

Activity Report

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Letter from the Chair

Dr. Hanan Ashrawi

2010: A Year of Challenges and Affirmation of AMAN Credibility



As the **Coalition for Integrity and Accountability** -AMAN enters its second decade, it continues to march confidently towards combating corruption; preserving its accomplishments and building on them, as well as achieving further success and tangible results in the battle against corruption. While the Israeli occupation constituted the major cause of suffering for the Palestinian people during 2010, the geo-political internal division, which adversely affected basic freedoms and corruption, was the second factor that affected the overall Palestinian official and popular dynamics. This in turn challenged AMAN as it faced their impact on the Palestinian citizens.

During 2010, AMAN continued to implement the third and final year of its Strategic Project Document 2008-2010, drawing on its professional, holistic, and comprehensive approach that stems from its values and principles that govern the performance and conduct of its executive staff and its governing body. Similarly, AMAN employed its credibility, its networks, and relationships built with the various stakeholders, most notably governmental and non-governmental organizations. AMAN also relied on objective, non-partisan, information gathering and analyses, utilizing various scientific tools, such as questionnaires and surveys, investigative reports, as well as individual and group interviews with stakeholders, and lobbying and advocacy.

During this year, AMAN focused on several strategic priorities and issues closely linked to its 2008-1010 Strategic Plan that met citizens' needs and interests. Top priorities included incorporating corruption in the agendas of non-profit organizations; providing legal assistance to corruption victims, witnesses, and whistleblowers; mobilizing grassroots in anti-corruption efforts; lobbying with the PNA to adopt and implement further reforms to ensure transparency in management of public funds and the General Budget; lifting immunity of those that are corrupt; and completing and implementing an effective and fair legislative framework.

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AMAN could not have carried out these interventions without developing its capacities and complementing its structure, becoming itself a model for good governance by practicing the values and principles it advocates: integrity, transparency and accountability systems, and adopting international best practices in public administration and human resource management and processes.

These interventions had tangible results on anti-corruption efforts hence enhancing AMAN's credibility in all Palestinian sectors, and bolstering its ability to effect the desired change. Some of these results constitute the following:

On March 2010, President Mahmoud Abbas activated the Illicit Gains Commission which became the Anti-Corruption Commission, following a lobbying campaign, which culminated on the International Anti-Corruption Day, in a mass demonstration of representatives from civil society, the private sector, as well as parliamentarians and ordinary citizens; a select delegation held a successful meeting with Prime Minister Dr. Salam Fayyad to further stress the issue. On June 20, 2010, the Palestinian President ratified the Anti-Corruption Law whose first draft AMAN had prepared and submitted to the Cabinet in partnership with Palestinian experts and representatives from the various sectors through extensive discussions.

On that same day, a turning point for AMAN, President Abbas appointed Mr. Rafiq Natsheh as the Chair of the Anti-Corruption Commission. We acknowledge the nature and scale of challenges this nascent commission faces, especially in terms of political will, resources, rule of law and independence of the Judiciary. Nevertheless, we consider this step of utmost importance, as it comes at a crucial time where the government is working diligently to implement a program to establish an independent state built on transparent institutions that are capable, effective.

On August 2010, the Palestinian Council of Ministers issued a decision to withdraw all government cars with the aim to rationalize their use for public work purposes only, putting an end to misuse by some public employees, which depleted public resources. This decision reflected the success of the joint campaign of AMAN and the Ministry of Transportation during 2009 and 2010, in which AMAN had invested its resources, and particularly those of its Advocacy and Legal Aid Center.

Towards the end of the year, AMAN made yet another quality achievement, as the Prime Minister, in his capacity as Minister of Finance, and in response to AMAN's request, decided that the Palestinian

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Government join the Open Budget Index. He also approved adopting and publishing the Citizens Budget, to enhance transparency of the General Budget and government expenditures, and engage citizens in budget preparation, through disseminating relevant information and getting feedback from citizens and civil society organizations.

In this context, it was only natural for AMAN to face intensive incitement campaigns led by those who resented governmental reforms in the management of public funds, since such reforms jeopardized their interests. Nevertheless, AMAN's credibility among the various sectors of the Palestinian society enabled it to weather this crisis stronger than ever. Such credibility is the result of AMAN's professionalism and objectivity, as well as the wide networks and collaborative partnerships it had developed with many stakeholders and concerned parties since its establishment.

Finally, I wish to point out the efficiency of the Executive team, most notably its Chief Executive Officer, and their commitment to AMAN's mission and goals, who made such achievements possible. I also wish to express my appreciation to AMAN's governing body, most notably the Board of Directors and the Commissioner for Combating Corruption, for their insight and continuous support to the staff. Such commitment deserves our deep appreciation.

We thank all Palestinian partners, and international partners, most notably the governments of the Netherlands and Norway, who have continuously supported AMAN morally and financially since 2005. Furthermore, In January 2010, the Director- General of Transparency International (TI) visited AMAN. This first visit of a TI official constituted a gesture of deep respect and appreciation to TI Palestine National Chapter, for its accomplishments, activities, and distinctive efforts, not only locally, but regionally and internationally as well.

Board of Directors Report

During 2010, AMAN commissions followed up the institution's work. The Board of Directors of the Coalition held three meetings, while the General assembly held one meeting. These meetings made several decisions and recommendations that bolstered the role of the Coalition at the institutional and programmatic levels. The most important decisions were:

First: The Institution

1. Commitment of the executive administrations of the Coalition institutions in paying their 2010 membership fees.
2. Approval of accepting individual membership in the Coalition: Candidates shall be nominated by the General Assembly, in accordance with criteria and conditions proposed by the executive management. These criteria and conditions shall be incorporated in the Bylaws.
3. Approval of the amended financial system and the amended administrative system with no reservations.
4. Approval of the 2009 administrative and financial reports.
5. Expanding the number of Board of Directors from seven to nine members.
5. Holding Board elections in 2010; new members joining, Dr. Najwa Irsheid and Mr. Sameer Hleileh, in addition to the return of Mr. Abdul Rahman Abu Arafeh after being away for one electoral term.
6. Disclosing of the financial statuses of the new Board members and publishing them on AMAN's website.
7. Forming an internal audit committee consisting of two General Assembly members, Dr. Mohammad Abbas Abdul Haqq and Mr. Abdul Qader Husseini, who shall audit the Coalition's work beginning with the year 2010.

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8. Affirming the executive management's authority in the annual evaluation process.
9. Affirming that a financial audit process is to begin in early September of every year and completed in January of the subsequent year.
10. The General Assembly reviewed and approved the 2010 audited financial report, as well as the Ernst & Young performance evaluation, asserting the need to adhere to the agreed timeframe for submitting the audited report and the rotation of staff who audit AMAN.
11. The need for Board members in Gaza to provide support and counseling to AMAN Staff there.
12. Redeligitating Dr. Azmi Shuaibi as the Coalitions' Commissioner, asserting the need for transfer of expertise in local, regional and international cooperation on good governance to Board and General Assembly members, as well as to the executive management.
13. Supporting a proposal on publishing a periodical e-newsletter to the Board on the Coalition's activities.
14. Examining the possibility of holding a Board meeting outside Palestine to enable members from Gaza to participate in the Board activities.



Second: Programs

1. Broaden the base of AMAN's core program donors and identify other resources that are unrestrictive in order to maintain the Institution's vitality and sustainability.
2. Develop a long-term project based strategy (3yrs) and provide necessary funding for the projects included.

Third: Local, Regional, and International Networking

1. Board Members in the Gaza Strip need to be more supportive of civil society organizations in the Strip in order to encourage them to engage in national anti-corruption efforts.
2. Broaden the base of AMAN's NGO partners through joint implementation of anti-corruption activities and encourage them to incorporate t similar activities in their core programs.
3. Target the private sector and seek to activate the Code of Corporate Governance for public shareholding companies, regulate their governing bodies, and strengthen the integrity, transparency and accountability systems that govern the relationship between the private and public sectors.
4. Focus on activities that aim at changing the culture of acceptance of nepotism, favoritism and (wasta) through focusing on education at all levels, as the university course introduced by AMAN.
5. Report on AMAN Commissioner's regional and international activities and disseminate them to the Board, General Assembly and executive management.
6. Discuss AMAN's position towards the attack launched by some individuals who apposed the decision to rationalize the use of government cars for work purposes, and the necessary measures taken to protect the AMAN and its employees.

External Environment

The division of the political system and its impact on the three branches of powers has led to the dysfunction of the Legislative Council (PLC) hence disrupting its monitoring of the Executive Authority's work in addition to cancelling its legislative function. This situation has aggravated the legislative vacuum at several levels including combating corruption. It also contributed to the gradual replacement of the institution of the presidency in the issuance and amendment of a number of laws rather than the Legislative Council. This situation had an impact on the democratic process as a whole, as the representatives of the people are excluded from the legislative process, for which partnership with the community is essential. Furthermore, according to Article 43 of the Basic Law, the PLC may revoke legislations enacted by the President.

In this context, AMAN has been extremely cautious. It is conscious of the negative impact of the absence of several legislations and deterrent measures, such as the possible impunity of corrupt persons or promoting a corruption tolerant environment. On the other hand, it recognizes the need for enacting some urgent legislation, and hopes that they will be sustained.

At another level, the political division had its effect on the Executive branch, the only power managing and controlling all public affairs without being monitored or held accountable.

In Gaza, the division also resulted in the establishment of alternative bodies to the three branches of power established since the early nineties. This Furthermore, human rights and public freedoms, particularly freedom of expression and assembly have suffered blatant breaches. This contributed to diverting priorities and concerns of SCOs away from the public domain and of combating corruption.

At another level, the Judiciary system continued to suffer from marginalization and inactivity. It failed to establish independence, and remained vulnerable to the interventions of the executive authority. The main problem that obstructed judicial independence possibly lies in the continuous tension between the different pillars and institutions of justice due to the overlapping tasks and mandates.

Despite some improvement in these relations in 2010, they continued their ebb and flow depending on the good faith of some officials. Moreover, the Executive branch, particularly the security services, continued to refrain from enforcing some judicial and court decisions. This has partially undermined the Judiciary's credibility due to its inability to hold violators of the law accountable. It further generated a feeling among the accused that the Palestinian Authority is incapable of prosecution, hence encouraging others to violate the law and disrupt its rule. This has led to apathy and lack of confidence in the rule of

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law among ordinary citizens, especially in terms of submitting complaints on acts of corruptions. Nevertheless, several steps were made towards reform and accountability, and some corruption files were referred to the Prosecution for investigation. However, these attempts were lacking due to the poor resources of the prosecution on one hand, and the weak political will among the PNA to hold accountable those responsible for corruption on the other hand. Consequently, the power and credibility of the justice system continued to lag behind, especially its monitoring role over other branches of power. The other tenets of the judiciary, especially transparency, openness, and readiness for accountability also remained weak.

