of indicators related to the integrity values of those responsible for managing the Foundation, the principles of transparency, and the accountability systems in its operations.
- Conducting interviews with stakeholders and specialists involved in the work of the Orphans' Funds Management and Development Authority.

- Analyzing the collected data, information, and the results of the indicators.
- Drawing conclusions that include the challenges and issues identified during the analysis.
- Preparing practical and actionable recommendations and proposing mechanisms for advocacy and pressure to adopt and implement them.
- Preparing an initial draft of the report, discussing it in a workshop with relevant parties, and refining it based on the discussions, leading to the preparation of the final version of the report.

First: Legislative and Institutional Framework Governing the Foundation of orphans' Funds Development and Administration

1. Legislative Framework Governing the Foundation of orphans' Funds Development and Administration

In 2002, a presidential decree was issued to establish the Palestine Orphans' Council. Based on this decree, the Orphans' Council was formed under the supervision of the judiciary and Sharia' courts in Palestine. This marked the beginning of the unification of orphan funds in the West Bank and the Gaza Strip, which had previously been managed independently and separately from one another. The decree granted the Orphans' Council the Foundation to implement the Jordanian law concerning the Foundation of orphans' Funds Development and Administration of 1972.

In 2005, Presidential Decree No. 7 was issued to establish a council for orphans in Palestine to manage and develop orphan funds. Subsequently, the Palestinian Legislative Council issued Law No. 14 of 2005, establishing the Foundation of orphans' Funds Development and Administration as an independent entity with its own legal status, thereby terminating its linkage to the Jordanian law.

In 2008, Legislative Decree No. 10 was issued to amend Law No. 14. This amendment removed the responsibility and direct connection of the Chief Justice to the leadership of the Foundation, a position that had previously been exclusive to the Chief Justice. Under the amendment, the Chairman of the Foundation's Board of Directors is now appointed by a presidential decision.

In 2014, Legislative Decree No. 7 of 2015 was issued to amend Law No. 14 of 2005 and its amendments. This law was later repealed and replaced by Legislative Decree No. 10 of 2023 concerning the Foundation of orphans' Funds Development and Administration, which currently serves as the legal reference governing all matters related to the work of the Foundation¹.

Article 3 of Legislative Decree No. 10 of 2023² defines the objectives of the Foundation as follows: to preserve the funds of orphans; to provide housing, living, educational, and health needs for the orphans covered by the provisions of this decree in accordance with their needs and their entitlements in the fund; and to manage, develop, and invest the funds of the orphans. The Foundation must fulfill its objectives in accordance with the provisions of Islamic Sharia, and it may also seek the assistance of technical experts or specialized committees.

Article 13 of the Legislative Decree specifies the areas in which the Foundation may invest. These include participating in limited liability companies; establishing or participating in developmental projects; financing economic and social projects; constructing buildings, purchasing, selling, and leasing real estate; and engaging in other investment projects.

Articles 20 and 21 of the Legislative Decree outline the mechanism for disbursing funds from the Foundation. Disbursements are made through payment vouchers recorded in the Foundation's official register. The management of reserves requires depositing no more than five percent (5%) of the annual profits into the reserve account. The remaining profits are distributed among the orphans according to their share in the Foundation's funds, and any losses, if they occur, are covered from the reserve.

¹ Official website of the Foundation of orphans' Funds Development and Administration: <https://orphan.oyoun.ps>

² Legislative Decree No. 10 of 2023 concerning the Foundation of orphans' Funds Development and Administration, Official Gazette, Special Issue No. 28, 13/4/2023.

Article 22 includes several general provisions, which are, the applicability of rules and regulations concerning public funds to the Foundation's funds; depositing the Foundation's funds in banks designated by the Board of Directors; collecting the Foundation's funds and debts in accordance with the Law on the Collection of Public Funds; organizing the Foundation's accounts and records according to the accounting principles applied in the country; subjecting its records to oversight and auditing by the Financial and Administrative Control Bureau; prohibiting the Board, staff, or employees of the Foundation from benefiting personally from the fund; submitting annual reports on the Foundation's activities to the President and the Council of Ministers; and exempting the Foundation from all fees, taxes, customs duties, and stamps.

