



**NGO** Development Center

"NDC - Making a Difference and Focused on Results"

# ANNUAL REPORT 2010

# NDC Making a Difference & Focused on Results

## T a b l e o f C o n t e n t s

04	Statement from NDC
06	Vision, Mission and Objectives
08	2010 in Brief
10	Impact Assessment
12	Transparent Selection Process of NGO Beneficiaries
16	Programmatic Support
18	NDC - The Secretariat for Human Rights and Good Governance
19	The Way Forward in Enabling Good Governance
	
20	NDC support to NGOs to provide Complementary Specialized Health Services
22	Local Partners
24	Financial Highlights
25	2010 NDC Donors
26	Independent Auditors's Report
29	NDC Governance
30	Contact Information

## Statement from NDC



**Zahi Khouri**  
NDC Chairman

**Ghassan Kasabreh**  
NDC Director

***“What we aspire to is being a main mechanism of support towards all NGOs in Palestine and we are confident that we are on the right track,” says NDC Chairman Zahi Khouri.***

***“We have seen enormous challenges over the last year. The volatility in everything ranging from movement restrictions to the continuous siege on Gaza has created enormous hardships in planning and in ensuring appropriate and adequate responses to the needs of the beneficiaries and the local communities. But our committed staff rose to these challenges and did incredible work,” says NDC Director Ghassan Kasabreh.***

Despite the difficult political context, our NGO and community support continues to rise. The generosity of our donors is encouraging and gives us full confidence to continue all our programs in Palestine and has strengthened our impact, particularly in grant making and NGO sector development. We know that these same donors join us in being very proud of NDC’s efforts to be a main mechanism of aid towards NGOs.

We can also see this feeling demonstrated in the rising number of private sector supporters with their valuable participation in our initiatives. On top of this, we have a record level of support for our activities from the Palestinian Authority (PA). All of this requires us to become even more effective and efficient in supporting the empowerment of the NGO sector through determining the needs and priorities of the Palestinian people and the benefit of the available funding.

We will continue to focus in supporting social services provided by NGOs that are complementary to those provided by the PA and in filling gaps towards equitable access to services. Such NGO services include specialized health, agriculture, rehabilitation services, non-formal education, early childhood development social protection services and psychological services. We will continue to target poor and vulnerable groups including women, children, youth and people with special needs; and to give special attention to underserved and geographically isolated areas including Gaza, East Jerusalem, Area C and areas isolated by the Wall.

A pre-appraisal mission of donors was carried out in February-March 2010. The mission positively praised our work: Among the conclusions in its *Aide Mémoire*, the mission states:

***“Among NDC’s greatest strengths is the organization’s willingness to be responsive to arising needs in Palestine’s NGO sector. NDC is a unique national organization that caters to the needs of a wide range of NGOs through diverse programming... NDC has also shown the ability to be a “learning organization”, refining its procedures and approaches and conducting self-audits and stakeholder meetings to ensure it remains relevant to its constituency.”***

Our commitment to effecting real change for communities, especially the vulnerable ones, is unwavering. Last year’s progress provides a strong platform from which to push forward and meet even more ambitious targets. We are confident that our greatest achievements lie ahead, including further empowering the NGO sector to become more efficient and capable to influence the formulation of national policies and to contribute in the PA’s state building efforts and plans.

NDC will be a main mechanism of aid towards all NGOs and the focal point in the development of the NGO sector in Palestine.

We thank our staff, supporters, donors, and the many individuals and institutions with whom we work to achieve change and who make what we do possible.

We have faith in our freedom seeking people and in our staff, and we are confident that our mission will continue in the right direction.

**Zahi Khouri**  
NDC Chairman

**Ghassan Kasabreh**  
NDC Director





## Vision, Mission & Objectives

NDC aspires to realize the following **vision**: “An effective NGO sector which contributes to building Palestinian civil society.”

**Mission:** The NGO Development Center (NDC) is a non-profit nongovernmental organization established in response to the need of having a sustainable Palestinian mechanism for providing support to the NGO sector. By providing financial and technical support, NDC works towards developing the capacities of Palestinian NGOs in providing quality services, especially to the poor and the marginalized; enhancing their self-reliance; and empowering NGOs to be more sustainable. Concurrently, NDC contributes towards the development of the NGO sector as a whole by facilitating the sharing and exchange of information and experience; by supporting research and policy development; and by strengthening the NGO sector relationships with the development partners.



### NDC Objectives:

1. NDC is a main address for supporting and developing the NGO sector and its institutions.
2. NGOs are empowered to provide quality services that are responsive to the priorities of the Palestinian society.
3. NGO sector is more efficient and capable to influence the formulation of national policies and plans.
4. NDC is more competent and responsive to the various needs of the community.
5. NDC possesses the means that would enhance its financial and administrative capabilities.





## 2010 in Brief

- NDC launched an event in January 2010 to reveal the results of a research project on "Tracking External Donor Funding to Palestinian NGOs in the West Bank and Gaza 1999-2008."
- NDC signed a new three-year-phase (2010-2013) for the Human Rights and Good Governance Secretariat with donors.
- NDC signed a new financing agreement with the AFD for programmatic support to NGOs and with the World Bank for PNGO IV.
- NDC and its Funding Partners signed a Memorandum of Understanding (MoU) that aims at creating a mechanism providing programmatic support to NGOs.
- NDC signed a partnership agreement with PALTEL Group Foundation (PG Foundation) to implement the Annual PC Initiative, first launched by PG Foundation three years ago. The initiative in 2010 aimed at providing NGOs,

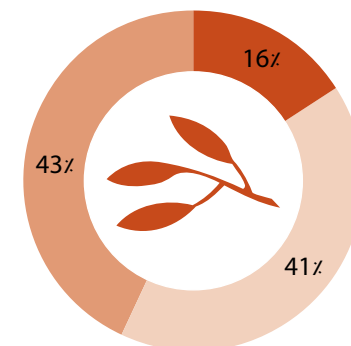
mainly those who have no computers or have outdated ones, with new computers and internet connection.