This placed a bigger responsibility on AMAN to exert more effort on raising the awareness of and mobilize whistleblowers. It needed to encourage them to report acts of corruption on one hand, and lobby with the Authority to refer corruption suspects to investigation on the other, to preclude their impunity.

The role of monitoring bodies, most notably the State Audit and Administrative Control Bureau (SAACB), remained weak and below expectations stipulated by the Palestinian Law. The Law gave the Bureau the full mandate to oversee the various PNA public institutions. In addition to granting it full independence to oversee their performance, it also granted it the capacity of judicial police; to detect suspects of corruption and embezzlement of public funds. During 2010, SAACB activities were restricted to “pro forma” audits of public institutions, and poor follow-up of citizens’ complaints and grievances, which urged AMAN to take on the responsibility of following up on corruption complaints from all parties.

AMAN faced attempts to dissuade it from contributing to the building of a national integrity system hence combating corruption. In the West Bank, AMAN faced a fierce attack from some influential public sector figures whose personal interests were adversely affected by the Council of Ministers decision to withdraw government cars and rationalize their use for work only. This decision was the result of AMAN’s efforts and influence. AMAN was also attacked because it received and followed up on citizens’ complaints against acts of corruption in public institutions. In Gaza, the government harassed AMAN and constrained its activities, requesting various ministries to refrain from cooperation. Furthermore, the security services visited AMAN’s office several times and threatened to shut it down because of lack of direct coordination with the government in Gaza. Nevertheless, 2010 constituted a milestone in combating corruption, with the establishment of the Anti-Corruption Commission, and a special court for corruption crimes. It is still premature to judge the effectiveness of law enforcement efforts, or those of the Anti-Corruption Commission in investigating and monitoring corruption cases, prosecuting perpetrators and referring them to the Judiciary; all issues which AMAN worked on during the year.

Internal Environment

AMAN employees enjoy a strong sense of institutional affiliation, and are committed to its vision and goals. They are also committed to values and principles of integrity and transparency and their implementation at work. The executive management has played a major role in creating an environment that produced a good level of employee satisfaction. It provided career enrichment by rotating of positions, delegation of responsibilities and authorities; as well as creating a supportive culture to one another (team spirit).

2010 was a year of staff competence development through attending training courses and conferences at the local, regional and international levels. AMAN also ensured that its staff and partners are engaged in strategic planning and periodic and regular strategic reviews. It also engaged the staff in workshops held with various stakeholders to discuss its reports and studies. It was keen on developing the capacity of program and project coordinators in drafting methodologies for AMAN's reports through practice; the task was solely executed by the Research Unit in the past.

Human Resource Department

The Human Resource Department is the liaison between the various departments and the executive management. It manages human resources, organizes procurements, invites for tenders, oversees workforce planning and training, attracts and hires staff, and seeks to achieve the Institution's vision, mission, and goals.

In terms of human resource development, an employee training policy has been adopted, to improve their capacities at the various functional levels. During 2010, three training courses in financial management, lobbying, and advocacy were held. In this framework, the Human Resource Department achieved the following in 2010:

Developed the 2011 training plan which focused on meeting the staff training needs and in accordance with available funds. Each employee filled a training needs form prepared by the Human Resource Department.

Developed the institution's organizational structure to include a specialized programs and projects department. Due to AMAN's increased workload and its success in raising funds for several new projects,

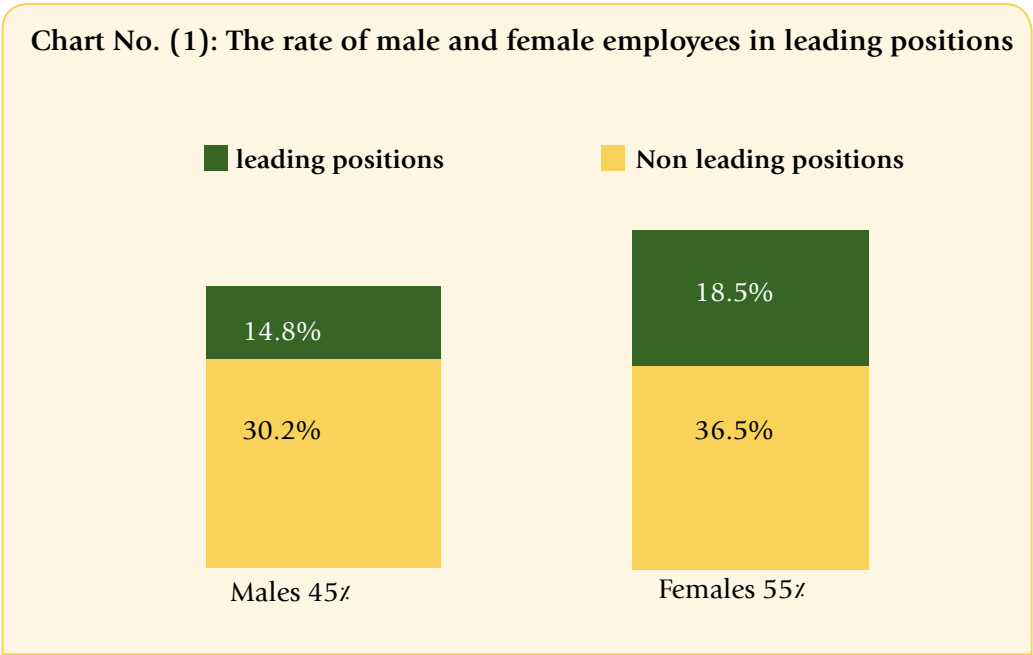
a new position, director for this department was appointed.

Revised and updated job titles and descriptions of all employees.

Completed and operated the staff attendance monitoring system, using the “electronic attendance control system”, and linking it to special software.

Regarding the sizes of workforce, towards the end of 2010, AMAN had 27 employees, 23 in Ramallah Office, and 4 in Gaza. Three employees left their positions, while ten new employees were added, to meet the needs of several new projects that have secure funding.

Presently, 55% of the employees are females, with 18.5% in leading positions, in comparison with 14.8% of male employees in leading positions. These rates are in line with the Institution’s policy of gender mainstreaming empowerment and capacity-building to attain leading positions.



Main activities and achievements

During 2010, AMAN concentrated its efforts on achieving the following identified objectives:

I: The culture and practices of the Palestinian public are supportive and engaged in initiatives to combat corruption in public institutions.

II: The practices of leaders and workers in service providing public institutions conform to values of integrity, principles of transparency, and accountability systems.

III: Contribute to developing effective local anti-corruption institutions, initiatives and legislations

IV: Improve AMAN's performance towards achieving its mission and vision.

Through its various programs, AMAN succeeded in conducting several activities to achieve these goals, and made remarkable achievements that led to attaining the desired outcome of these objectives.

First: The culture and practices of the Palestinian public and their engagement in combating corruption

Table (1) illustrates main activities planned; implemented activities, and achievements under the first objective.

Table (1)

Output	Planned activities	Implemented activities	Notes
1.1 Provide decision-makers with effective sources of knowledge about the causes, results, and reality of corruption in the Palestinian society	1.1.1 Prepare and publish the Annual Corruption Report	<i>Annual Corruption Report 2009</i> Annual Corruption Report 2009 has been prepared based on the information gathered utilizing the Palestinian integrity index developed by AMAN for this purpose, as well as analysis of the findings of opinion polls also carried out by AMAN.	2500 copies were printed and distributed in Arabic and English
	1.1.2 Prepare and publish seven analytical review reports	<i>Report No. 1: Integrity, Transparency and Accountability of International Organizations Operating in Palestine</i> <i>Report No. 2: Integrity, Transparency and Accountability in the work of Palestine Broadcasting Corporation</i> <i>Report No. 3: Integrity, Transparency and Accountability in State Land Administration</i> <i>Report No. 4: Integrity, Transparency and Accountability in Local Councils</i> <i>Report No. 5: The Martyrs and Wounded Family Welfare Institution: Facts and Challenges</i> <i>Report No. 6: Sexual Harassment in the Workplace: a Form of Corruption</i> <i>Report No. 7: Gap Analysis of Legislations Regulating Local Councils</i>	Seven workshops were held to discuss draft reports with representatives of target groups and active community groups (139 participants). 500 copies were printed and distributed of each report.

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Output	Planned activities	Implemented activities	Notes
	1.1.3 Conduct three opinion polls	<p>Opinion poll on public perception of corruption in the Palestinian society: 2010</p> <p>Opinion poll on citizens satisfaction with public institutions performance and the civil service</p> <p>Opinion poll on citizens' satisfaction with the services provided by each of the municipalities of Nablus, Hebron, and Al-Ram.</p>	<p>Findings of the polls were discussed during AMAN's conferences of 2009 and 2010. Several lobbying and advocacy campaigns were conducted based on participants' recommendations in both conferences; 500 copies of the findings of each opinion poll were printed and distributed.</p>
	1.1.4 Convene AMAN Sixth Annual Conference	<p>AMAN Sixth Annual Conference was held under the slogan «Towards a more Active and Independent Monitoring institutions under the PNA». The program included three sessions:</p> <p>1st session: Presentation and discussion of the findings of 2009 Annual Corruption Report</p> <p>2nd session: A hearing session was held for Minister of Finance, Dr .Salam Fayyad, to discuss the 2010 General Budget. A Palestinian SC Team for Budget Transparency conducted a review and analysis of the Budget.</p> <p>3rd session: Presentation and discussion of the findings of the citizens' perception of the performance of public institutions and civil service</p>	<p>450 attendees representing various Palestinian sectors, donors, and concerned parties participated in the Conference.</p>