Article 23 of the law stipulates that the Council of Ministers shall issue the necessary regulations for the Foundation's operations, while the Board of Directors is responsible for issuing instructions and decisions related to its work.

2. Institutional Framework for the Work of the Foundation of orphans' Funds Development and Administration

The Orphans' Funds Management and Development Foundation is responsible for managing and investing the funds of orphans to ensure the provision of housing, living, educational, and health needs for the orphans covered under the provisions of Law No. 10 of 2023, in accordance with their needs and their entitlements in the fund. The Foundation is committed to achieving this in accordance with the provisions of Islamic Sharia', and the law also allows it to seek the assistance of technical experts or specialized committees³.

The Foundation employs several methods for investing orphans' funds, including the Murabaha (cost-plus sale) financing method, by providing funding in various fields such as financing for vehicles, land, real estate, construction materials, and commercial goods; investing in shares, including shares in Islamic banks, Islamic insurance companies, service companies, and real estate companies; and investing in real estate through buying and selling land and buildings and leasing them⁴.

Legislative Decree No. 10 of 2023 concerning the Foundation of orphans' Funds Development and Administration, and that it shall maintain a central fund with the option to open subsidiary funds as necessary. The Authority is managed by a board composed of a Chairman, appointed by a decision of the President of the State of Palestine based on a recommendation from the Council of Ministers, a Vice-Chairman, chosen by the board from among its members, and eleven members as follows:

- One representative from the senior category for each of the following: Ministry of Endowments, Ministry of Justice, Ministry of Finance, Office of the Chief Justice, Monetary Authority, Land Foundation, and the Pension Foundation. The law sets the term of board membership at four years, renewable once.
- Four members from the private sector with expertise in financial, economic, administrative, and legal affairs, appointed by a decision of the President of the State of Palestine.

³ Official website of the Foundation of orphans' Funds Development and Administration: <https://orphan.oyoun.ps> , previous source.

⁴ Aous Taysir Hussein Fayed, Management and Development of Orphans' Funds in Palestine from an Islamic Economic Perspective: A Case Study of the Foundation of orphans' Funds Development and Administration in Palestine, Master's Thesis, Arab American University, Graduate Studies College, 2024, pp. 53-63

Article 4, paragraph 3, sets the term of membership on the Board of Directors at four years, renewable once by a decision of the President based on a recommendation from the Council of Ministers. The Director General of the Foundation, appointed by the Board, serves as the Secretary of the Board and attends its sessions without voting rights. According to Article 5, paragraph 3, holding a position on the Board cannot be combined with the position of Director General.

In Article 7, the responsibilities of the Board of Directors include setting the Foundation's policies, approving plans and programs, ratifying the internal regulations and procedural manuals related to the Foundation's work, preparing the necessary financial and administrative regulations and submitting them to the Council of Ministers, monitoring and evaluating the Foundation's operations, approving contracts, tenders, and investments, and appointing a Sharia' supervisory committee as well as an external auditor for the Foundation's accounts.

The Foundation contracted a private legal firm to prepare a draft of the internal regulations for the Board of Directors. A copy of these regulations is ready, however, it has not yet been presented to the Board for approval and adoption⁵.

According to the approved organizational structure of the Foundation of orphans' Funds Development and Administration, several units report to the Board of Directors. These include the Sharia' Supervisory Committee, the Internal Audit Committee, the Finance and Investment Committee, and the Administration Committee. The Executive Management of the Foundation, headed by the Director General, also reports to the Board. The Director General supervises several departments, namely, the Information Technology Department, the Finance and Investment Department, the Planning and Projects Department, the Financial and Administrative Affairs Department, and the Legal Affairs Department, with various sections branching out from these departments.

The Foundation has four branches, including the General Administration in Ramallah and three branches in Nablus, Hebron, and Gaza. The total number of employees is 23, spread across all directorates, departments, and branches⁶.