- NDC engaged Alpha to conduct an impact assessment of NDC's interventions. Alpha's report was concluded in May 2010.
- NDC General Assembly met in July 2010 and held elections for a new board.
- Since its inception, NDC has so far worked with over 349 local partners (in both grants and sector development).
- NDC awarded 68 new grants:
  - 14 grants from the Additional Financing-PNGOIII Project funded by the World Bank serving 24 NGOs,
  - 41 grants funded from the Human Rights and Good Governance (HR/GG) Secretariat,
  - 10 grants from the Islamic Development Bank (IDB) through the Welfare Association,
  - 3 grants from the United Palestinian Appeal.
- NDC completed a study entitled "Palestinian Non-Governmental Organizations and the Private Sector: Potentials for Cooperation

and Partnership". The study explores the possibilities of NGO-Private Sector cooperation in the Palestinian context, examining the actual social conditions, characteristics, and behavior of the Palestinian private sector in terms of Corporate Social Responsibility (CSR) and development.

- NDC participated in the 2010 IMF Bank Annual Meetings and presented its e experience in "Enabling Good Governance for the NGO sector." Meetings were held in October 2010.
- NDC continues to update the Masader Portal ([www.masader.ps](http://www.masader.ps)) and the Human Rights and Good Governance website ([www.humanrights.ps](http://www.humanrights.ps)).
- NDC launched a new phase of Technical Assistance on compliance with the Palestinian NGOs Code of Conduct.
- NDC total annual disbursement is \$7,915,873
- NDC completed the Emergency Employment Generation Project in the West Bank and the Gaza Strip financed by the AFD, targeting 51 NGOs and generating 143,300 man-days.
- NDC launched a new cycle of Empowerment and Mentoring Grants under PNGO IV and the new programmatic support to NGOs.

## NDC's Geographic Outreach



● West Bank ● Gaza ● Jerusalem





# Impact Assessment

NDC engaged *Alpha International for Research, Polling and Informatics* in carrying out a holistic assessment of the Palestinian NGO III Project (PNGO III) and the Emergency Employment Generation Project in the West Bank and Gaza Strip.

PNGO III is a USD 10 million project funded by the World Bank and directed towards the NGO sector (in both the West Bank and Gaza Strip) in the form of granting schemes and capacity building aimed at improving the effectiveness, self-reliance and sustainability of civil society over a period of 4 years: 2007-2011.

The Emergency Employment Generation Project is a EUROS 6 million project aimed at generating temporary employments through interventions with NGOs. The project, which was concluded in June 2010, contributed to addressing the identified urgent needs to inject cash into the poorest communities of the West Bank and the Gaza Strip through the provision of temporary employment to the population. The project's essential nature lied in the provision of Palestinian NGOs of employment to final beneficiaries via micro-projects.

Alpha's report, concluded and submitted to NDC in May 2010, evaluated the impact of funds channeled through NDC on the final beneficiaries and the NGO sector. It revealed that most of the NGOs were satisfied with the impact on the beneficiaries. The project has also proven to be compatible with the overall Palestinian development plan. Capacity building was highly viewed as a major positive outcome of the project.

*"Generally speaking, the results indicate that beneficiaries and NGOs have developed a satisfactory culture and necessary tools for involving the prospective beneficiaries in development projects that aim at improving their living conditions."*

*"It is worth noting that NGOs consistently voiced strong positive reactions on benefits from technical assistance in developing capacities and abilities for knowledge transfer and sustainability."*

The report also presented the following recommendations: 1) while building on previous achievements, it is necessary to focus on the poor and marginalized communities through more grants to small and emerging NGOs; 2) it is important to involve the private sector in the promotion of their social responsibility; and 3) finally, the report suggests more active participation of NGOs in development and state-building efforts.

As a corollary, NDC will widen its consultation mechanism at the national level and will review its communication strategy for the upcoming phase, with a focus on disadvantaged communities. **NDC strives to be a main mechanism for providing financial and technical support to the NGO sector.**







## Transparent Selection Process of NGO Beneficiaries

NDC follows a rigorous system based on **merit and transparency** in the selection of beneficiaries. The selection process includes:

### 1. Advertisement and Calls for proposals

Following the preparation of the full proposal package, which includes proposals submittal guidelines and applications for funding, NDC advertises the "Call for Proposals" for grants in the local press and through the NDC websites. The call for proposals includes NGOs eligibility criteria and projects evaluation criteria. NGOs are allowed one month to prepare their applications for funding and submit their complete proposal package.

### 2. Appraisal

NDC follows the advertised evaluation criteria to review proposals and select recommended grant awardees. Projects appraisal is undertaken by NDC Program Officers (POs), who verify the details of requested grant proposals. On the basis of an initial screening, recommendations are made by POs on dropping a proposal or clearing it for full appraisal. This recommendation is reviewed by the Grants Program Manager. Upon endorsement of the recommended project, a full appraisal is conducted by the Program Officers and/or by external consultants. Full appraisal generally includes a desk appraisal and a field appraisal, if needed to verify information provided in the project proposal. At this stage, POs assess the relevance, effectiveness and efficiency of the candidate NGOs as well as their management capacities and will provide a recommendation on the awarded amount. A brief project summary sheet is prepared for each proposal recommended for approval composed of the proposal, the evaluation and the recommendation to be submitted to the Technical Assessment Committee (TAC) at the NDC.

