



**A series of special position papers in light of the outbreak of
the new Corona pandemic - Covid 19**

**Position paper (2): Towards institutionalizing solidarity funds
and promoting values of transparency and accountability in
their work environment - Wakfet IZZ Fund as a model**



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Introduction

On April 2, 2020, the official spokesman for the Palestinian government, Ibrahim Melhem, announced President Mahmoud Abbas's approval of the formation of the "Wakfet Izz" fund in order to collect cash donations from Palestinian businessmen



“Those in charge of the fund aim to collect the equivalent of \$ 28 million before the end of Ramadan. The fund’s body will start next week to communicate with Palestinian businessmen in Europe, the Americas and the Gulf countries.”
The fund signed its first agreements with the Ministry of Social Development.

Businessman Talal Nasereddin - President of the Fund

at home and abroad and the rest of society through a unified bank account to support the government's efforts to confront the Coronavirus New - Covid 19, which is expected to prolong its complex crises, while in-kind donations are still distributed directly across the governorates, the fund began its work with an initial capital of five million dollars and its general assembly consists of 32 businessmen and legal persons and representatives of the private sector and chambers of commerce. Its work is confined to the Palestinian territories, and according to what the fund managers announced, it focuses its work on three pivots:

1. Direct support to the Ministry of Health in its efforts to contain the virus.

2. Support the efforts of the Ministry of Public Works in facilitating the lives of citizens and facing the virus.
3. Direct cash benefits for those unemployed due to emergency procedures.

"SHAMS" Center praises this step, as it reflects the assumption of the private sector contributing to the fund of societal and national responsibility and a reflection of the spirit of important partnership with the government at this stage, and as it constitutes a positive contribution to Palestinian capital in facing this exceptional crisis and circumstance. Expressing the power of solidarity initiatives in times of crisis. However, its success calls for shedding light on many matters and working to overcome them from the beginning.

Background on solidarity and insurance funds in the Palestinian context

Historically, the Palestinian Authority has established multiple funds for different purposes and goals in previous periods of time. Among these funds are:

- The Palestinian Fund for Compensation for Road Accidents Victims pursuant to Resolution No. (95) of 1995.
- The Emergency Fund for the Relief of Those Affected by the Israeli Aggression on Gaza, pursuant to Cabinet Resolution No. 71 of 2004.
- The Palestinian Investment Fund according to a presidential decree and Cabinet Resolution (182) of 2005.
- Municipal Development and Lending Fund according to Cabinet Resolution (191) of 2005.
- Alimony fund according to Law No. (6) of 2005.
- The Disability Employment and Credit Fund at the Ministry of Social Development according to Cabinet Resolution No. (50) of 2006.

- President Mahmoud Abbas's Fund to Help Palestinian Students in Lebanon, pursuant to Presidential Decree No. 7 of 2010.
- Fund for lending to students of higher education institutions in accordance with Decree-Law No. (5) of 2013.
- Insurances and Agricultural Risks Elimination Fund pursuant to Law No. (12) of 2013.
- The Jerusalem Fund according to Presidential Decree No. (20) of 2013.
- Creativity and Excellence Support Fund according to Decree No. (1) of 2016.
- The Achievement and Excellence Fund to support education according to Law No. 9 of 2016.
- Fund for the Protection of Tangible Cultural Heritage in accordance with Law No. (11) of 2018.

Accordingly, it is possible to notice that these funds are not newly established in Palestine on the one hand, and that their purpose is to provide services, financial support, or assistance to some community groups, whether natural or moral personalities, for their special circumstances, such as people with disabilities, students, farmers and others, as well as the goals of the funds in providing financial support for some activities such as creativity, distinction and education, or for specific geographical areas such as the Jerusalem Fund, Gaza, or the Jordan Valley. However, what is different in the case of the Wakfet Izz Fund is that it will be the most comprehensive in terms of the categories it targets, due to the expansion of the sectors affected by the spread of the new Corona virus, as well as in terms of regions, with its focus on health sector activity. In addition to that, it constitutes one of the largest experiences of solidarity and support in the local context, if not the largest.