⁵ Draft Internal Regulations for the Board of Directors of the Foundation of orphans' Funds Development and Administration, previously cited source.

⁶ Palestinian Council of Ministers, the Foundation of orphans' Funds Development and Administration,
<https://www.palestinecabinet.gov.ps/governmentService/Upload/structure/30102016125206.pdf>

Second: The Reality of Integrity, Transparency, and Accountability in the Work of the Foundation of orphans' Funds Development and Administration

This section examines a set of indicators related to integrity values, transparency principles, and accountability systems in the work of the Foundation of orphans' Funds Development and Administration, as follows:

1. Integrity Values in the Work of the Foundation

Indicators related to integrity values in the Foundation's work include the availability of a policy to prevent conflicts of interest among those responsible for the Foundation, compliance with the submission of financial disclosure statements, the presence of systems and instructions regarding the receipt of gifts, the availability of guarantees ensuring neutrality and independence in the Foundation's performance and activities, mechanisms for appointing those responsible including Board members and staff, the presence of a code of conduct for the Board and employees, and the availability of mechanisms for reporting suspected corruption and protecting whistleblowers and witnesses.

Legislative Decree No. 10 of 2023 concerning the Orphans' Funds Management and Development Foundation does not address the issue of preventing conflicts of interest or regulating the acceptance of gifts in any of its articles. However, the law stipulates that neither the Board, nor the staff or employees of the Foundation, may benefit personally from the fund. The purpose of this prohibition is to prevent conflicts of interest among those responsible for the Foundation, including Board members, committees derived from it, and all employees.

The draft administrative regulations for the Foundation's employees, submitted to the Council of Ministers but not yet approved, include a reference to preventing conflicts of interest among employees in their dealings with external parties, primarily due to disputes over the salary scale included in the regulations⁷. Similarly, the draft internal regulations for the Board, which have not yet been presented for approval⁸, address this matter.

Mr. Amjad Al-Masri, Director General of the Foundation, indicated that, in practice, the Foundation's staff follow measures to prevent conflicts of interest. The Foundation implements measures to prevent both direct and indirect conflicts of interest affecting Board members. It also put in place safeguards that would prevent both direct and indirect conflicts of interest in the work of Board members. Additionally, the Board itself has made specific decisions that exclude companies affiliated with its members from certain tenders, such as the tender for constructing the Authority's building.

Mr. Al-Masri added that the Authority relies on the 2020 Conflict of Interest Disclosure System and the 2019 Gifts System issued by the Council of Ministers. However, none of the committees specified in these two systems have been established within the Authority to implement them⁹. As a result, the application of these systems remains incomplete, since the committees outlined in the regulations are responsible for determining whether conflicts of interest or gift acceptance cases are valid.

⁷ Draft Administrative Regulations for Employees of the Foundation of orphans' Funds Development and Administration, submitted to the Council of Ministers, 2022; the Foundation of orphans' Funds Development and Administration, 2025.

⁸ Draft Internal Regulations for the Board of Directors of the Foundation of orphans' Funds Development and Administration, the Foundation of orphans' Funds Development and Administration, 2025.

⁹ Personal interview with Mr. Amjad Al-Masri, Director General of the Foundation of orphans' Funds Development and Administration, Monday, 13/10/2025.

Regarding the submission of financial disclosure statements by those responsible for the Foundation of orphans' Funds Development and Administration, the Anti-Corruption Foundation indicated that these disclosures have not been submitted¹⁰. However, Mr. Amjad Al-Masri stated that the members of the Board of Directors and employees who are required to complete financial disclosure statements had done so in an earlier period, and that the Anti-Corruption Authority did not request new disclosures. Instead, it sent a letter on 30/9/2025 requesting updated employee information, and the Foundation is preparing the required response¹¹.

As for the guarantees related to neutrality and independence in the Foundation's performance and activities, Mr. Amjad Al-Masri noted that the law affirms the Foundation's independence, and that the Board of Directors makes its decisions with full autonomy.