### 3. Technical Assessment Committee Level

TAC member's review the appraisal reports and either accept or reject the recommendations of the Program Officers. NDC at this stage coordinates with the Ministry of Planning and Administrative Development (MOPAD) to ensure: a) alignment with Palestinian Authority (PA) priorities and national plan, and b) non-duplication of services with other initiatives of the PA or other donors/institutions. TAC recommendations, based on technical factors, are then incorporated into the Summary Appraisal Report and are submitted to the NDC Board for approval.

As part of its mandate to mobilize funding from donors, the private sector and foundations, NDC is the channel through which financial support in the form of grants are delivered to NGOs for social services. NDC intervention also covers technical support which aims at 1) building the capacity of NGOs to enhance their effectiveness, self-reliance and sustainability and 2) systematically promoting good governance within the NGO sector.



**4. NDC Board**

The NDC Board of Directors reviews TAC's recommendations and makes a decision, with approval of the majority of Board members on acceptance or rejection of TAC's recommendations. The NDC Board has the responsibility for reviewing the procedures for evaluating proposals, and ensuring that the correct procedures were followed by NDC staff and management. The NDC Board ascertains that the appraisal process is free from ambiguity, bias and any other compromising factors. NDC also invites donors to participate in the board meeting as observers.

**5. Donors' Approval and "No Objection"**

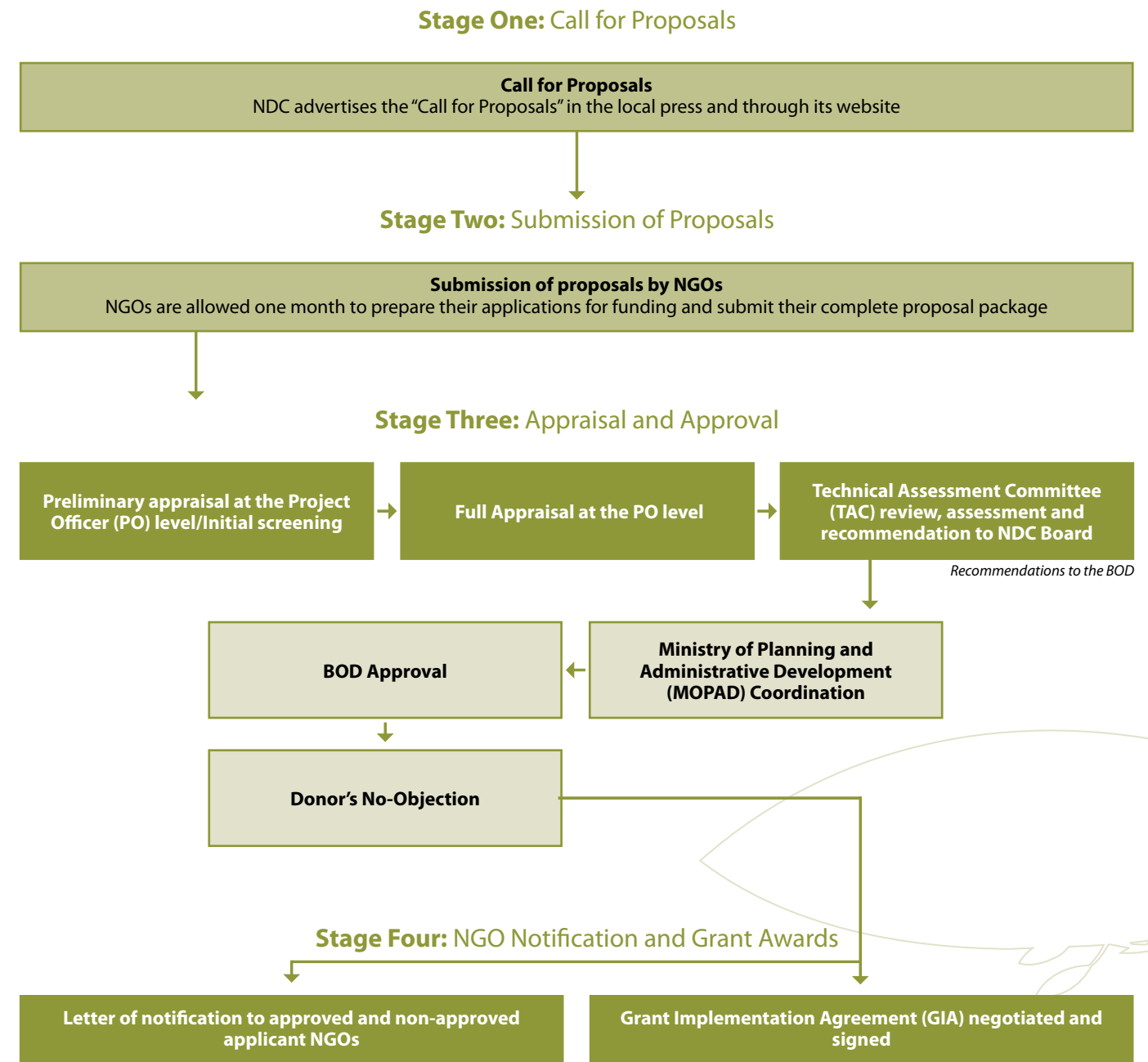
A copy of the NDC Board meeting minutes containing all approved and other projects will be forwarded to the donors. The donor will issue a 'no objection' to funding the projects or will request clarification on specific projects. The donor letter for approval/"no objection" to funding the projects to the list of approved projects and the budget specified against each project is the final approval.