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Output	Planned activities	Implemented activities	Notes
	1.1.5 Prepare three investigative reports	<p>A report on sham employees in public employment</p> <p>A report on purchasing, storing, distributing, and disposing of medications at the Ministry of Health</p> <p>A report on loans, scholarships, and exemptions of tuition fees in the Gaza Strip universities.</p>	Three hearing sessions were held on the topics with 39 participants in the two sessions on scholarships and medicines, while the report on sham employees was part of AMAN Annual Conference.
	1.1.6 Conduct awareness, lobbying and advocacy activities and campaigns	<p>-300 posters on the National Integrity System were designed, printed, and distributed.</p> <p>-A workshop was held on exploitation of clout as a form of corruption. Representatives from the Anti-Corruption Commission, official monitoring bodies, legal experts, researchers, academics, and representatives of concerned governmental and non-governmental organizations attended the workshop.</p> <p>-Publish a pamphlet on AMAN Advocacy and Legal Aid Center (ALAC) and another on Integrity, Transparency and Accountability in the Local Councils. 3000 copies of each were printed and distributed.</p> <p>-Print and distribute a booklet in the Gaza Strip on the Terminology and Concepts of Good Governance, Corruption as indicated in the Palestinian Legislation</p> <p>-Hold a brainstorming session on money laundering.</p> <p>-Hold a discussion session about contracts, tenders and general supplies</p>	

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Output	Planned activities	Implemented activities	Notes
1-2 build a culture that rejects corruption among the youth	1-2-1 Develop a university course on integrity, transparency and accountability in combating corruption	- Develop the second edition of the university course; AMAN developed the second edition of the University Course «Integrity, Transparency and Accountability against Corruption», in cooperation with Birzeit University and a group of academics and local experts. In addition to Birzeit, five Palestinian universities have accredited the course in their 2010-2011 academic plans. The development process included the preparation of a course instruction manual to assist instructors. A training course on the course and the instruction manual was held.	One thousand were printed and distributed to universities that accredited the course
	1.2.2 Hold awareness lectures for university students on corruption and means of combating it.	Ten awareness lectures on various topics related to combating corruption were held for students in several universities in the West Bank and Gaza, including codes of conduct, UN Convention Against Corruption (UNCAC), and the National Integrity System	520 students attended the lectures
	1.2.3 Provide extra-curricular educational material on corruption	- A contest was organized on the best cartoon on rationalization of the use of government cars. 33 drawings were received from the West Bank and Gaza, and the winners were awarded during the Transparency Festival organized by AMAN on 8 December 2010. - Summer days were held in Gaza in cooperation with Youth for Integrity Network targeting children age 10 -12. The program included several activities on the importance of preserving public property, rejection of forms of corruption such as Wasta and nepotism, and a live play revolving around the subject.	300 children participated in summer days, led by ten young volunteers

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Output	Planned activities	Implemented activities	Notes
1-3 Workers at non-governmental and grass root organizations attain a sufficient level of consciousness towards concepts of integrity, accountability and transparency	1.3.1 Hold two training courses to develop and enhance the capacity and role of the media in combating corruption	<ul style="list-style-type: none"> - A training course targeting the media was held in Gaza with the aim of enhancing its role in combating corruption in the Palestinian society and spreading a culture that rejects corruption within their institutions. - A training course was held for Media students at Al-Quds University with the aim of enhancing skills for investigative journalism on the subject of corruption. 	50 people participated in these courses
	1.3.2 conduct three training courses on the General Budget review and analysis	<p>A three-day training course was held on reviewing and analyzing the General Budget targeting a group of NGOs operating in the various Palestinian sectors. The output of the training course included the formation of the Civil Society Team for Budget Transparency. The team is to conduct a review and analysis of the General Budgets and hold a hearing session for the Minister of Finance.</p> <p>Two training courses were held for the team in 2010 and 2011 on general budgets in preparation for the hearing session with the Minister of Finance on 2011 budget.</p>	41 persons participated in these courses

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Output	Planned activities	Implemented activities	Notes
	<p>1.3.3 conduct eight training courses for local councils</p>	<p>Three training courses targeted representatives of NGOs and local councils were held addressing transparency and the need for local councils to interact with their communities.</p> <ul style="list-style-type: none"> - Two training courses were held for the integrity committees established in four governorates (Hebron, Nablus, Jericho, and Jerusalem). The training aimed at enhancing committees' member's monitoring skills in order to judge the level of services provided by local councils. - A training course was held for NGO representatives to improve their skills in planning, lobbying, and pressuring local councils for better services - Two training courses were conducted for NGO representatives on how to hold hearing sessions for local council members on services provided to citizens. 	<p>158 persons participated in these courses</p>

Summary of achievements for the first objective;

1. Establishing a culture that rejects corruption, supported by applications

Sustainability of an anti-corruption system in society requires that moral values that reject such behavior are established. It also requires that these values are translated into practical conduct safeguarded by a legal framework. Hence, AMAN worked in the following four directions:

First: Develop an objective and credible resource center (studies, reports, opinion polls etc.) that diagnoses areas in need of reform in the anti-corruption system, and provides decision-makers with practical applicable recommendations and suggested mechanisms for implementation.

With this in mind, AMAN embarked on developing a methodology for its reports that serves this purpose. It also developed the “Integrity in Palestinian Public Work” index, which consists of a set of measurable indicators and scientific tools for gathering information.

Second: Lobby with decision-makers to adopt and enforce recommendations, as well as providing them with technical support to achieve the desired. This includes holding meetings and brainstorming sessions with decision-makers and direct stakeholders, and conducting lobbying and advocacy campaigns utilizing audio-visual and printed tools.

Third: Develop the capacities of senior and junior employees responsible for implementing these recommendations through training and awareness courses on integrity, transparency, and accountability.

Fourth: Promote a community culture that rejects corruption. AMAN sought to enshrine these values in the minds and practices of the youth who will become the leaders of the society as they assume responsibilities in the public, private, and non-governmental institutions. In this regard, it developed a university course entitled “Integrity, Transparency and Accountability in Combating Corruption”, which was a breakthrough, as six Palestinian universities accredited it thus far; double the original targeted number for this phase.

Some Palestinian universities took the initiative of requesting AMAN to participate in development of the course adding some sections to meet certain academic standards.

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Similarly, the number of students who chose to conduct their research or Masters theses on good governance or some form of corruption doubled during 2010. AMAN supported several students and assisted them in writing their research providing them with information from its Resource Center. AMAN also announced an award to university students for the best research on the anti-corruption system.

AMAN's boldness became an incentive for the media to address issues of corruption.

The steps taken by the Palestinian government to rationalize the use of public property, particularly in light of AMAN's reports on squandering public funds, triggered varying reactions. The vast majority of the sectors of the society supported AMAN, demanding further steps in that direction. Furthermore, the media bravely addressed other sensitive issues and files that AMAN had drawn attention to during the past years, in addition to the recommendations of the 2009 Annual Corruption Report. This activity generated reactions that were supportive and responsive with the recommendations, affirming the professionalism of the information included in the report, or hostile and attacked AMAN claiming that it had crossed the red lines and addressed issues that were considered off limits.

AMAN's boldness encouraged journalists to address several corruption cases and some local media to request cooperation with AMAN to launch accountability and awareness programs. Furthermore, analysts and critics urged AMAN to include in its Annual Corruption Report, cases of corruption of some senior officials. Some also suggested that AMAN release a semi-annual or quarterly corruption reports Due to the importance of information included.

Second: Practices of service providing public institutions conform to values of integrity, principles of transparency, and accountability

Table No. (2) illustrates AMAN’s main activities planned under the second objective, implemented activities and subsequent achievements.

Table (2)

Output	Planned activities	Implemented activities	Notes
2.1 governmental and non-governmental institutions implement monitoring, and accountability systems and procedures	2.1.1 conduct three training course for public employees on accountability systems	<ul style="list-style-type: none"> - Conduct two training courses on accountability systems targeting representatives of Public Employees Union; staff working in the monitoring department at the Ministry of Labor - Conduct a training course targeting heads of monitoring and audit directorates in 13 public institutions in Gaza, and representatives of SAACB and Land Authority from the West Bank. This course aimed at developing the participants’ capacities regarding concepts and mechanisms of monitoring and accountability in public institutions 	75 employees participated in these three training courses
2-2 Workers at public institutions know and can implement transparency, accountability and integrity systems at work	2-2-1 Prepare codes of conduct and mechanisms for implementation	Prepare a report on compliance to codes of conduct in the public, private, and non-governmental sectors that aims at identifying the extent of actual compliance to codes, obstacles that impede compliance and means of overcoming them. The outcome of the report was discussed in two workshops held in Ramallah and Gaza.	47 individuals participated in these two workshops; 500 copies of the report were printed and distributed.

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Output	Planned activities	Implemented activities	Notes
		<p>Develop five codes of conduct:</p> <ul style="list-style-type: none"> - two codes of conduct and ethics for the Prosecutors and Prosecution staff - A code of conduct for workers in the health public sector - two codes of conduct for judges and judicial staff 	
		<p>Implement the following activities and carry out lobbying campaigns:</p> <ul style="list-style-type: none"> - a two-month lobbying campaign emphasizing the importance of compliance to the codes of conduct for judges and judicial staff with the aim of promoting integrity and independence of the Palestinian judiciary (including billboards) - 12 awareness workshops targeting judges and judicial staff on the importance of compliance to the two codes of conduct. - an awareness meeting for heads of directorates at health institutions on the importance of the code of conduct for health workers - 5 training workshops on the importance of codes of conduct targeting Law students at five universities 	<p>460 persons participated in 17 workshops on the two judicial codes of conduct and 25 persons participated in the meeting on the health code of conduct</p>

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Output	Planned activities	Implemented activities	Notes
	2.2.2 Prepare and develop manuals for the public sector; systems; and mechanisms for audit and monitoring	<ul style="list-style-type: none"> - Develop a manual for civil society organizations on conducting hearing sessions for heads of local councils - Develop two drafts for the internal audit system and complaints system at local councils. A workshop was held to discuss the draft complaints system with representatives of the local councils and the Ministry of Local Government. Work is on going to develop the system prior to lobbying with the Council of Ministers for its adoption. - Develop the administrative and financial analysis manual for the work of NGOs, to be used by staff of official control directorates in public institutions responsible for oversight of the performance of NGOs. 	
		<ul style="list-style-type: none"> - Hold four hearing sessions on public affair issues based on information gathered on the performance of certain public institutions, including: <ul style="list-style-type: none"> - a hearing session for the Director of Scholarships at the Ministry of Education and Higher Education on the integrity and transparency in the process of distributing university scholarships. - A hearing session for the Minister of Finance on 2010 General Budget - A hearing session on storing, distributing , and disposing of medications by the Ministry of Health - A hearing session for the Head of the Martyrs and Wounded Family Welfare Institution 	77 persons participated in the hearing sessions and 450 persons participated in the hearing session on the budget

