## Foreword

The NGO Development Center (NDC) has made momentous strides in empowering Palestinians by Palestinians throughout 2014. Both our grant-making and sector development programs were expanded to address NGO sector needs in innovative and effective ways. Building on our successes, NDC continues to represent a leading institution in the Palestinian NGO sector.

In 2014, NDC concluded the second phase of the Human Rights/Good Governance program, which over the course of 6 years provided NGOs in the human rights and good governance sectors with crucial support, both financial and technical.

The World Bank-funded Palestinian NGO Project IV (PNGO IV) was also completed in 2014 and provided key services across various sectors to Palestinian communities. The Additional Financing of 5 million USD provided by the World Bank allowed NDC to build on the success of PNGO IV in targeting poor and marginalized communities, and ultimately aims to reach more than 30,000 Palestinians.

NDC continues to expand on its successful pilot project implemented in Beit Skaria, and places a high priority on reaching the most poor and marginalized communities in Area C. Through our innovative approach under the Cross-Sectoral Coordinated Grants component, we successfully launched 5 projects implemented by 13 partner NGOs in consortia. The projects aim to address multiple community needs in parallel, thereby providing a holistic approach to interventions.

The launch of the European Union funded program, “Strengthening the Palestinian NGO Sector Capacity and Involvement in Governance and Democratic Processes,” culminated in the implementation of various trainings to support the four NGO umbrella networks and unions.

NDC continued to expand its Sector Development Program in 2014, with the establishment of the Code of Conduct Compliance Council, which represents a first of its kind initiative. The Code of Conduct remains a central part of the NGO sector development efforts in Palestine, and the Compliance Council enables NDC to further promote its adoption and maintaining high standards in the NGO sector.

In 2014 also NDC carried out a strategic planning process for the years 2014-2018. The strategy was developed in a participatory manner and engaged all relevant stakeholders in the process. The strategy builds on the accomplishments and lessons learned from the successful implementation of the 2010-2014 strategy.

We hope this report offers you a more detailed look at our work in 2014. We would like to take this opportunity to thank our donors that continue to support NDC’s crucial work. We would also like to extend our gratitude to our partners and NDC staff members for their dedication to strengthening the NGO sector and serving our Palestinian community through their hard work and commitment.
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“NDC continued to work during the year 2014 towards reaching its strategic overall objective of supporting the NGO sector to become a more viable and independent NGO sector that is more effectively engaged in advancing steadfastness, liberation, and sustainable economic and social development of Palestine and the empowerment of the Palestinian people.”

-Safa Abu Assab,
Chair of the Board of Directors

“NDC continues to serve as a leading organization in the development of the Palestinian NGO sector. In 2014, NDC was able to further develop the capacities of its partner organizations in serving Palestinian communities through a wide array of initiatives and activities while simultaneously strengthening the NGO sector.”

Ghassan Kasabreh,
Director
NDC At A Glance

The NGO Development Center (NDC) strives to provide the NGO sector with the support and tools necessary to build a strong and sustainable sector capable of providing quality services to the Palestinian people. In 2014, NDC celebrated momentous achievements and created impact throughout the Palestinian NGO sector and in the lives of the Palestinian community.

NDC is a vehicle for the development of the Palestinian NGO sector. The support of Palestine’s four NGO networks and unions, and our inclusive, participatory relationship with strategic partners (PA, international donors and Palestinian NGOs) and beneficiaries provides our mandate; our commitment to sector development and individual NGO support reflects our comprehensive approach to sustainable development. NDC’s complimentary funding streams demonstrate our understanding of development as a holistic process (service provision, rights and governance).
Vision

External Vision
A free Palestine where human dignity is preserved, and where social justice prevails with the active participation of civil society.

Internal Vision
The NDC is a leading institution, an incubator of developmental action, and a provider of holistic support to the CSO sector.

Mission Statement
The NGO Development Center (NDC) is a Palestinian non-profit, non-governmental organization supporting Palestinian NGOs and their representative entities to more effectively respond to the needs of the most disadvantaged groups in Palestinian society. Through the provision of financial and technical support as well as the development of value systems that promote principles of social justice, integrity and transparency, NDC contributes to the achievement of development priorities and the realization of an effective and sustainable civil society in the State of Palestine.