**6. NGO Notification and Grant Award**

After receiving the donor's approval/"no objection", NDC will provide written notification to both approved and rejected applicants of the results of the proposal appraisal and assessment process. Any conditionality of the approved proposal submissions will be presented to the NGO. Reasons for rejection of proposal submissions will also be provided to each rejected application.



**Stages of Grant Application and Award**





# Programmatic Support

## NDC - As a Main Mechanism to NGOs Providing Social Services

Palestinian NGOs play a major role in the socioeconomic development process. Together with community-based organizations, they provide services that are not granted by the public or private body and very often supplementing and augmenting services provided by the PA. PNGOs have the capacity to work closely with their communities, to reach out to poor and marginalized areas, and to determine communities' needs.

Social services are especially prominent in the field of early childhood development, representing 90% of PNGOs' provision. Specialized health services (such as cancer treatment, neurology, ophthalmology, etc.) are almost fully covered (100%) by PNGOs. PNGOs social services also involve no less than 60% of agricultural services.

NDC has demonstrated ability to deliver social services through community-based organizations, as confirmed by Donors' joint pre-appraisal mission (Aide Memoire, February-March 2010):

*"Service delivery through NGOs is reaching marginalized and underserved populations: 88% of those served through NDC's grants are from marginalized groups."*

On July 27, 2010, NDC and its Funding Partners signed a Memorandum of Understanding (MoU). The MoU sets out to establish, by a mid-term time period, a mechanism providing programmatic support to NGOs. It enables donors to pool their resources in the right direction, complementing other existing funding mechanisms that are used by other stakeholders, including the Palestinian Authority (PA). The MoU also helps increase aid predictability for NGOs and harmonize donors' support to NGOs. In practice, this means that together with its strategic donors (the AFD and the World Bank) NDC will improve the existing funding mechanisms on the basis of a regular dialogue and coordination between all stakeholders, including PA institutions. Such harmonization and coordination processes should prompt new donors to join the mechanism, to combine synergies in order to advance the capacity of NGOs.

Through the development of more elaborated and legitimate intervention policies, and in accordance with priorities as set by competent bodies, NDC seeks to become **a main mechanism of aid towards NGOs**. By taking into account the changing political environment and national priorities, NDC and its donors aim to improve the quality, relevance and efficiency of their financial and technical support to NGOs and end beneficiaries.

## The signing of two financing agreements with the World Bank and AFD

Based on NDC's reputation to achieve tangible results with past Palestinian NGO Projects, NDC signed two financing agreements for the implementation of Palestinian NGO Project IV with the World Bank (August 2, 2010) and the AFD (September 7, 2010). Both financing agreements total approximately USD 8 million for a period of three and a half years. PNGO IV is designed to enhance the provision of social services to "... **those who are poor, vulnerable or marginalized through NGOs and to strengthen the capacity of these organizations**" as stated in the objective. Like previous PNGO projects, PNGO IV focuses on the following:

### 1) NGO Grants for Social and Productive Services

This component, offers four sub-grants to NGOs:

#### a. Empowerment grants

This track targets experienced NGOs in order to improve their social services delivery to vulnerable groups (people with special needs, youth, orphans, women, etc...)

#### b. Mentoring partnership grants

This sub-component creates partnership between small community-based organization and experienced NGOs. The aim is to improve the quality of service provision by inexperienced organizations through knowledge sharing and networking with professionalized NGOs working on a national scale.

### c. Innovation grants

Innovation grants will support non-traditional or high-risk types of activities that show potential for success. Innovation themes will be determined in coordination with the PA and other bodies such as NGOs, experts and others.

### 2) NGO Sector Development

Under this track, three interventions are identified:

#### a. Implementation of NGO Code of Conduct

The Code of Conduct will be consolidated through an incentive system for compliance with the provisions of the Code. NDC aspires to strengthen its in-house ability to provide technical assistance to the NGOs.

#### b. NGO Sector Coordination and Information Exchange

This track involves support to the umbrella and thematic networks, in terms of enhancing their capacity and their networking effectiveness. The Masader portal represents an instrumental component of further promoting information exchange and cooperation within the sector.

#### c. Policy and Research

This part intends to consolidate implementation and monitoring of the NGO sector strategy and research, with the aim of mapping out social service provisions by the PA and NGOs in order to identify gaps and to avoid duplication of projects. This is in line with NDC's stance as a main mechanism of support to NGOs. It will further activate the MoU and harmonization enhancement mechanism.





# NDC - The Secretariat for Human Rights and Good Governance

The **Human Rights and Good Governance (HR/GG) Secretariat** is one of NDC's main programs in the Occupied Palestinian Territory (oPt). In July 2008, four European donors (*Switzerland, Sweden, Denmark and the Netherlands*) and following a bidding process, entrusted NDC with the establishment and management of the Human Rights and Good Governance Secretariat. The funding which comes solely from the four donors is a continuation of the donors support to the sector. It aims to harmonize and channel financial and technical assistance in a transparent and effective manner through a joint donor funding mechanism, the Secretariat.