For its part, the State Audit and Administrative Control Bureau's report on the Foundation's operations indicated that the audit did not find that the Board had adopted decisions and instructions sufficient to ensure the independence and impartiality of Board members who have any direct or indirect interest in any investment project in which the institution participates, in order to prevent conflicts of interest .

As for the guarantees related to neutrality and independence in the Foundation's performance and activities, Mr. Amjad Al-Masri noted that the law affirms the institution's independence, and that the Board of Directors makes its decisions with full autonomy. Meanwhile, the State Audit and Administrative Control Bureau's report indicated that the audit did not find that the Board had adopted decisions or instructions that would ensure the independence and neutrality of Board members who may have any direct or indirect interest in investment projects in which the institution participates, in order to prevent conflicts of interest¹².

As for the administrative staff, the Director General is appointed by a decision of the Board of Directors, while the remaining employees are subject to a special financial and administrative system that must be issued by the Council of Ministers but has not yet been approved.

The State Audit and Administrative Control Bureau's report on the institution's operations noted the absence of an approved system for managing personnel affairs¹³. Mr. Attallah Ayoub, Director of the Legal Department, stated that the institution prepared an administrative system for employees, submitted in 2016 to the Council of Ministers, which has not been approved to date. He added that the institution still applies the provisions of the Civil Service Law for its employees, including the recruitment procedures, which are very limited and conducted through public announcements, the formation of an internal committee to review applications, and administering exams or interviews depending on the position¹⁴.

The Foundation has specific procurement instructions approved by the Board of Directors, along with a Procurement Committee chaired by a board member and including the Director General and another employee. The instructions set limits for procurement and direct purchasing, and

10 Data provided by the Anti-Corruption Authority, 29/9/2025.

11 Mr. Amjad Al-Masri, Director General of the Institution, indicated in a phone call with the researcher on 16/11/2025 that after sending the employee data requested by the Commission, the Commission sent the financial disclosure forms to the obligated persons, and the forms are currently being completed and will be sent back to the Commission.

Personal interview with Mr. Amjad Al-Masri, previous source.

12 State Audit and Administrative Control Bureau, Audit Report on the Work of the Orphans' Funds Management and Development Authority, 11/07/2023.

13 State Audit and Administrative Control Bureau, Audit Report on the Work of the Orphans' Funds Management and Development Authority, previous source.

14 Personal interview with Mr. Attallah Ayoub, Director of the Legal Department at the Orphans' Funds Management and Development Authority, 13/10/2025.

procurement is often conducted through reliance on the central tenders approved by the General Supplies Directorate at the Ministry of Finance¹⁵.

As for codes of conduct, the Foundation does not have approved and designated codes of conduct for board members or staff. However, the draft administrative regulation for the institution's employees, which has been prepared and submitted to the Council of Ministers for approval, includes a specific and detailed section on the duties and conduct of its staff in the performance of their functions. It also contains provisions related to preventing conflicts of interest, safeguarding the Foundation's assets, and prohibiting their use for personal purposes¹⁶.

However, the Authority does not have policies for managing corruption risks, and the Anti-Corruption Commission has not conducted any training or awareness programs for its staff related to measures for enhancing integrity and addressing corruption risks. But, the Commission has expressed its readiness to design a specialized program for the Foundation in this area¹⁷.

2. Policy on Publication, Disclosure, and Transparency

Indicators related to transparency principles (publication and disclosure) in the Foundation's work include: the scope of disclosure regarding its financial revenues, its financial status, and the areas of investment of its funds; the presence of clear and published criteria for selecting investment areas and the entity responsible for managing investments; the publication of periodic reports on the Foundation's operations and disclosure of its budget; presenting this information in a simple and understandable manner for the public and beneficiaries; and the availability of an effective website that embodies the right to access information.

Legislative Decree No. 10 of 2023 defines the Foundation's financial resources as including allocations from the state budget, the movable and immovable assets of orphans deposited in the Foundation's fund, the returns from the investment of orphans' funds, and donations and grants approved by the Board of Directors.