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Output	Planned activities	Implemented activities	Notes
2.3 publicize the role model employee in governmental and non-governmental institutions.	2-3-1 Hold the Transparency Festival and present integrity awards	<p>Hold the Transparency Festival 2010 On 8 December 2010, AMAN held the Transparency Festival through video conference with Gaza under the slogan «Partners in Drawing a National Anti-Corruption Strategy.</p> <ul style="list-style-type: none"> - This is an annual event commemorating December 9, the International anti-Corruption Day. One of the main activities in this event is distributing the Integrity Awards to winners from the media, public sector and local councils; in addition to presenting the Certificate of Integrity to a public shareholding company and the Best Research Award for university students on a subject related to corruption. - During the 2010 celebration, a documentary was presented on the experiences of the winners who had a distinguished role in disclosing or aborting corrupt practices in their institutions. - The program included the signing of the Prosecutors Code of Conduct by the Attorney-General and the signing of a Memorandum of Understanding between AMAN and the Municipality of Khan Younis on cooperation for adopting the Local Councils Code of Conduct to meet the needs of Khan Younis Municipality. - The event also included an exhibition of cartoons for artists who participated in the contest (mentioned above) on the best cartoon on rationalization of the use of government cars; two winners, one in the WB and one in Gaza, were awarded. 	<p>470 participants attended the event.</p> <p>The event was preceded by several meetings of the technical committees for the Integrity Awards to identify criteria for nomination and means of announcement, study submitted nominations, and recommend winners to the Jury.</p>

A c t i v i t y R e p o r t 2 0 1 0

Output	Planned activities	Implemented activities	Notes
	<p>2.3.2 Conduct lobbying and awareness campaigns to promote the culture of whistle blowing</p>	<ul style="list-style-type: none"> - Conduct three awareness campaigns to encourage citizens to report acts of corruption: - Implement four three-month media campaigns using radio spots, billboards and newspaper advertisements to raise public awareness about corruption and encourage them to report it, directing them to contact ALAC at the toll free number (1-800-180180) for support and legal aid, - Publish excerpts of the Anti-Corruption Law in local newspapers, particularly on the protection of whistleblowers and the incrimination of Wasta. - Launch a media campaign about the Integrity Awards to encourage competition among employees of the various sectors: radio spots, billboard, and newspaper advertisements, meetings with heads of directorates at public institutions and distributing posters that illustrate means and criteria for nomination. - Launch a two-month awareness campaign to encourage citizens to report misuse of government cars: billboards, newspaper and radio advertisements. A special pamphlet about the campaign and its outcome was published. 	

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Output	Planned activities	Implemented activities	Notes
2.4 active complaints systems and units in the various sectors	2.4.1 Diagnose weaknesses and gaps in the work of complaints units in the public sector	<ul style="list-style-type: none"> - write an analytical report on the status of complaints units in public institutions, with the aim of identifying weaknesses and obstacles that impede these units and develop recommendations for activating them -The outcome of the report was discussed in two workshops in Ramallah and Gaza in the presence of directors of these units in public institutions, as well as AMAN's intervention plan to contribute to developing the capacities of the staff of these units and activating their role. 	57 individuals participated in both workshops
	2.4.2 Conduct training courses to build and improve the capacities of staff of the complaints units in the public sector and local councils	<ul style="list-style-type: none"> - A training course for the staff of government complaints units: This course aimed at developing the participants' capacities about the concept of complaints, basic stages of complaints (receiving and processing complaints) and the legal framework that regulates the relation between these units and the Complaints Directorate at the Council of Ministers. - Draft a complaints system and procedures manual for receiving and following up complaints in local councils: The draft system was discussed in a workshop attended by representative of local councils, staff at government complaints units as well as a number of researchers, legal experts, and concerned NGOs. AMAN is currently developing the system and procedures manual in accordance with the recommendations and comments of this workshop. 	40 participants attended the course 42 participants attended the workshop

1-From preparation and raising awareness on codes of conduct to implementation and compliance

AMAN moved to the second phase of codes of conduct for employees in the various Palestinian sectors. Following the preparation of a number of these codes, AMAN set up a program for assisting target groups in the implementation of and compliance with these codes. The program was based on an AMAN diagnostic report on compliance with codes of conduct that identified institutional and legal obstacles that prevent full implementation.

The main program includes providing technical assistance to a group of local councils to adjust and adapt the Local Councils Code of Conduct (developed by AMAN in 2006 together with other codes of conduct, thus launching a comprehensive two-year campaign on their importance). The code of conduct is adapted according to the context, needs and available resources of each local council. This activity comprised support to 15 local councils during a three-year period. The program also included lobbying with senior staff of public, private, and non-governmental institutions to take the appropriate measures that guarantee incorporating provisions of the codes of conduct in their work procedures and systems.

AMAN responded to the request of the Minister of Health in providing technical assistance to develop a code of conduct for health employees. AMAN developed the code and held several awareness events with health workers in the various Palestinian governorates. AMAN also conducted an awareness campaign consisting of hundreds of radio spots about this code targeting the public in general and health workers in particular.

2-Partnership with the Justice sector

Despite the complicated problematic issues within the justice institutions in Palestine, and the distance it maintains from civil society organizations, AMAN succeeded in achieving a breakthrough. AMAN was able to sign several memoranda of understanding with the pillars of justice, commencing a new cooperative partnership to implement a project that aims at strengthening the effectiveness and independence of the Judiciary.



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The following two steps were taken: joint preparation of codes of conduct for prosecutors, the Prosecution and Judicial staff; launching a comprehensive awareness campaign with active participation and cooperation of the judicial staff at all levels, including judges.

3-Reporting acts of corruption requires protection, and developing and activating accountability systems

Building a culture of whistle-blowing is a long-term process that has no tangible short-term outcome. Nevertheless, if appropriate means for reporting corruption were available to citizens, including moral (motivation), institutional and legal means, then the process will be built and can bear fruit in a quicker and more effective manner.

At the moral and institutional levels, AMAN Integrity Awards granted to a number of employees who reported corruption constituted moral encouragement and encouraged others to follow suit, especially in the public sector. This is part of the protection system that must be developed. The tools that AMAN uses also encouraged citizens to report corruption in a manner that guarantees the protection of their personal information and data.

At the legal level, AMAN drafted a protection system for whistleblowers. The Anti-Corruption Commission expressed its willingness to develop this system, and an agreement was reached to complete this process during the first quarter of 2011; the system is designed to include practical mechanisms for protecting whistleblowers and witnesses within available resources.

Regarding accountability systems, and to activate the role of citizens and NGOs in exercising the right of accountability and control, AMAN prepared a diagnostic report on the status of complaints units in the public sector. This concluded several recommendations on which AMAN built its intervention plan. Based on recommendations of this report, the first step was to develop the capacities of employees working in these units. A training course targeting heads of these units was held.

AMAN also developed the complaints system for local councils. AMAN prepared a hearing sessions' manual that assists NGOs to conduct hearing sessions for local councils, and conducted several training courses for developing their capacities in this respect.

Third: effective anti-corruption institutions, initiatives and legislations

Table (3) illustrates the main activities planned under the third objective; implemented activities, and the subsequent achievements.

Table (3): Activities and achievements under the third objective: Contributing to developing effective local anti-corruption institutions, initiatives and legislations

Output	Planned Activities	Implemented Activities	Notes
3.1 Empower community institutions and support initiatives to set up and/or activate anti-corruption programs	3.1.1 Support lobbying and advocacy networks established by AMAN	<p>Cooperation with «Palestinian Parliamentarians against Corruption» Network:</p> <ul style="list-style-type: none"> - AMAN organized and hosted two meetings for the members to discuss the “Arab Corruption Report” with emphasis on the chapter on Palestine. Participants also discussed the Manual “Parliamentarians’ tools against corruption”, drafted by the Arab Chapter of “Parliamentarians against Corruption”, and methods of adapting it to the Palestinian context. - The members were active in most of AMAN’s activities, particularly meetings held to discuss draft laws and regulations and hearing sessions. <p>Cooperation with the “Media Network for Integrity and Transparency”: Members participated in AMAN’s campaign on misuse of government cars. A number of journalists wrote and published articles and reports on the squandering of public funds.</p> <p>Cooperation with “Youth against Corruption” Network:</p> <ul style="list-style-type: none"> - Cooperation between AMAN and members of the network increased during 2010. The group implemented several summer camps in Gaza that targeted children ages 12-14 instilling ITA values through play. Members of the network also participated in most of AMAN’s activities on a voluntary basis. <p>Cooperation with “NGOs against Corruption” Network:-</p> <ul style="list-style-type: none"> - The Network members participated in: AMAN’s workshops and meetings to discuss draft reports; major events such as the Transparency Festival and the Annual Conference; hosted some of AMAN activities such as training workshops and courses. 	

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Output	Planned Activities	Implemented Activities	Notes
	3-1-2 Launch of the Palestinian Coalition for the Right of Assembly and Association	AMAN established the «Palestinian Coalition for the Right of Assembly and Association» Members of the coalition include trade union activists, representatives from political parties, and NGOs.	
3.2 strengthen the role of public institutions in anti-corruption efforts	3.2.-1 Issue two reports on the role of official monitoring bodies in building the national integrity system	<ul style="list-style-type: none"> - Within the framework of strengthening the role of official monitoring bodies in building a national integrity system, AMAN drafted two reports: - The role of SAACB in strengthening the National Integrity System; - The role of official monitoring institutions in the oversight of public shareholding companies. 	It is expected to finalize these two reports in early 2011
	3.2.2 Support the establishment of the Anti-Corruption Commission	<ul style="list-style-type: none"> - Following AMAN's major contribution in the establishment of the Anti-Corruption Commission and drafting its law, AMAN launched an awareness campaign to promote citizens' cooperation with the Commission in reporting corruption. The campaign published excerpts of the Law on the Commission in local newspapers as well as through radio spots. AMAN will also cooperate with the Commission to develop a protection system for whistleblowers. 	
3.3 Contribute to establishing an anti-corruption legal framework	3.3.1 Develop and expand the work base of Advocacy and Legal Advice Center (ALAC)	<ul style="list-style-type: none"> -Established a branch for ALAC in Gaza: One year after establishing ALAC in the West Bank, with the support of the British Department for International Development (DFID), AMAN established a second branch in the Gaza Strip. A legal counsel was appointed to receive and follow up complaints. -Received and followed up on citizens' complaints on acts of corruption: During 2010, ALAC received 1452 reports, through the following means: phone calls using the toll free number; visits to the office (in-person); visits to the website, or by e-mail. ALAC adopted and followed up 112 complaints. 	