NDC continues to be the Secretariat and has continued to work towards realizing its overall goal by providing general and specific support to NGOs working to protect, promote, support and monitor the observance of human rights and good governance in the oPt through 1) channeling of funds from donors to HR/GG NGOs, 2) supporting capacity building and sector development of the HR/GG sector in the oPt, and 3) facilitating policy dialogue among NGO partners and donor countries.

For its first mandate, **channeling of funds from donors to HR/GG NGOs**, the Secretariat distributed core and small grant facility (SGF) funding. For core funding, donors approved 28 NGOs to receive a total amount of \$7,675,000. For the SGF, 13 organizations were approved for funding with a total amount of \$507,147. NGOs that received funding are selected competitively based on advertised eligibility criteria and guidelines set by the donors, and following a rigorous and detailed appraisal and review process.

It is worth noting that NDC is the only HR/GG Secretariat in Palestine providing core funding, i.e. long term programs with track records.

Within the area of its second mandate, **sector development and capacity building**, the Secretariat carried out an assessment of the sector's needs for development and capacity building. This included extensive reviews of submitted documents by applicant organizations, field visits with partner organizations operating in East Jerusalem, the West Bank and Gaza, and several consultation group meetings of the Secretariat's partners and non-partners, among others.

**Partner organizations Al-Haq, Addameer, and the Jerusalem Legal Aid and Human Rights Center, won a case in the Palestinian Supreme Court, on December 13, 2010 pertaining to Palestinian elections. In their case, the organizations challenged the decision of the Palestinian Council of Ministers of June 10, 2010 to postpone local elections that were scheduled to be held on July 17, 2010.**

## The Way Forward in Enabling Good Governance

The national and international drive to build a Palestinian state has surely given greater impetus for NDC to enhance democratic practices in NGOs. NDC's role remains essential to the collective local and international efforts to build a strong and active NGO community in Palestine. These efforts are consistent with the national goal to promote good governance and a participatory culture in a society that is now standing at a crossroads on its path to statehood.

### The Palestinian NGOs Code of Conduct

In 2008, NDC facilitated the formation of the Code of Conduct Coalition comprised of the four NGO Umbrella Networks and Unions (the Palestinian NGO Network, the Palestinian National Institute of NGOs, the Palestinian General Union of Charitable Societies, and the General Palestinian Union for NGOs in Gaza.) NDC has been playing the role of the Coalition's Secretariat. The NGO Code of Conduct sets out priorities and operational instructions for local NGOs to gain confidence and develop appropriate good governance practices. The code is made up of twelve principles and specifies the ground rules to be observed by NGO boards, administrations, and staff while fulfilling their tasks. This code also reflects international standards of good governance including transparency and accountability. Although adherence to the code is voluntary, in two years only (2008-2010) more than 570 NGOs, constituting 38% percent of functional NGOs in Palestine, have signed the Code of Conduct as an operational standard that they will uphold.

### Self-Regulation

Agreeing to the Code of Conduct is in itself a specific declaration that all signatories submit themselves to a compliance check by an independent body. Hence, self-regulation is part of NDC's Technical Assistance Interventions. Yet, in order to further deepen the implementation of the Code and the self-regulation processes, NDC embarked on a long process for developing a self-rating and incentive system for compliance with the provisions of the Code. The system includes a process of self-rating by the NGOs using the NDC's Organizational Capacity Assessment Tool (OCAT) to determine their level of compliance with principles and standards prescribed by the Code. Additionally, the system involves the identification/establishment of accrediting institutions that can verify the rating of the NGOs accompanied by awareness-raising campaigns to promote a self-regulation culture. NDC will also work, in this context, on identifying service providers that can help NGOs build their capacity to meet the Code standards and ultimately on the implementation of a system of incentives linked to the rating system.

### Success

Indicators of the Code of Conduct's success show that 74% of the signing NGOs (compared to 14% prior to the launch of the Code) have made their financial reports public, either through the NGOs portal ([www.masader.ps](http://www.masader.ps)) or through their own websites. This point is clearly stipulated in the Code of Conduct related to publicizing materials and ensuring that there are clear policies on disseminating and providing accurate information to the public and making a list of basic information available through mass media, including:

*"Annual administrative financial reports that should include, at least audit results, the party in charge of that, the management's letter to the auditor, incoming and outgoing funds and means of disbursement, as well as management meeting minutes, with the exception of classified information."*

On the other hand, in November 2008, the civil society initiative of the Arab League adopted the Palestinian NGOs Code of Conduct developed by NDC as the exemplary code for NGOs in the Arab World.





# NDC's Support to NGOs Providing Complementary Specialized Health Services



**Al-Wafa' Hospital Occupational Specialist Mohammed Abu Rialah speaks about NDC's intervention in facilitating entry of equipment and a specialist into Gaza.**

The uniqueness in NDC project lies in the fact that it involves several interventions:

- 1) **The provision of equipment:** NDC first made available requested material and equipment, all high quality and brain surgery-related;
- 2) **Advertising:** NDC with Al-Wafa' Hospital made an announcement in Gaza about the upcoming visit of the neurology specialist Dr. Ghosheh;

- 3) **Human resources:** In 2010, NDC, through the World Bank, was able to get a permit for the specialist to enter Gaza: **Dr. Ghosheh treated 120 cases and operated 23 patients in Gaza during a number of visits;**

- 4) **Training/Transfer of Knowledge:** When Dr. Ghosheh received a permit to enter Gaza, he trained medical students and neurologists there. During surgeries, Dr. Ghosheh also invited 2 neurologists from Gaza into the operation room;

- 5) **Follow up:** After leaving Gaza, Dr. Ghosheh followed up by phone with neurologists and patients in Gaza until he obtained another permit to re-enter the Strip.