The financial reports prepared by the Foundation include liabilities from accounts and receivables, equity from orphans' deposits, mandatory and optional reserves, profits, real estate investments, assets, and equipment. They also cover investment areas such as Murabaha financing, returns on deposits with Islamic banks, investments in shares, and real estate investments¹⁸. The institution discloses its financial data and financial status through audited financial reports, which are published in its annual report and submitted to the relevant Foundations.

The Foundation of orphans' Funds Development and Administration has also contracted a private company to run a media campaign to promote its work. It has carried out similar campaigns in several governorates, as well as campaigns in cooperation with the Ministry of Endowments and mosque imams¹⁹.

Regarding the availability of clear and published criteria for selecting investment areas and the entity responsible for managing investments, there is a committee formed by the Board of Directors called the Finance and Investment Committee. The Foundation also has a credit policy manual approved by

15 Personal interview with Mr. Amjad Al-Masri, previous source.

16 Draft Administrative Regulation for Employees of the Foundation of orphans' Funds Development and Administration, submitted to the Council of Ministers, 2022, previous source.

17 Data provided by the Anti-Corruption Commission, 1/10/2025.

18 Aous Taysir Hussein Fayed, Management and Development of Orphans' Funds in Palestine from an Islamic Economic Perspective, previous source, pp. 38-39.

19 Personal interview with Mr. Amjad Al-Masri, Director General of the Authority, previous source.

the Board of Directors. It also established an investment management company in partnership with the Public Pension Fund, holding a 60% share, and this company now manages many of the institution's investments²⁰.

Despite the above, the institution does not publish its budgets for the public, nor does it provide simplified budgets that its community can access and understand, including the orphans whose funds are invested, as well as their guardians. This was confirmed by the State Audit and Administrative Control Bureau's audit report on the institution, which also noted the absence of a clear investment policy to guide land investment operations. This gives no assurance that the investment decisions are sound or that they achieve the intended goal of generating sufficient returns to increase the the Foundation of orphans' Funds Development and Administration. The Foundation also does not announce its intention to sell land on its website, which would allow it to consider multiple options, nor are sales conducted through public auctions, preventing the it from securing the best available options²¹.

The Foundation has an electronic webpage that is being updated and improved by a specialized company. The page includes an introduction to the institution, some of the services it provides, its contributions to companies, an electronic form for complaints and suggestions, and announcements and news about the institution. However, to date, the page does not include any publications related to its periodic reports, financial statements, budget, or decisions issued by the Board of Directors²².

3. Mechanisms for Oversight, Accountability, and Auditing of the Institution's Work

Indicators related to accountability (oversight, accountability, and auditing) inthe Foundation of orphans' Funds Development and Administration's work include internal oversight and auditing bodies, external handling complaints, and ongoing investigations of corruption cases by specialized Foundation's, particularly the Anti-Corruption Commission.

The institution is subject to multiple levels of oversight. Internally, there is an Audit Committee formed by the Board of Directors, an internal auditor, an external auditing firm, and a Sharia' supervisor. The institution also has an auditing charter, approved by the Audit Committee and the Board, which serves as a guide for auditing operations and includes professional practice standards, independence, objectivity, powers, and responsibilities²³.

The institution prepares a set of reports as part of its work, including financial reports prepared by the Financial Department, which are reviewed with the Director General and submitted to the Board of Directors. Reports on semi-annual and annual financial data are prepared by the external auditor, reviewed by the Audit Committee and the executive management, and then submitted to the Board for discussion and approval.

The internal auditor prepares reports on daily matters, which are submitted to the Audit Committee. The Director General prepares two administrative reports, semi-annual and annual, which are presented to the Board. The institution's management prepares the annual reports, which are submitted to the Board for discussion and approval, and then forwarded by the Chairperson of the Board to the President and the Prime Minister²⁴.

20 Personal interview with Mr. Amjad Al-Masri, previous source.

21 State Audit and Administrative Control Bureau, Audit Report on the Foundation of orphans' Funds Development and Administration, previous source.

22 Official webpage of the Foundation of orphans' Funds Development and Administration, <https://orphan.oyoun.ps/> - previous source.