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Output	Planned Activities	Implemented Activities	Notes
	3.3.2 Field visits to raise awareness on ALAC and promoting a whistle blowing culture	<p>-A number of awareness-raising activities were implemented:</p> <p>-During 2010, ALAC held 50 meetings and field visits in various governorates of the West Bank and Gaza, targeting different social groups, such as women, youth, university students, public, private and non-governmental sectors employees, and labor unions. Three meetings aimed at raising public awareness towards the concept of corruption and means of combating it. The meetings also aimed at introducing ALAC services to the public, namely providing legal aid to corruption victims and whistleblowers.</p> <p>-Four three-month lobbying and advocacy campaigns were implemented, using radio spots, billboards, and newspaper advertisements to raise public awareness about corruption and encourage reporting it and contacting ALAC at AMAN using the toll-free number 1-800-180180 for legal aid.</p>	740 participants attended these meetings
	3.3.3 formulate and develop anti-corruption legislations	<p>Reviewed and developed the Anti-Corruption Commission Law</p> <p>Following steps taken at the end of 2009 to activate the Illicit Gains Commission, AMAN conducted a legal review of the Commission's Law and revised it to incriminate all forms of corruption, especially common forms in Palestine, such as Wasta, nepotism and favoritism. After revision and approval by the Council of Ministers, the Law was called the Anti-Corruption Law issued by a presidential decree on June 2010. The Law was developed through holding a number of meetings with representatives of the Commission, legal experts, academics, and former judges.</p> <p>-AMAN, in cooperation with Birzeit University, held a workshop to critically review the Anti-Corruption Commission Law. Attendees included academics, legal experts, and representatives of stakeholders such as the Prosecution, the Judiciary, PLC members, and representatives of civil society organizations.</p>	

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Output	Planned Activities	Implemented Activities	Notes
	<p>3.3.4 conduct and launch the National Integrity System Study (NIS) and the UNCAC Compliance Review Study (UNCAC)</p>	<p>As part of the program «Combating corruption through building the National Integrity System in the Arab World», which AMAN is implementing in cooperation with Transparency International (TI), AMAN conducted a study entitled «The National Integrity System-Palestine 2009», which examined the level of integrity, transparency and accountability in the work procedures and systems of the seventeen pillars of integrity.</p> <p>During 2010, AMAN held 12 workshops to discuss the recommendation of the NIS in the West Bank and Gaza, targeting university students, representatives of NGOs, private sector, and public service provision and oversight institutions.</p> <p>A summary of the NIS was distributed to the various sectors to simplify reading. In addition, 2000 copies of the published study were distributed in the West Bank and Gaza. Furthermore, a media awareness campaign on the recommendations of the study as well as introducing the concept of and building a national integrity system was implemented .</p> <p>AMAN also conducted a study entitled “The United Nations Convention against Corruption Compliance Review”. This was a comprehensive analysis on the scope of measures taken by the PNA at the legislative and institutional levels to combat corruption in Palestine. The study was launched during the second half of 2010 in cooperation with Birzeit University and the presence of the Chair of the Anti-Corruption Commission, as well as academics, students of Law and Public Administration, and NGO and Government representatives. Also representatives from the Prosecution, the Judiciary, and political parties attended.</p>	

1-The Anti-Corruption Commission.... A full-time job

Establishing the Anti-Corruption Commission towards the end of 2009 constituted a major achievement resulting from efforts AMAN had exerted.

The Presidential Decree to appoint Mr. Rafiq Natsheh as Chair of the Commission activated the Commission, following the issuance of the Anti-Corruption Law issued by a Presidential decree as well. The president pledged to provide the Anti-Corruption Commission with all necessary material and moral resources to commence its operations. AMAN, however, considers corruption its full-time job, hence it held a series of meetings and workshops to discuss the Law and address certain issues the Law may have overlooked, such as the abuse of influence. The Commission welcomed collaboration on developing the law and on setting up a whistle blowing protection system.



2-“Parliamentarians against Corruption” ... Accountability is not restricted within the premises of the PLC Headquarters

The 2010 slogan, “ Support to strengthen the role of official monitoring bodies in building a National Integrity System” was placed at the heart of AMAN’s core activities during the year. It was the incentive behind conducting most AMAN’s reports; the efforts to develop the legislative framework of the concept of monitoring in Palestine; broadening the work base of ALAC; and intensifying implementation of hearing sessions.

AMAN developed its tools and means for activating the monitoring function of parliamentarians amid a dysfunctional PLC, and was well received. This was evident in the hearing sessions which AMAN held for public sector officials in general and the participation of the Civil Team for Budget Transparency in the hearing session of the Minister of Finance on the General Budget in particular. Parliamentarians played

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a major role in supporting AMAN's campaign on activating the Illicit Gains Commission and reviewing and developing its Law, as well as their active participation in discussing the Annual Corruption Report.

Parliamentarians also played a major role in supporting AMAN campaign for protecting public funds, particularly to confront the attack against AMAN following the Council of Ministers' decision to rationalize the use of government cars and restrict their use to public work purposes. They also stood beside AMAN in warning against imposing restrictions and harassment of other NGOs.

Within the framework of developing Parliamentary tools against corruption, the Palestinian Chapter of "Parliamentarians against Corruption" held two meetings in 2010 to discuss and develop the Arabic manual entitled "Parliamentarian Tools against Corruption". Members of the Palestinian Chapter sought to benefit from this manual through adapting it to the Palestinian context and disseminating it to PLC members.

3- Advocacy and Legal Aid Center (ALAC) at AMAN... challenging division

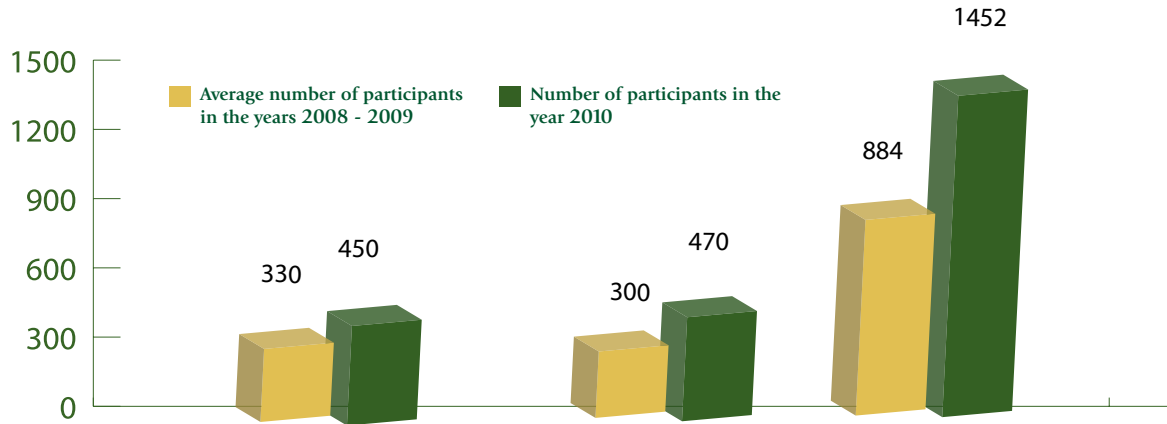
Since corruption is a transnational phenomenon not exclusive to one society or another, AMAN knows the need to confront it wherever it exists. It also knows the importance of raising public awareness of its dangers and consequences, regardless of the political conditions, namely Israeli occupation and geo-political division.

Responding to the need that necessitated launching ALAC and developing its tools to reach out to the wider public, AMAN defied the current state of division between the West Bank and Gaza Strip, and all forms of blockade that do not prevent corruption from infiltrating Gaza. Differences over the legitimacy of governments here or there did not impede ALAC's activity, since accountability is the duty of any party that manages public funds or public affairs.



Consequently, AMAN sought to provide ALAC with all necessary material and logistical resources to expand activity. These efforts culminated in establishing an ALAC branch in Gaza, because of need, and the remarkable success it had achieved in the West Bank in no more than two years. ALAC Gaza branch commenced activities with a wide campaign that encouraged citizens to report corruption, as witnesses or victims, and conducted tens of field visits and awareness seminars, including a series of lectures at Palestinian universities.

Chart No. (2): Numbers of participants at AMAN central activities 2008-2010



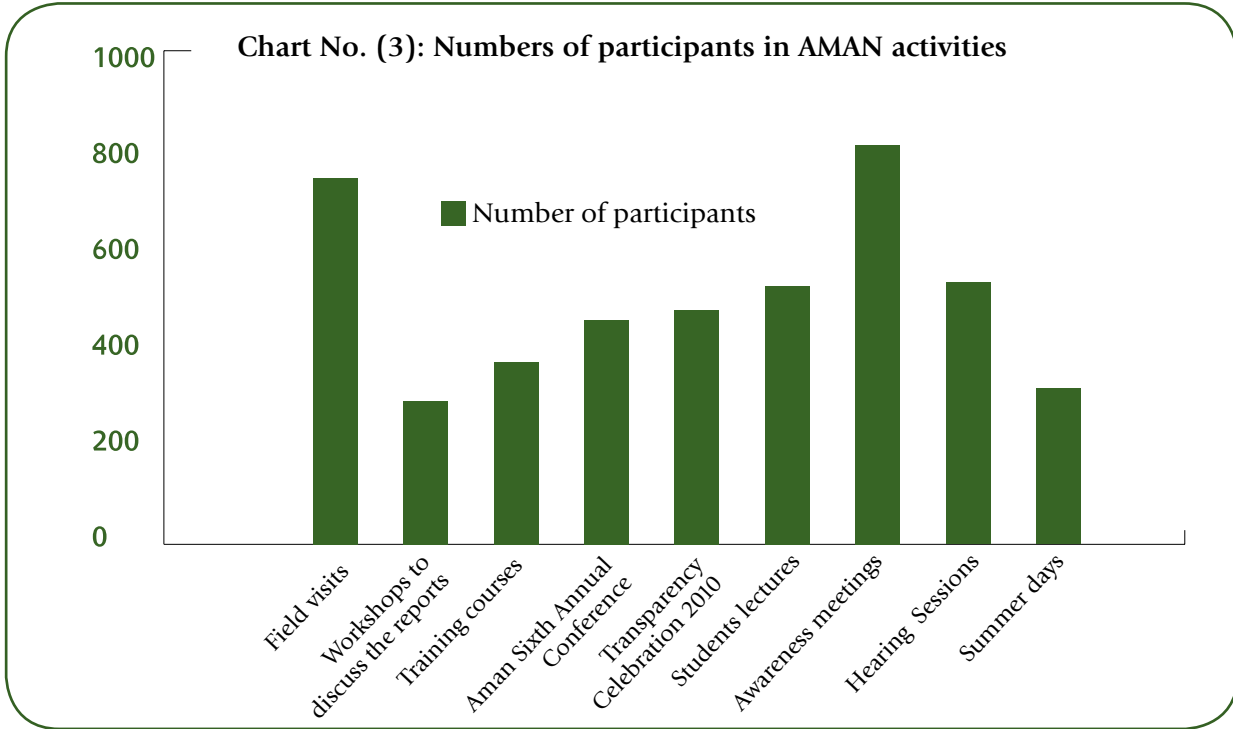
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4- Increased community involvement in AMAN activities