Innovation in service delivery under closure  
**NDC's Intervention helped Said from Gaza lead a normal life again**

On December 13, 2010, 57-year-old **Dr. Said Salah** suddenly felt numbness and tingling in his left hand. As a pediatrician, and because of his medical background, he thought it was a sign of a stroke. He rushed to Al-Wafa' Hospital. Neurologists there understood he needed surgery but could not perform it themselves as they lacked the professional resources for that.

*"I felt completely paralyzed as I could no longer perform my duties of a pediatrician. Another obstacle was that I could not travel abroad since all Gaza crossings were closed. My situation required spinal intervention, a sophisticated operation that no one could do in Gaza."*

Two weeks later, Al-Wafa' Hospital called Dr. Salah to inform him of the presence of Dr. Ghosheh to undergo his surgery. Dr. Salah entered the operating room on December 26 at 4 pm. The surgery successfully ended after midnight the next day.

*"When I woke up the next day after the surgery, the ache had disappeared and since then I have no more pain."*

*"I would like to sincerely thank NDC, the World Bank and Dr. Ghosheh for their efforts to provide people in Gaza with such a service. Were it not for NDC's intervention, my hand would have been paralyzed forever and I would have lost my job because no medication I used was effective! After two grueling weeks, I felt I could resume my job."*

*"This program to support neurological surgeries must continue to help Gaza patients who have difficulty leaving the Strip for medical referral. Even for the few lucky ones who can leave Gaza, the way to Cairo is too long and hectic for both the healthy and the sick!"*

NDC launched its World Bank funded project of developing brain and neurosurgery services in Al-Wafa' Hospital in Gaza. This same project facilitated the arrival of brain and neurological specialist Dr. Jamal Ghosheh from Jerusalem to the Gaza Strip. Dr. Ghosheh's entry into Gaza aimed at improving Al-Wafa's Hospital performance in medical diagnoses and surgical interventions. Prior to that, the World Bank facilitated the entry of several equipment related to neurosurgical interventions.



**From St Luke's Hospital, Salwa Khoury, Head of the Public Relations Department, speaks about NDC's intervention.**

*"The medical equipment provided by NDC is unique all throughout Palestine. In no other hospital in Gaza, the West Bank, or Jerusalem, can we find such high quality medical equipment."*

*"NDC also intervened in the training of the medical staff: BEAM, the company importing the equipment, is inviting a Doctor and a nurse from St Luke's Hospital to attend a training on Transcranial Doppler (a test that measures the velocity of blood flow through the brain's blood vessels) in the United States."*

St. Luke's Hospital received a \$378,000 grant from NDC in 2007 to develop the neurosurgery and spine department. The grant was allocated for the new department, equipment, and development of the medical staff. With this grant, the hospital was able to become a referral center for neurosurgical cases in Palestine. 90% of these cases were referred by the Ministry of Health, and 10% were private cases. Until the end of 2010, the number of cases treated in this department reached 400, all successfully treated.



# NDC Local Partners

## New Grants Awarded in 2010 to the following NGOs

Young Men Christian Association	West Bank
Palestinian Agriculture Relief Committees	West Bank
Arab Center for Development Agricultural	West Bank
The Palestinian Farmers Association	West Bank
Juhoud for Community and Rural Development	West Bank
KufurThuluth Charitable Society	West Bank
Cooperative Association for Development of Livestock	West Bank
Qalqilia Farmers Association	West Bank
Ramallah Center for Human Rights Studies	West Bank
Musawa (The Palestinian Center for the Independence of Judiciary and the Legal Profession)	West Bank
Palestinian Center for Peace and Democracy (PCPD)	West Bank
Women For Life	West Bank
BADIL Resource Center For Palestinian Residency Rights	West Bank
The Palestinian Working Women Society for Development	West Bank
Women's Studies Centre	West Bank
Addameer	West Bank
Al-Haq	West Bank
Defence of Children International- Palestine Section	West Bank
Hurryyat: Center for Defense of Liberties and Civil Rights	West Bank
QADER for Community Development	West Bank
Women And Family Affairs Centre (WAFAC)	West Bank
Human Rights and Democracy Media Center "SHAMS"	West Bank
CARE Centre for Applied Research in Education	West Bank
Young Artists Forum	West Bank
Applied Research Institute ARIJ	West Bank
Palestinian Environmental Friends Association	Gaza
Basma Society for Culture and Arts	Gaza
Palestinian Alnakheel Association for Progress and Development	Gaza
The Palestinian Farmer Association	Gaza
Agricultural Engineering Association	Gaza
Al-Mawassi Agricultural Cooperative Association	Gaza
Ard El Insan Palestinian Benevolent	Gaza
Atfaluna Society for Deaf Children	Gaza
Public Aid Society	Gaza
Ahli Arab Hospital Gaza	Gaza
Red Crescent Society for Gaza Strip	Gaza