23 Internal Audit Charter, the Foundation of orphans' Funds Development and Administration, 2025.

24 Telephone interview with Mr. Amjad Al-Masri, Director General of the Foundation of orphans' Funds Development and Administration, Sunday, 16/11/2025, previous source.

At the external level, the institution is subject to oversight and auditing by the State Audit and Administrative Control Bureau. On this matter, Ms. Suzanne Khalaf, Acting Director General of the General Administration for Oversight of Institutions and Non-Governmental Organizations, noted that the Bureau conducted an audit on the institution's work for the 2020 fiscal year during 2023 and prepared a report that included a set of observations, some of which related to governance indicators within the institution.

She added that the Bureau monitored the extent to which the institution implemented the recommendations contained in the report and noted that the audit results did not reveal any serious violations or suspicions of corruption in the institution's work²⁵. A letter from the Chairperson of the State Audit and Administrative Control Bureau to the Chairperson of the institution's Board indicated that the it had implemented approximately 80% of the Bureau's report recommendations²⁶.

Regarding community accountability for the institution's work, Mr. Amjad Al-Masri, the Director General, noted that this form of accountability is absent, even though the it remains open to any civil society group²⁷.

As for instructions and mechanisms for handling public complaints, the institution does not implement the complaints system approved by the Council of Ministers. It has a draft set of instructions outlining procedures for handling complaints²⁸, but it has not yet been submitted to the Board of Directors for formal approval. The institution's website includes a designated section for submitting complaints and suggestions. Mr. Amjad Al-Masri noted that any complaint received is referred by the Director General to the relevant departments for follow-up²⁹.

Mr. Issam Abdel-Halim, Director General of the Public Administration for Complaints, Reports, and Investigation at the Anti-Corruption Commission, indicated that the administration has not registered any complaints related to the institution for the Management and Development of Orphans' Funds. Therefore, the Commission has no investigations involving any allegations of corruption related to the institution³⁰. This was confirmed by the records of the Commission's General Administration for Investigation, which also showed that it has no investigative files concerning the institution³¹.

25 Personal interview with Ms. Suzanne Khalaf, Acting Director General of the General Administration for Oversight of Institutions and Non-Governmental Organizations, State Audit and Administrative Control Bureau, Wednesday, 24/9/2025.

26 State Audit and Administrative Control Bureau, Letter from the Chairperson of the State Audit and Administrative Control Bureau to the Chairperson of the Board of Directors of the Foundation of orphans' Funds Development and Administration regarding the institution's implementation of the Bureau's audit report recommendations.

27 Personal interview with Mr. Amjad Al-Masri, Director General of the institution, previously cited.

28 Draft Complaints Instructions, the Foundation of orphans' Funds Development and Administration, 2025.

29 Personal interview with Mr. Amjad Al-Masri, Director General of the institution, on 16/7/2025, previous source.

30 Personal interview with Mr. Issam Abdel-Halim, Director General of the Public Administration for Complaints, Reports, and Investigation at the Anti-Corruption Commission, 30/9/2025.

31 Data provided by the Anti-Corruption Commission on 21/10/2025.

Third: Conclusions and Recommendations

Conclusions

1. The Legislative Framework

- The legislative framework delineated for the Foundation of orphans' Funds Development and Administration by Decree-Law No. 10 of 2023, includes some principles related to the governance of public institutions. These include requiring the institution to organize its accounts and records in accordance with the accounting principles applied in the state, and subjecting its records to oversight and auditing by the State Audit and Administrative Control Bureau.

However, the text does not include several other important principles, such as provisions that prevent conflicts of interest in the work of those running the institution, the availability of systems and instructions regarding receiving gifts, guarantees related to neutrality and independence in the institution's performance and activities, and the limits of disclosure regarding the nature of the institution's financial revenues and its financial situation.

- The administrative system for the institution's employees has not been approved to date by the Council of Ministers, although it was prepared and submitted long ago, and includes many provisions that strengthen the values of integrity, transparency, and accountability.