The new Corona: A pandemic on the economic and living levels

In December 2019, in the city of Wuhan, central of China, the emerging disease COVID-19 Corona was discovered, the highly contagious virus quickly turned into a pandemic (1), according to what was classified by the World Health Organization on March 11, 2020. Palestine announced in early March 2020 that the first 7 injuries were recorded for workers in the Angel Hotel In the city of Bethlehem. To date, the number of injured people around the world has reached (1) one million and 276 thousand injuries and more than 70 thousand deaths. While the injuries in Israel amounted to 8904 injuries and 57 deaths. In Palestine, the number of injuries reached 260 injuries and one death. This virus has negatively and greatly affected many sectors of life, and it has also affected the international system, creating economic, social and psychological crises, which are manifold as a consequence of the health crisis. On the fourth of this March, the Palestinian President declared a state of emergency in all Palestinian territories for a month, in efforts to confront the Corona pandemic, based on the basic system of the Palestine Liberation Organization and the amended Basic Law of 2003 and its amendments, especially the provisions of Chapter Seven thereof, according to the decree: The competent authorities take all necessary measures to confront the risks resulting from the Coronavirus, protect public health, and achieve security and stability, and this state of emergency is for a period of 30 days, and the prime minister is authorized with the powers and competencies necessary to achieve all the goals of this declaration. Which was later extended for another month

خارطة انتشار فيروس كورونا حول العالم في 7 أبريل 2020

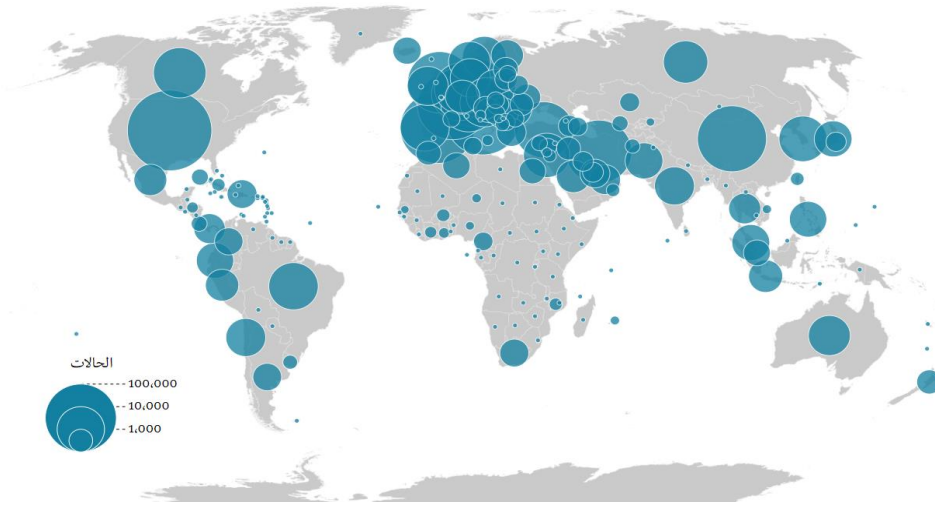
يعتمد هذا العرض على بيانات دورية من جامعة جونز هوبكنز وقد لا يعكس أحدث المعلومات لكل دولة.

مجموع الوفيات

75,945

مجموع الحالات المؤكدة

1,359,398



In this context, the mainly difficult economic and social situation for Palestinian families in general has become more difficult in light of the outbreak of the new Corona pandemic, and has created with it many crises that add to the cumulative crises that affect the standard of living and the life situation of the population who live in a fragile economic and political system that is not prepared to face crises. Conditions are deteriorating since the Palestinian President declared on 4/3/2020 the state of emergency in all the Palestinian territories for a month, which was extended for another month on 4/4/2020 and included preventing movement between cities and closing them, imposing a curfew and closing economic facilities except for bakeries, pharmacies and shops within times certain narrow conditions and strict procedures. The previous conditions have put tens of thousands of families facing existential challenges in light of their failure to prepare them for favorable conditions and the lack of durability of the Palestinian economy, whose acceleration works day by day to create alternative sources of income during major crises, due to lack of resources and political crises. According to the Ministry of Social Development before the crisis, the number of the poorest families reached

about 120,000, and the number of families in need of aid increased to 53,000. While the poverty rate among individuals, according to the monthly consumption pattern in Palestine, has reached 30%, and the unemployment rate is 25%, which are the rates that are likely to rise to record levels with the emerging Corona crisis, as the evidence points to the longevity of the crisis and its direction towards the worse, which calls for supportive and solidarity interventions. In addition, families headed by women in particular working in settlements or in nurseries and who lost their jobs as a result of the outbreak of the virus are among the most suffering, as previous statistics issued by the Palestinian Central Bureau of Statistics indicate that the families headed by women are poorer than those headed by men, and the percentage of these families is About 11% of the total number of households, by 12% in the West Bank and 9% in the Gaza Strip, according to the data of the Labor Force Survey for the year 2019. At the sector level, many of them emerged as the most affected, and can be condensed as follows:

1. Tourism and hotel sector
2. Education sector
3. Trade sector
4. Industry sector
5. Transport and communications sector
6. Palestinian workers in Israel
7. Government employees are under the threat of salary disbursement due to the government's inability to recruit alternative resources.