Objectives
1. Enhance the capacity of NGOs to more sustainably deliver services and contribute to socio-economic development through:
   - The provision of financial and technical support to NGOs, NGO networks and unions.
   - The establishment of model developmental projects
2. Contribute to the development of the NGO Sector to become more responsive, transparent and accountable, by:
   - Setting, evaluating, and certifying adherence to standards
   - Promoting knowledge sharing and collaboration within the sector
   - Supporting strategic policy research and planning

Core values and beliefs
- Innovation and excellence
- Open communication
- Neutrality and impartiality
- Knowledge sharing
- Social equity
- Cooperation
- Integrity
- Serving the most marginalized
- Equality
- Commitment and alignment with national Palestinian priorities
- Respect for human rights and dignity
- Partnership
- Transparency
- Accountability

Governance
NDC is governed by a General Assembly comprised of members covering a wide range of sectors and Palestinian communities. The General Assembly represents the four main NGO Umbrella Networks, and elects the Board of Directors once every three years. The Board of Directors was elected on July 6th, 2013, and is comprised of 11 members who represent various sectors and carry a wide range of experience in a number of fields.

NDC’s Senior Management and Staff are dedicated professionals, all working towards the shared goal of empowering Palestinians by Palestinians.

NDC Board of Directors
Safa Abu Assab, Chair
Constantine Dabbagh, Deputy Chair
Issam Arouri, Treasurer
Irsan Ibrahim, Secretary
Issam Hillis
Nasfat Khufash
Varsen Aghabekian
Fahmi Seyam
Suhail Kishawi
Darwish Abu Sharkh
Salah Al Saqqa
Grant Making

With the Additional Financing for the PNGO IV Project, NDC expanded its partnerships with NGOs in 2014 and funded essential projects to serve poor and marginalized people across the West Bank, Jerusalem, and Gaza.

5,817 poor and marginalized beneficiaries are targeted through the Cross-Sectoral Coordinated Grants.

4 Cross-Sectoral projects were launched in 2014, and NDC signed grants with 21 NGOs under its Single Empowerment Grants component.

NDC concluded the second phase of the Human Rights and Good Governance Secretariat in June 2014. Under the second phase of the Secretariat, NDC provided NGOs in the human rights and good governance sectors with 69 core grants as well as funding to support 28 projects. A total of 48 NGOs were provided with capacity building activities.

In an effort to measure the impact of its grant making programs, NDC conducts community scorecard sessions with beneficiary groups to measure their satisfaction with the programs, needs, and feedback for improvement.

Sector Development

Following the launch of the project titled “Strengthening the Palestinian NGO Sector Capacity and Involvement in Governance and Democratic Processes” in 2013, NDC has continued the implementation of activities with NGO Umbrella Networks and Unions. The project’s overall objective is to strengthen the position of civil society in public debate and in the elaboration and implementation of development strategies, in complementarity with the Palestinian Authority’s strategy and actions.

NDC continues to implement and develop its Code of Conduct program. A first of its kind national Compliance Board was established in collaboration between NDC and the four NGO Networks and Unions. The Compliance Board finalized the regulations and procedures for accrediting NGOs in compliance with the Code of Conduct. A ceremony was held in December 2014 to provide 6 NGOs with compliance certificates.

The Masader portal (www.masader.ps) continues to witness exponential growth in its visitors as well as its member organizations. More than 1,300 NGOs have joined the portal since its establishment. Masader is a Palestinian portal founded by NDC to serve as a platform for the NGO sector to network and exchange information and experiences.

Allocation of Grants in 2014 Per Geographic Area

Gaza 36%
Jerusalem 20%
West Bank 44%
NDC’s GIS mapping of NGOs and their programs represents cutting edge technology, allowing NGOs and main stakeholders to geographically access information on NGOs’ programs and projects, including beneficiary numbers and sectoral interventions.

Research and Studies

NDC updated its Strategic Plan to cover the years 2014-2018. The Strategic Plan was completed in a participatory manner incorporating feedback from key stakeholders to reach to the strategy that best achieves NDC’s mission and strategic objectives.

On June 19th 2014, NDC launched, in a ceremony attended by NGOs and government officials, a study titled “The Participation of Palestinian Non-Governmental Organizations in Sector and National Planning Processes”. The study which aims to strengthen the engagement of NGOs in the national policy making processes stimulated strong interest and lively discussions among the participants.

Following the Israeli Operation on Gaza in July through August 2014, NDC completed a Damage Assessment Report of the affected NGOs, collecting data on 73 NGOs and 87 facilities.