AMAN seeks to attain the widest possible community engagement in anti-corruption efforts, since corruption is a national cause that affects all groups and strata of society. The Palestinian public and their national leaders have been responsive to AMAN, because of its credibility in addressing issues and causes. Such responsiveness and engagement was tangible at several levels, most notably the wide participation in AMAN's conferences, workshops, and hearings; both in quantity and quality. Representatives of all sectors and spectra of the Palestinian society, as well as decision-makers participated in those activities, to the extent that AMAN's activities have become closer to popular rallies. AMAN has exerted major efforts to develop its organizational capacity to cope with the increase in attendance, which has doubled in 2010 in comparison with previous years in events such as the Sixth Annual Conference and the Transparency Festival. Furthermore, senior officials and high-ranking leaders have expressed their interest in discussions of activities, especially the discussion of reports.

Another aspect is the wide response to AMAN media campaigns, particularly the number of persons contacting ALAC to report corruption acts or cases, as victims or witnesses, and the increasing number and quality of participants enrolling in AMAN specialized training courses.





5-Sixth Annual Conference

The slogan for AMAN's conference this year was "Towards the activation and Independence of Monitoring and Accountability institutions in the PNA" More than 400 people attended the conference, double that of last year. This illustrated the increased public awareness towards combating corruption, and the confidence in AMAN credibility as a source of theoretical and practical relevant expertise.

The Conference presented and discussed four reports, including the 2009 Corruption Report. It also included a hearing session for the Minister of Finance about 2010 Budget, and an accountability session about appointments and sham employees in the PNA. AMAN's conferences aim at presenting and discussing its performance, and achievements, enhancing its partnerships and networks with the various sectors: the government, the private sector, NGOs, and international and donor institutions. Every year, AMAN holds its Annual Conference during the first quarter and the Transparency Festival during the last quarter.



6-Transparency Festival 2010

Commemorating the International Anti-Corruption Day which falls on the 9th of December of each year, AMAN held its 2010 Transparency Festival under the slogan, "Partners for a National Anti-Corruption Strategy". More than 500 persons attended the ceremony, in the presence of TI Director-General from Germany. Several winners from the media and the public sector received the Integrity awards, in addition to awarding the Best Research and the Best Caricature.



Fourth: Improving AMAN's performance

Within the context of achieving the fourth objective, "Improve AMAN's performance towards achieving its mission and vision", AMAN took several measures in the following domains:

A. Enhancing internal policies towards standards of integrity and transparency:

- 1- Activate the internal control and audit system: The Board formed an internal control committee consisting of two General Assembly members. The 2010 internal audit plan was developed and implemented, and three quarterly reports on the internal audit process were submitted to the Board of Directors.
- 2- Develop and update the financial and administrative systems (bylaws and procedures): In accordance with the Board's recommendation, AMAN, in cooperation with a professional consultancy firm, developed its internal bylaws and financial and administrative systems. It also updated and distributed, internally, its manual and code of conduct. During its meeting on June 8, 2010, AMAN's General Assembly requested from the Board to review the amended version of the Bylaws, particularly the articles on membership. This amendment was following a decision by the Board to accept individual membership upon recommendations of TI's Membership and Eligibility Committee. The General Assembly also approved both the Financial and Administrative systems on the same meeting of June 8.
- 3- Develop a follow-up mechanism for staff performance: AMAN embarked on developing its employee's evaluation system, through developing the relevant mechanisms, procedures and forms related. It also improved its monthly plans and reports forms.
- 4- Develop the organizational structure and job responsibilities: The organizational structure was developed to include a new programs and projects department, in addition to developing the tasks and responsibilities of different departments.

B. Developing 2011-2013 Strategic Plan:

- 1- Drafting the 2011-2013 strategic review: In accordance with the recommendations of the 2011-2013 Strategic review meeting, AMAN developed the 2011-2013 draft Strategic Plan which will be presented to the Board for approval. Board and General Assembly members, partners, and stakeholders had participated in a two-day strategic review workshop through video conference with employees in the Gaza office. This workshop reviewed the Coalition's mission, issues and objectives; its financing and fundraising policies; and discussed improving central departments at AMAN.
- 2- Conducting stakeholder analysis and developing a risk management plan:
AMAN, in cooperation with a professional consultancy firm, held several workshops in Ramallah and Gaza with participation of a large number of representatives of partner organizations and stakeholders. During these workshops, a stakeholder analysis was held and a risk management plan was developed. Both documents were incorporated into the 2011-2013 draft Strategic Plan, which will be presented to the Board for approval at its first meeting in 2011.

C- Developing a capacity-building program for AMAN:

- 1- Developing the 2010-2011 staff training plan: a human resource training plan was developed, and accordingly three training courses for all the staff were held.
- 2- Developing selection criteria for external participation: Criteria for this purpose were developed through developing special forms. This contributed to developing their capacities in representing the institution; it also helped to engage them in preparing and submitting working papers as discussed in the strategic review workshop and in application of the in- service training strategy.
- 3- Develop and strengthen donor relations:
 - a. Hold periodic technical meetings with donors of the core program: AMAN held five meetings with donors of the core program and other programs to enhance cooperation and facilitate reporting.
 - b. New prospects for funding: AMAN submitted three new project proposals on monitoring and

reviewing the implementation of the national awareness campaign on UNCAC, Education against Corruption project, and NGOs Good Governance Certificate. Implementation of the two latter projects is expected to begin in 2011, after the donor's approval of the funding. AMAN applied to a training course which will qualify it to be an implementer of the project. The Rule of Law Project is sponsored by the UNDP. AMAN attended the workshop in December 2010 obtaining the desired certification.

- c. Expanding AMAN's Coalition core program donors: The Government of Luxembourg expressed its wish to join the coalition of core program donors starting 2011, which will cover the deficit in the fourth phase of the program; with the governments of the Netherland and Norway covering the first three phases.

Cooperation, coordination, and networking

AMAN believes that building a national integrity system against corruption requires effective community participation of private, public, and civil society sectors. Hence, AMAN sought during the past ten years to build the spirit of partnership and cooperation between those sectors in various ways with the aim of instilling values of integrity, principles of transparency, and accountability systems within these institutions.

In light of this and within the framework of cooperation, coordination, and networking with various active players in the Palestinian society, AMAN made several activities relevant to its mission:

First: Cooperation with NGOs

NGOs constitute a relatively large part of the Palestinian society, and play an important role in the various aspects of the community's development. Therefore, AMAN finds it important to work with NGOs in building a national integrity system, and build their capacity to oversee and hold other institutions accountable.

During 2010, AMAN allocated part of its budget and effort to activities and programs that target this sector. A three-day course was held to train on General Budget review and analysis targeting a group of NGO representatives. An NGO financial and administrative analysis manual was developed, to enable the governing bodies of these organizations and relevant ministries to perform their monitoring function through reading and comprehending NGO reports, and to hold these NGOs accountable. An NGO internal audit manual was also developed to enable their governing bodies to control and audit the actions of their executive staff. AMAN also conducted training courses and workshops, and awareness lectures, in full cooperation and coordination with several NGOs on the subject of monitoring.



Second-Cooperation with the Judicial Authority

In line with AMAN's mission and 2008-2010 Strategic Plan, AMAN worked through "Enhancing the independence and Effectiveness of the Judicial Authority" project, funded by the European Union, to strengthen cooperation between pillars of justice, through conducting several meetings and activities, and producing specialized studies and reports.

AMAN was proactive in proposing and incorporating topics of integrity, transparency and combating corruption in the Palestinian justice institutions. This stems from its deep conviction that combating corruption essentially relies on having an independent judiciary that enjoys integrity and is capable of enforcing laws and enhancing the rule of law.

With this in mind and within the framework of this project, AMAN prepared a report on the Judicial Inspection Department, with the aim of strengthening mechanisms of internal control and accountability. It also prepared a report about the relationship among the pillars of justice and prospects for practical solutions to the different problems facing this institution. Moreover, AMAN succeeded in incorporating the two codes of conduct for Judges and Judicial staff through a number of training workshops held at the Judicial Training Institute in cooperation with related parties.

Third: Cooperation with the Executive branch

AMAN implemented several activities targeting the public sector, including hearing sessions based on results of its reports. These reports are: "Integrity and Transparency in Hajj and Umrah Services"; "State Land Administration"; "Sexual Harassment in the Public Sector"; several reports on integrity, transparency and accountability in various ministries and public institutions, such the Martyrs and Wounded Family Welfare Institution and local councils. AMAN also contributed to building the capacity and activating the complaints units in some public sector institutions; developed special codes of conduct (CoC) such as the one for employees of the health sector and those of the local councils. It also used several methods to raise awareness and train stakeholders on compliance to codes of conduct in incorporating CoCs) in their work regulations, bylaws, and procedures. There was high demand on all implemented activities, which were successful, highly participatory, and interactive.

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AMAN was also keen on enhancing and strengthening its relations with the government, through direct mutual communication based on respect and appreciation of the role of both parties in combating corruption.

Communication and availability of the political had several outcomes, most notably the decision of the Minister of Finance, Dr. Salam Fayyad, to issue the Citizens Budget upon the request of the CS Team led by AMAN, and his decision to join the Budget Transparency Index in 2011.

Fourth: Cooperation with control and anti-corruption commissions.

AMAN supports and cooperates with the nascent Anti-Corruption Commission with the aim of joining efforts in the fight against corruption. In cooperation with Birzeit University, AMAN held a work day that included a number of lectures to inform hundreds of students, instructors and interested individuals from governmental and non-governmental sectors, about the Anti-Corruption Law and Commission. AMAN also involved representatives of the Commission in workshops that reviewed AMAN's reports on integrity, transparency, and accountability system in various sectors.