2. Integrity Values in the Institution's Work

- the Foundation of orphans' Funds Development and Administration lacks policies or instructions to prevent conflicts of interest or regulate the acceptance of gifts, whether concerning the Board of Directors or the institution's employees. Nevertheless, the administrative system for employees submitted to the Council of Ministers, and the draft internal regulations not yet presented to the Board of Directors for approval, include specific references in this regard. The institution also refers to the regulations issued by the Council of Ministers on this matter, but it has not established the committees required for their implementation.
- The institution does not have an approved and adopted code of conduct for either Board members or employees, although the draft administrative system for employees, not yet approved by the Council of Ministers, contains several provisions on this subject.
- While the draft internal regulations of the Board of Directors affirm the independence and impartiality of Board members, these regulations have not yet been submitted to the Board for approval.
- The institution has Board-approved instructions for procurement operations. As a result, it does not apply the Public Procurement Law or its executive regulations, even though these are binding on the institution as a public entity managing public funds, according to the definition of a public institution under the Public Procurement Law.
- The institution does not have policies for managing corruption risks, and the Anti-Corruption Commission has not developed awareness or training programs for the institution that include integrity and anti-corruption measures.

3. Transparency Principles (Publication, Disclosure, and Openness)

- Although the institution discloses its financial data and overall financial position through externally audited reports included in its annual report submitted to the relevant authorities, this information is not made public or accessible to the institution's service beneficiaries, particularly the orphans whose funds are invested and their guardians. The same applies to the institution's budget, which is not provided in a simplified format that would allow the public, especially contributing orphans and their guardians, to review and understand it.
- The institution does not announce its intention to sell land on its website, limiting its ability to consider multiple options. Furthermore, sales are not conducted through public auctions, preventing the institution from ensuring it receives the best available options.
- The institution has a website that is still under development; as a result, it does not contain any publications related to its periodic reports, financial data, budget, or Board decisions.

4. Oversight, Accountability, and Auditing Mechanisms of the Institution

- the Foundation of orphans' Funds Development and Administration is subject to multiple levels of internal auditing and oversight, including an audit committee formed by the Board of Directors, an internal auditor, an external auditor, and a Sharia' supervisor. The organization also has an approved and adopted audit charter.
- The institution is subject to oversight and auditing by the State Audit and Administrative Control Bureau. The Bureau conducted auditing of the institution for the 2020 fiscal year during 2023. The findings of the Bureau's report included a number of observations, and the Orphans' Fund implemented 80% of the recommendations according to the follow-up report. No serious violations or suspected corruption cases were identified in the institution's work.
- The organization does not have a mechanism for community accountability, despite its willingness to be open to such accountability and its efforts to raise public awareness about the institution.
- The institution has a draft set of instructions for handling complaints, but these have not been presented to the Board of Directors for approval. There is also an electronic mechanism on its official website for complaints and suggestions. On this point, the complaints system issued by the Council of Ministers in 2017 and its related procedural guide should be adopted by the institution.
- The Anti-Corruption Commission does not have any complaints concerning the Orphans' Funds.

Recommendations

1. Regarding strengthening integrity values in the institution's work:

- The Council of Ministers should expedite the approval of the regulations and bylaws for the Foundation of orphans' Funds Development and Administration Fund in implementation of the decree-law requirements, particularly the draft administrative and financial system for the institution's employees.
- Expedite presenting the draft internal regulations to the Board of Directors for approval and adoption, in accordance with Decree-Law No. 10 of 2023, in order to provide the required guarantees for preventing conflicts of interest and ensuring independence and neutrality in the Board's work.
- Take the necessary measures to implement the conflict-of-interest prevention system and the gift-receiving system issued by the Council of Ministers, particularly regarding the formation of the executive committees for their application.
- Prepare a code of conduct for the Board of Directors and the employees, or adapt and apply the civil service code of conduct to its staff, given that the Council of Ministers has not approved the draft administrative system for the institution's employees.