These are the sectors that the Fund should focus on. It is true that these exceptional measures and circumstances such as closure, isolation, quarantine, restrictions on movement, unemployment and disruption imposed many very difficult economic

and living challenges, but at the same time they returned society to a special symbiotic state of solidarity.

General Recommendations of “SHAMS” Center regarding “Wakfet Izz”

1. Completing the legal framework governing the fund, so that its bylaws are issued.
2. Balancing spending on the health sector and distributing financial aid between the West Bank and the Gaza Strip, so that the state of division should not extend to this fund, especially in light of this pandemic and the collective and common humanitarian challenge that transcends any divisions.
3. To quickly form a financial committee for the fund, to be empowered with the right to disbursement, and to be supervised by the fund’s general assembly.
4. Governance of the Fund in accordance with the codes and regulations in force in the economic, commercial, legal, and anti-corruption fields.

Activating coordination efforts with the Ministry of Social Development and using its database to reach vulnerable families. Activating coordination efforts also with the trade union and labor unions to reach the segment of workers, and with the ministries of labor and women's affairs, reaching the families headed by women who are considered the poorest, and signing memoranda of understanding and cooperation with the aforementioned parties. **Recommendations on the level of**

Enhancing the Values of Integrity required in the work environment of “Wakfet Izz”

Several steps should be taken to achieve integrity in the Fund's work environment:

1. **Institutionalization:** the fund should be institutionalized while ensuring that all parties are represented in a balanced manner.
2. **Independence:** so that it must have an independent legal personality and independent financial liability to enable it to carry out his work.
3. Follow the legal procedures for appointments and dismissals of the fund’s body and its workers.
4. Providing internal and financial systems for the fund.
5. Issuing and adhering to manuals, regulations, procedures and codes of conduct.
6. The Fund Authority and its employees submit financial disclosures to the Anti-Corruption Commission in accordance with the provisions of the Anti-Corruption Law No. 1 of 2005 and its amendments. It is also important to sign a memorandum of understanding and cooperation between the Fund and the Authority as the official institution concerned with combating corruption.

Values of Transparency required in the work environment of “Wakfet Izz”

1. Digitizing the fund so that a website is established that is periodically supplied and updated with information to the fund, in order to keep citizens with the ability to obtain information about it, especially the periodic budget and supply updates.
2. Issuing educational and informational flyers and bulletins for the public, whether through traditional or digital media, with a focus on the latter due to the intensification of activities caused by the Corona virus and home isolation on the platforms and sites. Provided that these bulletins are written in a simple and clear language, and that attractive means of awareness-raising such as animation films and infographic videos are used, to ensure access to the largest number of citizens of all age groups.
3. The fund's authority follows a disclosure policy, whereby citizens are informed through publishing and information when taking any new step, in particular the steps related to the fund's structure, its organization, its meetings, and the decisions issued by it, the names of donors and the amounts donated, while preserving the privacy of donors who wish to be confidential.
4. Clarifying and announcing the policies of the beneficiaries of the fund, so that citizens' awareness should be raised and educated about the mechanisms, principles and criteria for selecting the people who will receive financial aid from the fund, while maintaining their privacy.
5. Involving the public in developing the fund's business plans as much as possible, through discussions in the digital and technical space.

The Accountability Systems required in the Work Environment of “Wakfet Izz”

1. To expedite the formation of an official ministerial committee to oversee the fund, follow up on its work and implement it for the purposes for which it was established.
2. Issuing internal regulations for monitoring, auditing and complaints approved and activated by the fund management authority. Complaints procedures should be available and clear to the public and provide specialized personnel or a committee to follow them.
3. Urging the fund’s employees to report any suspicions of corruption and imposing binding internal regulations so that reporting does not remain within the self-optional framework of the fund’s management.
4. Strengthening the fund’s supervisory functions over its activities and strengthening internal auditing and control.
5. Strengthening the external, civilian and popular control over the fund. In addition to the specialized regulatory institutions.
6. The fund’s commitment to issuing periodic reports, which are discussed and approved by its general assembly.