At another level, AMAN produced a comprehensive report on the role of the State Audit and Administrative Control Bureau in strengthening the establishment of the national integrity system. The report examined the independence, neutrality, and effectiveness of the Bureau in carrying out its mandate; most notably its control function and the level of transparency and integrity in the Bureau's performance. This report had special significance due to the absence of the PLC; the main monitoring and control body over institutions of the executive authority.

Fifth: Regional and international cooperation

To strengthen networking and coordination with regional and international organizations and networks, AMAN implemented several activities including:

- 1- Participation in regional and international activities: AMAN participated in the 14th Anti-Corruption conference held in Thailand in November of 2010; five international meetings and gatherings held in the Arab region, including the regional meeting for the Conference on "Tools for Enhancing Civil Society Organizations Accountability in the MENA region, held in Jordan. Regional meetings

include three meetings of “Arab Parliamentarians against Corruption”, and four regional meetings on joint projects.

2- Implementation of the following three regional projects:

- Measuring Anti -Corruption Efforts and Building Demand for Effective National Integrity Systems in Egypt and the Arab World (MABDA)
- Advocacy and Legal Aid Center (ALAC) Project.
- Pro-Poor Integrity (PPI) project.

3- Strengthen relations with Transparency International (TI): TI renewed its accreditation of AMAN as a national Chapter and played a major role in developing TI's 2011-2015 Strategy through its representatives who participated in the pertinent surveys and workshops held in 2010.

Sixth: Cooperation with donors and supporters

AMAN continued strengthening its partnership with its core program donors (the governments of the Netherlands and Norway). It took direct communication approach at official meetings, as well as involving them in training workshops, hearings and other activities.

AMAN is proud of the confidence of international partners and funders, as the Dutch Government selected AMAN to meet with a senior delegation of the Dutch Ministry of Foreign Affairs to inform them about the anti-corruption system, means of combating corruption in Palestine, and the challenges and problems that AMAN faces.

AMAN also received this year several delegations visiting Palestine and held meetings with various international institutions, such as UNDP, World Bank, United Nations Office on Drugs and Crime (UNODC) and others.



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AMAN continued its pursuit to open new channels of cooperation and funding from various international and regional parties. During 2010, AMAN received three new grants:

A grant of \$37,000 U.S. dollars from the National Endowment for Democracy (NED) to implement «Fighting Corruption through Education : School Students in Confrontation», a project that targets 9th grade Civic Education teachers.

- A grant of \$158,000 from Foundation for the Future to implement a project on Good Governance Certification for NGOs.
- A grant of \$200,000 from TI to implement its regional project "ACTION".

At another level, AMAN communicated with The International Development Agency at the Luxembourg Ministry of Foreign Affairs, regarding joining the Coalition's main donors during the coming years. The International Development Agency expressed its interest and desire to support the core program with around US\$500,000. A representative of the Agency shall visit AMAN during February 2011 to discuss means of cooperation and partnership.



Strategic Plan 2011-2013

To enhance AMAN's positive outcomes during 2008-2010, particularly the structural changes in some aspects of management of public funds, AMAN developed its strategy, formulating the steps and interventions it plans to implement during 2011-2013. AMAN has successfully expanded participation in developing this plan to achieve further interaction with various sectors and groups of the society and strengthen their engagement in formulating and identifying priorities, as well as means and areas of intervention to achieve them.

AMAN held a strategy review workshop in April 2009, in which representatives of the Coalition, partner institutions, PLC, representatives from the media, funders of the core program, as well as researchers and trainers participated. In 2010, AMAN held a number of workshops to perform a SWOT analysis, develop a risk-management plan, and conduct a stakeholder analysis. These workshops were held in the West Bank and Gaza Strip with the participation of all staff and Coalition members, in addition to representatives of partner institutions and the sectors that AMAN targets. The outcomes of these workshops were incorporated into the first 2013 draft strategy.

Subsequently, AMAN developed a three-year (2011-2013) executive plan that constitutes a roadmap for programs, projects, and measurable expected outcomes to achieve objectives, as well as the necessary tools and timeframe for implementation. In March 2010, AMAN held a workshop to review and develop the final draft of the 2013 strategy, before its presentation to the General Assembly for approval.

2011 Executive Plan

During 2011, AMAN shall implement activities of the second year of the fourth phase of the core program, as well as a number of new projects, including "Certificates of Good Governance for NGOs", "ACTION" and Fighting Corruption through Education " ; Pro-Poor Integrity ;Enhancing the Effectiveness and Independence of the Judiciary; and ALAC.

Planned activities for 2011:

1. Prepare the 2011 Annual Corruption Report; conduct an opinion poll on the general public's perception of corruption in Palestine; prepare four diagnostic reports on the environment and system of integrity, accountability, and transparency in service-provision public institutions and local councils.
2. Implement the third phase of "Fighting Corruption through Education" project targeting 9th grade teachers and students, through developing a detailed awareness manual about corruption as part of the Civic Education curriculum. It shall implement five training workshops for teachers and counselors. Moreover, AMAN will carry out an awareness campaign on radio and television regarding the use of the manual.
3. Launch five lobbying and advocacy campaigns against corruption; produce a set of awareness publications and six manuals on good governance for local councils and NGOs; conduct 20 field visits to marginalized groups to raise their awareness on tools of combating corruption and orient them on the benefits of ALAC services.
4. Launch four campaigns using different tools and means that promote a culture of whistle blowing; Grant integrity awards to winners of 2011.
5. Conduct 39 training courses on institution building.
6. Provide a number of NGOs small grants to implement initiatives and projects related to combating corruption in Palestine. AMAN shall allocate part of its budget for this purpose; implement the NGOs Good Governance Certificate project, assisting 15 NGOs to become potential recipients of the certificate during this phase.
7. Conduct a study on the right of access to information; develop a memorandum of understanding (MoU) that regulates the legal framework of the pillars of justice; prepare diagnostic reports on compliance of signatories of the MoU; produce a statistical and analytical report on corruption cases at courts; Review, develop and produce anti-corruption legislations; develop a whistleblowers protection program in cooperation with the Anti-Corruption Commission.
8. Produce two reports on the compliance of the government to UNCAC and the implementation of

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reform plans; organize ten hearings for officials on issues of interest in the public domain, including a hearing session with the Minister of Finance on 2011 General Budget.

9. Develop a number of codes of conduct for the PLC and official control commissions; individualize the code of conduct for local councils to meet the needs of each of seven local councils targeted in the West Bank and Gaza.
10. Continue to provide technical and logistical support to its partner lobbying and advocacy networks: NGOs against Corruption; Journalists for Integrity and Accountability; Palestinian Parliamentarians against Corruption; and Youth for Integrity-Gaza; Work to establish an additional Youth for Integrity network in the West Bank; deepen cooperation with the Civil **Society Team** for Budget **Transparency**.
11. Continue to assume the regional role, which includes participation in international initiatives and events, particularly related to UNCAC, TI Annual Corruption Report, and TI Annual Conference.

Acknowledgement

As 2010 comes to its end, AMAN is pacing confidently towards its 12th year of continuous action. It would not have been possible for AMAN to accomplish such achievements, had it not been for the material and moral support of local and international partners, donors, institutions, and individuals. AMAN expresses its deep appreciation and gratitude for their continuous support and trust.

In particular, AMAN extends its deep appreciation to the core program donors: The governments and peoples of the Netherlands and Norway, with special thanks to Project Advisor, Ms. Muntaha Aqel at the Norwegian Representative Office, and Development Projects Officer, Mr. Ziad Shari'ah at the Dutch Representative Office for their continuous cooperation and understanding.

AMAN also expresses its gratitude for all international agencies that supported its different projects and activities, including:

- Transparency International- Berlin
- European Union
- World Bank
- British Department of International Development (DFID)
- National Endowment for Democracy (NED)
- Italian Cooperation

Finally, AMAN wishes to thank Palestinian and Arab networks, researchers, trainers, academics, and representatives of public and civil society institutions for their cooperation and responsiveness to various activities and programs, hence enriching AMAN efforts against corruption.

Annex 1: Resource Center and website

The Resource Center provides local, regional, and international books, reports, researches, statistics and studies specialized in corruption for AMAN's employees and supporters, the local community, researchers, decision-makers, university students and the Palestinian public at large. In 2010, the Center achieved the following:

Adding 200 entries on corruption (Printed books and reports, electronic books, reports and studies);

Receiving 30 official letters from governmental and non-governmental institutions requesting AMAN's publications. These letters were of two types: the first requested AMAN reports, studies and publications, and the second was more specialized, requesting booklets on laws. The majority of these institutions were universities and ministries.

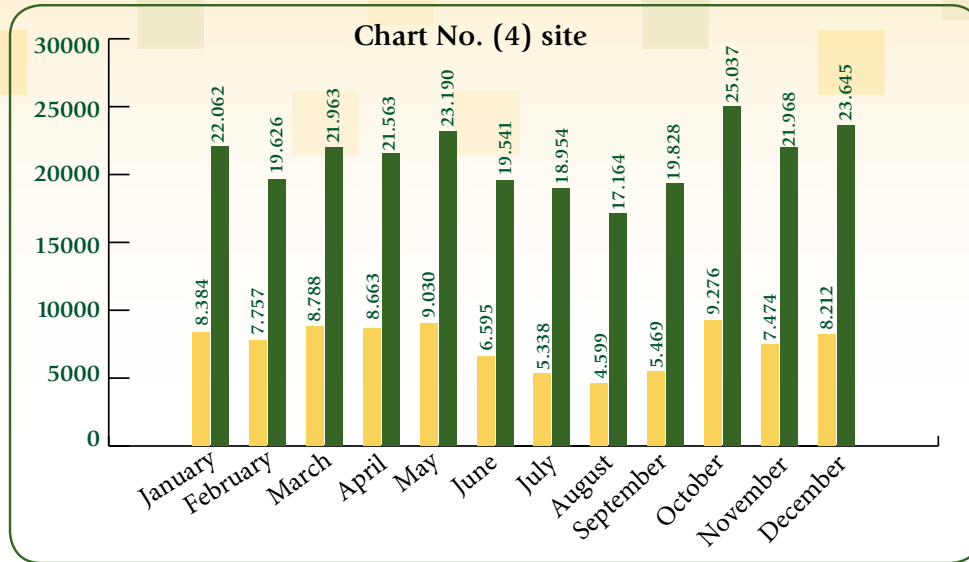
Set up a new interactive link on AMAN's website on 1\10\2010, with a page for opinion polls. The page presented three polls; AMAN analyzed and published the results. These opinion polls aimed at providing information on citizens' perceptions towards hot corruption topics in Palestine hence assisting decision-makers, civil society institutions, and other concerned parties to take the necessary steps to combat corruption as applicable.