Palestinian Medical Relief Society	Gaza
Palestine Save the Children Foundation	Gaza
Rehabilitation & Development of Palestinian Home's Society	Gaza
Palestinian Student Care Association	Gaza
Deir Al Balah Association for Community Development & Childhood	Gaza
Maghazi Cultural Center	Gaza
Nour El Marifa Charitable Society	Gaza
The Culture & Free Thought Association	Gaza
Palestinian Environment Supporters Association	Gaza
Youth without Borders Forum	Gaza
Society for the Care of Disabled Families	Gaza
Al-Foukhari Association for Culture and Development	Gaza
Rafah Services Club	Gaza
Palestinian Women's Union	Gaza
The Palestinian Early childhood Education Programs	Gaza
Al-Najda Social Association	Gaza
Agricultural & Environmental Development Society	Gaza
The Palestinian Center for Organic Agriculture	Gaza
Al-Dameer Association for Human Rights, Gaza	Gaza
Al Mezan Centre for Human Rights	Gaza
WAC - Women's Affairs Committee	Gaza
Palestinian Centre for Human Rights (PCHR)	Gaza
HADAF Center For Human Rights	Gaza
The Palestinian Commission for Refugees	Gaza
Women's Centre for Legal Aid and Counseling	Jerusalem
The Arab Thought Forum	Jerusalem
Jerusalem Center for Women	Jerusalem
Al-Maqdese for Society Development (MSD)	Jerusalem
Al Quds University, Al Quds Human Rights Clinic (AQHRC)	Jerusalem
Miftah	Jerusalem
Jerusalem Legal Aid and Human Rights Centre	Jerusalem
B'tselem- The Israeli Information Center for Human Rights in the Occupied Territories	Jerusalem
HaMoked: Center for the Defence of the Individual	Jerusalem
Public Committee Against Torture in Israel	Jerusalem
BIMKOM	Jerusalem
The Israeli Committee Against Houses Demolition	Jerusalem
All For Peace Palestinian-Israeli Radio Station	Jerusalem
Rabbis for Human Rights	Jerusalem
Adalah	oPt
ACRI - Association for Civil Rights in Israel	oPt
KavLa'Oved	oPt
Gisha	oPt



# Financial Highlights

## 2010 New Grant Agreements

DONOR	Amount	End Date
HR/GG Program - 4 Donors *	16,200,00	June 30, 2013
World Bank	2,000,000	June 30, 2013
French Agency for Development - 5 Million Euros	6,500,000	June 30, 2013
<b>Total</b>	<b>24,700,000</b>	

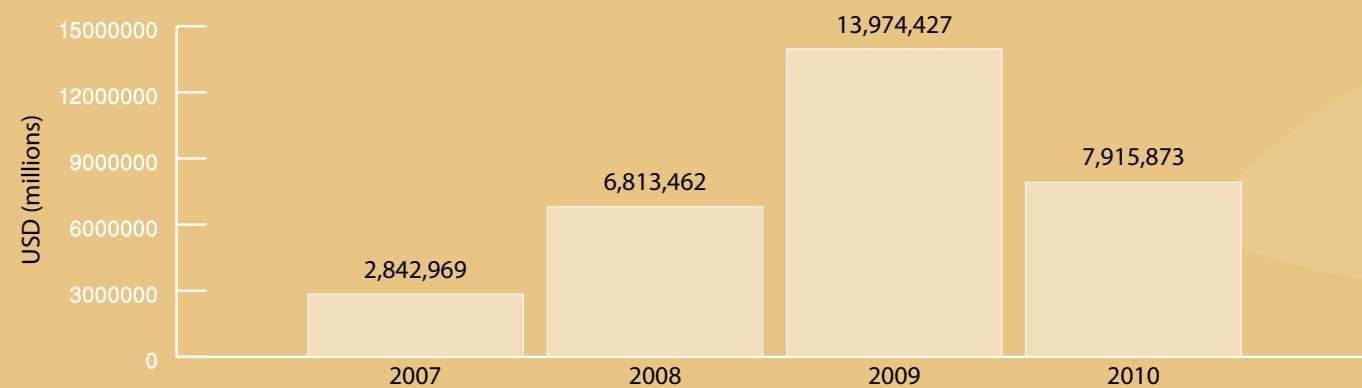
## 2010 Disbursements by Donor

DONOR	Amount	Percentage
HR/GG Program - 4 Donors *	3,254,964	41.12%
World Bank	2,799,089	35.36%
Welfare Association - Islamic Development Bank	765,739	9.67%
French Agency for Development	719,451	9.09%
European Union	226,028	2.86%
Swiss Development Agency	120,602	1.52%
United Palestinian Appeal	30,000	0.38%
<b>Total Disbursement</b>	<b>7,915,873</b>	<b>100.00%</b>

### \* List of the 4 donors

- Swiss Agency for Development and Cooperation (SDC)
- Swedish International Development Cooperation Agency (SIDA)
- Netherlands Representative Office to the Palestinian Authority (NRO)
- Danish Representative Office to the Palestinian Authority (DRO)

Yearly Disbursements

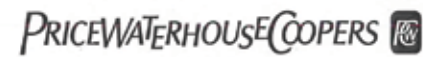


# 2010 NDC Donors





# Independent Auditor's Report



Masrouji Building 201  
El-Bireh, Palestine  
P.O. Box 1317 (Ramallah)  
Telephone +970 2 242 0230  
Facsimile +970 2 242 0231  
Email: info.palestine@ps.pwc.com

## Independent Auditors' Report To the Board of Directors of NGO Development Center (NDC) Jerusalem - Palestine

### Report on the financial statements

We have audited the accompanying financial statements of the NGO Development Center (hereinafter the "NDC") which comprise the statement of the financial position as of December 31, 2010, the statement of activities and changes in net assets, and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

### 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. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### 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 of 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 in 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 on the financial statements

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NGO Development Center - NDC as of 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.