NDC launched the Gaza Appeal structured as a three-fold intervention focusing on relief and recovery. The plan covers the three most damaged sectors—Specialized Health and Rehabilitation; Recovery Services; and Agriculture, Livestock, Fisheries, and Water.

“What NDC has been able to do is provide to NGOs not just the possibility to sustain themselves, but to improve themselves.”
-Sima Kanaan
World Bank Lead Social Development Specialist
To strengthen its relevance and effectiveness, NDC took a close look in 2014 at its 2010-2014 Strategic Plan and its significance in the challenging political and economic context. Deteriorating socio-economic conditions, increasing fragmentation, movement and access restrictions in combination with the absence of a fully realized state, demonstrate the continued need for the provision of social services through NGOs.

The general consensus acknowledges the pivotal role that NGOs play in meeting the basic needs of the most vulnerable segments of society in unserved and underserved areas. This strategy was developed from the learning and accomplishments of the NGO Development Center’s (NDC) successful 2010-2014 strategy. It builds upon NDC’s foundation of supporting the most vulnerable and marginalized strata of Palestinian society, in particular from Gaza, East Jerusalem and Area C, by building the capacity of NGOs and promoting sector-wide transparency and accountability as well as coordination and sharing of best practices.

The new strategy has been developed following a participatory approach to mutually inform and create ownership amongst relevant stakeholders including target beneficiaries, NDC staff and board of directors, the donor community and relevant government representatives.

With the revisited vision and mission, NDC will work on achieving the following strategic programmatic goals:

- **Goal 1:** Increase access of marginalized communities and population to quality and relevant services provided by NGOs.
- **Goal 2:** Enhance the efficiency, effectiveness, relevance, and sustainability of NGOs and their development programs and projects.
- **Goal 3:** Promote knowledge production and sharing, strategic policy research and planning, and collaboration within the NGO sector.
- **Goal 4:** Facilitate the setting, evaluation, and certification of adherence to national quality standards related to the NGO sector.
- **Goal 5:** Set up and operate a Monitoring and Evaluation Unit for external clients.
The Additional Financing for the Palestinian NGO-IV Project (PNGO-IV AF) was made possible from the World Bank after the wide success and impact the project has had on Palestinian communities. The Additional Financing is structured to move from emergency-based aid focus towards a more holistic development approach. Building on lessons learned from NDC’s vast experience throughout the years, the Additional Financing provides the needed social services to poor and marginalized Palestinians (including women and youth), especially to communities living in unserved and under-served geographical areas, therefore filling a gap in service delivery alongside the PA and strengthening the good governance capacities of NGOs. NDC ensures this is realized through its credible, transparent and accountable grant-making mechanism.

NDC actively works with its implementing partners during all stages of project implementation to ensure the delivery of high quality services and effective targeting of beneficiaries. NDC supports NGO grantees with individualized coaching and provides its partners with the tools necessary to implement successful projects. NDC has expanded its NGO Sector Development Program to further enhance good governance among the NGO sector and to raise awareness on the Code of Conduct Compliance System.

“[They (NDC) are very good at coordinating with other NGOs, which is really a job, and only a few NGOs know how to do this job.]”
-Bruno Juet, Agence Française de Développement (AFD) Mission Director
Beit Skaria Pilot Project

Beit Skaria is a village located in the Bethlehem District. Its sensitive location makes it subject to many constraints and obstacles typical of Palestinian villages located in Area C. Limited access to education, health services and inadequate public service infrastructure as well as water scarcity are only a few outcomes of the restrictive planning and permitting processes, closure obstacles and restrictions of movement that comes with life under occupation. The village spans 6000 donums of land with a population of 600 people. In total, the village holds 85 homes and one elementary school (ending at the 7th grade) with 36 students.

With funding from the Agence Française de Développement (AFD) and aligned with the PA’s former and current National Plans for Area C- NDC was able to address these issues by bringing together and coordinating the efforts of 4 local partner NGOs. Through a multi-sectoral packaging approach, impact was maximized by generating more holistic, robust and long-term benefits.

The Additional Financing amounts to a total of 5 million USD, allowing NDC to further expand on its grant-making efforts. Under PNGO IV AF, NDC provides funds in two different grant making tools: Cross Sectoral Coordinated Empowerment Grants and Single Sector Empowerment Grants.