Around 1000 researchers, university students, political and economic leaders, and concerned individual visited the Resource Center this year.

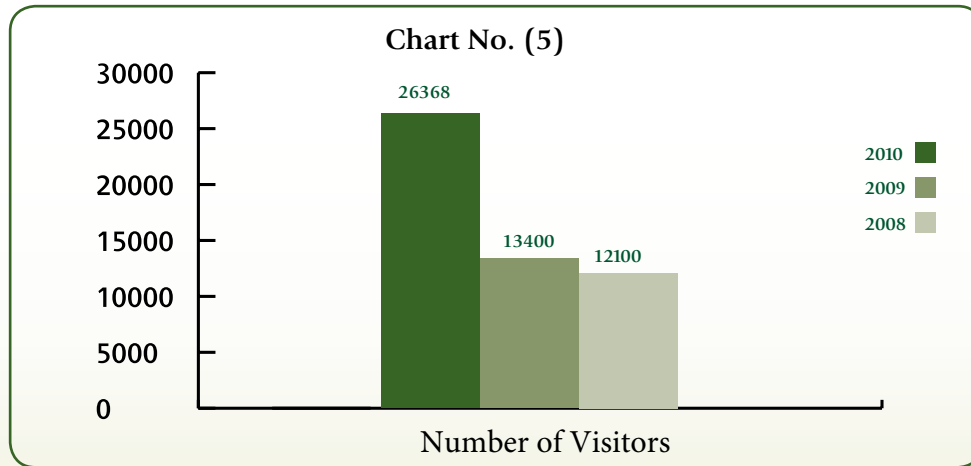
Placing the four short documentaries on winners of the Integrity Awards from the public sectors, local councils, private sector and the media, on the website.

Hosting reports and studies on integrity, transparency, and accountability in the public, private, and non-governmental sectors making the website one of the most important sources for researchers and individuals concerned with corruption issues. Following is chart No. 5 illustrating the increase in the number of visitors to the website in 2010:

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Below is chart No. 6 illustrating the number of visitors to the e-library reaching 26,368 visitors during 2010.



Annex 2: AMAN 2010 publications

- 1- Compliance with codes of Conduct in the Public, Non-Governmental and Private Sectors
- 2- Report series: Martyrs and Wounded Family Welfare Institution: Realities and Challenges
- 3 - Report series: Sexual Harassment in the Workplace as a Form of Corruption.
- 4- Integrity in the Health Sector: Purchasing, Storing, Distributing and Disposing of Medications.
- 5- Code of Conduct for Judges
- 6- Code of Conduct of Judicial Staff
- 7- Code of Ethics and Rules of Conduct for Prosecutors.
- 8- UNCAC Compliance Review
- 9- Internal Audit Manual for Palestinian NGOs
- 10- University Loans, Scholarships, and Tuition Exemptions in the Gaza Strip
- 11- Executive Summary of the National Integrity System Study-Palestine 2009
- 12- University Textbook-Second edition: Integrity, Transparency and Accountability in the face of corruption
- 13- Instructors Manual: Integrity, Transparency and Accountability in the face of corruption
- 14- Hearing Sessions Manual for Local Councils
- 15- Annual Report 2009
- 16- Evaluation of the Legislative Framework of Local Councils in Palestine; strengthening responsiveness to requirements of integrity, transparency, and accountability
- 17- ALAC Annual Report 2009
- 18- Corruption Terminology Handbook
- 19- Opinion Poll on Integrity and Transparency in Local Councils
- 20- Newsletter: Campaign on the Monitoring of the Misuse of Government Cars
- 21- Newsletter-Issue No. 10, 2010
- 22- Corruption Report 2009: Measures and Procedures
- 23- Report Series: Integrity, Transparency, and Accountability in the Services Provided by Local Councils
- 24- Opinion Poll on the public's perception of Corruption in Palestine
- 25- Opinion Poll 2010
- 26- Public Opinion Poll on the Performance of Public Institutions and Employees
- 27- Report Series: Integrity and Transparency in Hajj and Umrah Services
- 28- Report Series: State Land in the Palestinian Territories
- 29- International Charitable Associations and Non Governmental Organizations in Palestine
- 30- Principles of Codes of Conduct (Public, Private, and Non-governmental sectors)
- 31- The National Integrity System Study-Palestine 2009
- 32- The pillars of National Integrity (Poster)
- 33- Enhancing the Integrity System in the Work Environment of Local Councils (Flyer).
- 34- Production of four short documentaries about the winners of the Integrity Award.

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Executive Staff 2010

Ghada Zughayar\Executive Director

Isam Haj Hussein\Program and project Director

Tha'er Abdallah\Financial Director

Lana Tawasha\Administrative Director

Abeer Musleh\Research and Development Unit Director

Hama Zeidan\Director of Advocacy and Legal Aid Center ALAC

Nadia Bayyoumi\ Gaza Office Director

Rami Mousa\ Resource Center & Webmaster coordinator

Jamileh Jalal Abed\Project Coordinator

Wael Haj Mohammed\Project Coordinator

Muhammad Fareed Liftawi\ Project Coordinator

Wael Ibrahim Ba'alousha\ Project Coordinator Assistant

Belal Barghouthi \Legal Advisor - Part Time

Rula Doghman\Public Relations Director

Shadi Rezaqallah\ Core Program Accountant

Mohammad Damdoum\Part-time Accountant

Baker Turkmani\ Legal Advisor

Luay Jaber\ Administrative Assistant – ALAC

Salam Zahran\ Administrative Assistant

Viola Attallah\Administrative assistant

Somoud Barghouthi\ Administrative assistant

Manal Kawaneh\ Administrative Assistant

Marwa Atef Ali Abo Odeh\Administrative Assistant

Amani Jamal\Secretary

Faeda Daghra (Um Abdallah)\Domestic services

AMAN Coalition Board Members

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Issam Younis, member

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Independent Auditors' Report to the General Assembly of The Coalition for Accountability and Integrity - AMAN

We have audited the accompanying financial statements of the Coalition for Accountability and Integrity - AMAN, which comprise the statement of financial position as at December 31, 2010, and the statement of activities and changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Coalition for Accountability and Integrity - AMAN as at December 31, 2010 and the results of its activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A stylized signature of "Ernst + Young" in a blue, cursive font.

Activity Report 2010

THE COALITION FOR ACCOUNTABILITY AND INTEGRITY - AMAN

Statement of Financial Position

As at December 31, 2010

	Notes	2010 U.S. \$	2009 U.S. \$
Assets			
Non-current assets			
Property and equipment	3	23,844	20,208
Current assets			
Contributions receivable	4	1,802,130	1,321,138
Other current assets	5	33,019	12,287
Cash and cash equivalents		540,017	183,847
		<u>2,375,166</u>	<u>1,517,272</u>
Total Assets		<u><u>2,399,010</u></u>	<u><u>1,537,480</u></u>
Net Assets and Liabilities			
Net assets			
Unrestricted net assets		64,336	76,590
Total net assets		<u>64,336</u>	<u>76,590</u>
Non-current liabilities			
Deferred revenues	6	23,154	19,042
Provision for employees' indemnity	7	85,052	57,816
		<u>108,206</u>	<u>76,858</u>
Current liabilities			
Accounts payable and accruals	8	88,890	105,450
Temporarily restricted contributions	9	2,137,578	1,278,582
		<u>2,226,468</u>	<u>1,384,032</u>
Total liabilities		<u>2,334,674</u>	<u>1,460,890</u>
Total Net Assets and Liabilities		<u><u>2,399,010</u></u>	<u><u>1,537,480</u></u>

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THE COALITION FOR ACCOUNTABILITY AND INTEGRITY - AMAN

Statement of Activities and Changes in Net Assets

For the year ended December 31, 2010

	<u>Notes</u>	<u>2010</u> <u>U.S. \$</u>	<u>2009</u> <u>U.S. \$</u>
<u>Revenues</u>			
Temporarily restricted contributions released from restriction	9	1,106,529	945,253
Unrestricted contributions		16,456	54,347
Deferred revenues recognized	6	<u>13,733</u>	<u>9,997</u>
Total revenues		<u>1,136,718</u>	<u>1,009,597</u>
 <u>Expenses</u>			
Projects' expenses	10	1,106,529	945,253
Depreciation	3	13,552	10,475
Other expenses	11	<u>28,891</u>	<u>2,255</u>
Total expenses		<u>1,148,972</u>	<u>957,983</u>
 (Decrease) increase in net assets		 (12,254)	 51,614
Net assets, beginning of the year		<u>76,590</u>	<u>24,976</u>
Net assets, end of year		<u>64,336</u>	<u>76,590</u>

Activity Report 2010

THE COALITION FOR ACCOUNTABILITY AND INTEGRITY - AMAN

Statement of Cash Flows

For the year ended December 31, 2010

	2010	2009
	U.S. \$	U.S. \$
Operating activities:		
(Decrease) increase in net assets	(12,254)	51,614
Adjustments:		
Depreciation	13,552	10,475
Provision for employee's indemnity	36,062	28,771
Provision for litigation	13,666	-
Loss from sale of property and equipment	357	-
Deferred revenue recognized	(13,733)	(9,997)
	<u>37,650</u>	<u>80,863</u>
Changes in working capital		
Contributions receivable	(480,992)	565,880
Other current assets	(20,732)	19,187
Deferred revenues	17,845	8,692
Temporarily restricted contribution	858,996	(654,459)
Accounts payable and accruals	(30,226)	14,479
Employees' indemnity paid	(8,826)	(8,868)
	<u>373,715</u>	<u>25,774</u>
Net cash from operating activities		
Investing activities:		
Purchase of property and equipment	(17,845)	(8,692)
Proceeds from sale of property and equipment	300	-
	<u>(17,545)</u>	<u>(8,692)</u>
Net cash used in investing activities		
Increase in cash and cash equivalents	356,170	17,082
Cash and cash equivalents, beginning of the year	183,847	166,765
Cash and cash equivalents, end of year	<u>540,017</u>	<u>183,847</u>