- Ensure that the organization takes into account the provisions of the Public Procurement Law and its related regulations in relation to procurement, particularly publishing purchase requests on the Public Procurement Portal.
- Adopt policies related to risk management and coordinate with the Anti-Corruption Commission to design a program for the institution's employees on measures to strengthen integrity and address corruption risks.

2. Concerning the principles of transparency (publication, disclosure, and openness) in the institution's work

- The Foundation of orphans' Funds Development and Administration should adopt a publication and disclosure policy that specifies what information and data related to its work may be made available to the public, especially in the absence of an approved access to information law that would regulate this matter.
- The Foundation should make its audited financial statements, budget, and periodic reports available to the public, particularly to the beneficiaries of its services, specifically the beneficiaries of orphans or their families.
- The Foundation must prepare a simplified annual budget for publication to its audience, especially the orphans or their relatives whose funds are invested in the institution, for them to review and understand.
- It is important for the institution to announce any land-sale operations on its website and to organize such sales through auctions, to ensure transparency and secure the best available options for the institution.
- The institution should announce land-sale operations through its website and organizing their sale in auctions to ensure transparency and the institution obtaining the best options.

3. Mechanisms of oversight, accountability, and auditing of the Orphans' Fund work

- The institution must establish mechanisms and programs related to community accountability.
- It should also give its Board of Directors clear instructions for the procedures of handling complaints so it would approve them and adopt them. It should also designate a responsible entity within the institution to follow up on public complaints, noting that it is preferable for the institution to apply the complaints system issued by the Council of Ministers in 2017 and its related procedural guide.

Sources and References:

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- State Audit and Administrative Control Bureau, Bureau report on the work of the Foundation of orphans' Funds Development and Administration, dated 11/07/2023.
- State Audit and Administrative Control Bureau, letter from the President of the Bureau to the Chair of the Board of the Foundation of orphans' Funds Development and Administration regarding the institution's implementation of the Bureau's recommendations on the audit of its work.
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- Draft complaints instructions, the Foundation of orphans' Funds Development and Administration, 2025.
- Official webpage of the Foundation of orphans' Funds Development and Administration: <https://orphan.oyoun.ps>
- Personal interview with Ms. Suzan Khalaf, Acting Director General of the General Directorate for Oversight of Institutions and Non-Governmental Organizations, State Audit and Administrative Control Bureau, Wednesday, 24/9/2025.
- Personal interview with Mr. Issam Abdel-Halim, Director General of the General Directorate for Complaints, Reports, and Investigation at the Anti-Corruption Commission, 30/9/2025.
- Personal interview with Mr. Attallah Ayoub, Director of the Legal Department at the Foundation of orphans' Funds Development and Administration, 13/10/2025.
- Personal interview with Mr. Amjad Al-Masri, Director General of the Foundation of orphans' Funds Development and Administration, Monday, 13/10/2025.



AMAN was established in 2000 as a civil society organization that seeks to combat corruption and promote integrity, transparency and accountability in the Palestinian society. The Coalition was first formed by an initiative from a number of civil society organizations working in the field of democracy, human rights and good governance. In 2006, the Coalition was accredited as a national chapter for Transparency International.

AMAN is a Palestinian think tank and a specialized body providing knowledge on corruption at the local and regional level through producing specialized reports and studies. The periodic publications include: The annual Integrity and Anti-Corruption Report, the annual Palestinian Integrity Index and the National Integrity System studies and reports, in addition to the Coalition's continued contributions to produce reports and studies on the status of corruption in the Arab region.

As part of the global anti-corruption movement - and of international alliances and partnerships with relevant specialized coalitions and organizations - AMAN plays a key role in the transfer and contextualization of necessary international knowledge and tools to combat corruption in all sectors.

Website: www.aman-palestine.org

Email : info@aman-palestine.org

f in /AmanCoalition

Ramallah, Irsal St, Remawi Building , 1st floor

Tel : 2989506 2(970+) 2974949 2 (970+)

Fax : 2974948 2 (970)

Gaza-Southern Rimal - Habboush St. - Sub of Martyrs St. Dream

Tel : 082884767

Fax : 082884766