Michael Orfaly – Country senior partner  
Ramallah

May 24, 2011

## NGO Development Center (NDC) Financial statements for the year ended December 31, 2010

### STATEMENT OF FINANCIAL POSITION (All amounts in U.S Dollars)

	Note	2010	2009
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment, net	(3)	89,744	134,840
<b>Total non current assets</b>		<b>89,744</b>	<b>134,840</b>
<b>Current assets</b>			
Pledges receivable	(4)	21,692,174	6,396,022
Other current assets	(5)	28,934	31,188
Cash and cash equivalents	(6)	4,447,855	3,231,580
<b>Total current assets</b>		<b>26,168,963</b>	<b>9,658,790</b>
<b>Total assets</b>		<b>26,258,707</b>	<b>9,793,630</b>

### NET ASSETS AND LIABILITIES

<b>Net assets</b>			
Unrestricted net assets		1,217,597	1,081,326
Temporarily restricted net assets	(7)	24,702,090	8,430,317
<b>Total net assets</b>		<b>25,919,687</b>	<b>9,511,643</b>
<b>Non-current liabilities</b>			
Provision for end-of-service indemnity	(8)	181,395	126,394
Provident fund liability	(9)	31,147	-
<b>Total non-current liabilities</b>		<b>212,542</b>	<b>126,394</b>
<b>Current liabilities</b>			
Other current liabilities	(10)	126,478	155,593
<b>Total current liabilities</b>		<b>126,478</b>	<b>155,593</b>
<b>Total net assets and liabilities</b>		<b>26,258,707</b>	<b>9,793,630</b>

- The notes on pages 6 to 37 are an integral part of these financial statements.

- The financial statements on page 3 to 37 were authorized for issue by the Board of directors on May 15, 2011 and were signed on its behalf.

Mr. Ghassan Kasabreh  
Director

Mr. Shadi Qara'  
Finance & Admin Manager



**NGO Development Center (NDC)**  
Financial statements for the year ended December 31, 2010

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
(All amounts in U.S Dollars)

	Note	2010	2009
<b>Changes in unrestricted net assets</b>			
Insurance revenues (Unified Program)		1,870	7,963
Interest revenues		9,925	14,331
Other revenues		66,804	14,346
<b>Total unrestricted revenues</b>		<b>78,599</b>	<b>36,640</b>
Released from temporarily restricted net assets	(7)	8,133,652	14,144,338
<b>Total unrestricted revenues</b>		<b>8,212,251</b>	<b>14,180,978</b>
<b>Expenses and losses</b>			
Projects' expenses	(11)	7,915,873	13,963,565
Depreciation		54,599	57,864
Currency variance		93,280	5,868
Other expenses		12,228	5,070
<b>Total expenses and losses</b>		<b>8,075,980</b>	<b>14,032,367</b>
<b>Net change in unrestricted net assets</b>		<b>136,271</b>	<b>148,611</b>
<b>Changes in temporarily restricted net assets</b>			
Grants and donations	(7,4)	24,700,000	4,898,720
Net assets released from restriction	(7)	(8,133,652)	(14,144,338)
Written off during the year	(7)	(437,430)	(50,500)
Currency variance	(7)	142,855	(56,046)
<b>Net changes in temporarily restricted net assets</b>		<b>16,271,773</b>	<b>(9,352,164)</b>
Changes in net assets for the year		16,408,044	(9,203,553)
Net assets, beginning of the year		9,511,643	18,715,196
<b>Net assets, end of the year</b>		<b>25,919,687</b>	<b>9,511,643</b>

- The notes on pages 6 to 37 are an integral part of these financial statements.

## NDC Governance

NDC is governed by a policy Board of Directors that provides overall guidance and oversight to NDC. Its current 13 members represent a stratum of economic, academic and civil society experts. The Board is elected once every three years by the General Assembly. The General Assembly encompasses members of the four main NGO networks in Palestine, namely the Palestinian NGO Network (PNGO); the Union of Charitable Societies; the Palestinian National Institute for NGOs; and the General Palestinian Union for NGOs in Gaza. Other members of the General Assembly include members of the academia, the private sector and NGO experts.

### Board of Directors

Mr. Zahi Khouri, Chairperson  
 Mr. Abdel Kareem Ashour, Deputy Chairperson  
 Dr. Mohammed Shadid, Treasurer  
 Dr. Suleiman Al Khalil, Secretary  
 Mr. Fahmi Shalaldeh, Member  
 Mr. Mohammed Munther Al Rayes, Member  
 Mr. Sufian Mushasha, Member  
 Mr. Fahmi Seyam, Member  
 Mr. Salah Al Saqqa, Member  
 Mr. Issam Abu Aruri, Member  
 Mr. Abdalmajid Swaitii, Member  
 Mrs. Safa Abu Asab, Member  
 Mr. Hashim Al Shawa, Member

### NDC Director

Ghassan Kasabreh

### Legal Advisor

Mr. Rasem Kamal

### Auditor

PRICEWATERHOUSECOOPERS 



## Contacts

### Main Branch

NGO Development Center  
P.O. Box 2173 Ramallah  
Al Ram, Mujahed Building, 3<sup>rd</sup> floor  
Tel: 009702-2347771  
Fax: 009702-2347776

### Gaza Branch

NGO Development Center  
P.O. Box 5018, Gaza  
Al Rimal, Al-Haitham Bldg.  
Tel: 009708-2828999  
Fax: 009708-2849921  
Email: info@ndc.ps

[www.ndc.ps](http://www.ndc.ps)







مركز تطوير المؤسسات الأهلية الفلسطينية  
NGO Development Center