Cross-Sectoral Coordinated Empowerment Grants

The Cross-Sectoral Coordinated Empowerment Grants approach brings together NGOs in a collaborative partnership to more effectively and efficiently deliver social services to marginalized communities living in priority geographical areas through a more targeted, inclusive, holistic, and results-oriented manner. The application of this approach in the Pilot Project in Beit Skaria demonstrated the success of a sustainable collaboration among all partners.
## Distribution of Cross-Sectoral Coordinated Empowerment Gants

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Funded Projects</th>
<th>Grant Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jerusalem</td>
<td>1</td>
<td>408,025</td>
</tr>
<tr>
<td>West Bank</td>
<td>3</td>
<td>1,015,673</td>
</tr>
<tr>
<td>Gaza</td>
<td>1</td>
<td>259,950</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>1,683,648</td>
</tr>
</tbody>
</table>

## List of Cross-Sectoral Coordinated Empowerment Grants Projects

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Implementing Partner NGOs</th>
<th>NDC Grant Amount (USD)</th>
<th>Project Location</th>
</tr>
</thead>
</table>
| Jerusalem Ambassadors                                                       | ➤ Burj Al Luqluq Social Center Society  
➤ Palestinian Vision Association  
➤ Al-Saraya Center for Community Service                                          | 408,025                | Jerusalem (Old City, Beit Safafa, Issawyeh, and Jabal Al-Mukaber)                  |
| Economic and Social Empowerment of Poor and Marginalized Families in Villages South of Nablus | ➤ Mothers’ School Society  
➤ Palestinian Health Care Committees                                                | 297,110                | Nablus (Qaryut, Qusra, Jaloud, Joreesh, and Talfeet)                               |
| Promoting the Quality of Life of the Poorest and Most Marginalized Women in Area C | ➤ QADER for Community Development  
➤ Psych-Social Counseling Center for Women  
➤ Palestinian Family Planning and Protection Association (PFPPA)                   | 419,558                | Bethlehem and Hebron (Yatta and Beit Fajar Village Clusters)                       |
| Steadfastness and Development of Al-Deir Village                             | ➤ Land Research Center Association (LRC)  
➤ Environmental Educational Center/ The Evangelical Lutheran Church in Jordan and the Holy Land  
➤ Beit Ula Cultural Center                                                        | 299,005                | Hebron (Al-Deir)                                                                   |
| Improving the Life of 266 of the Poorest Families in East Gaza               | ➤ Public Aid Society-Gaza City  
➤ Sawaed for Relief & Development –Gaza City                                          | 259,950                | Gaza                                                                             |
The Cross-Sectoral Coordinated Empowerment Grants represent a unique opportunity to further enhance a collaborative environment between NGOs and the Palestinian Authority line Ministries in reaching out to the largest number of Palestinian communities, while aligning their interventions in a complementary manner with sectoral and national priorities. Through this approach, NDC maximizes development benefits for poor Palestinians and addresses the multi-dimensional nature of poverty in unserved and underserved geographical areas.
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NDC emphasizes the importance of maintaining transparency as well as the need to engage all stakeholders into the planning and implementation process.

**Allocation of Cross-Sectoral Coordinated Empowerment Grants in 2014 Per Geographic Area**

- **West Bank**: 60%
- **Gaza**: 16%
- **Jerusalem**: 24%
In 2014, NDC expanded its grant making program with the Single-Sector Empowerment Grants component. Single Empowerment Grants aim to provide funding to NGOs covering various social sectors, leading to quality services for poor and vulnerable Palestinians in un-served and underserved areas.

Furthermore, projects are designed based on demand and actual needs as identified in the needs assessments of poor and marginalized Palestinians living in the above mentioned geographic areas. Another key aspect of the Single-Sector Empowerment Grants is the emphasis on creating linkages with Palestinian Authority priorities as well as the relevant line Ministries. 21 projects received funding after undergoing a rigorous assessment process. The projects span across Jerusalem, the West Bank, and Gaza and cover a wide range of sectors, including education, health, income generation, and social services. More than 28,000 individuals will benefit from the projects implemented by NDC’s partners under this type of grant.

Among the projects funded under the Single Empowerment Grants component is “Hand in Hand,” implemented by the Palestinian Youth Association for Leadership and Rights Activation (PYALARA). The project targets youth and children and aims to provide and mentor them in the effort to improve their academic performance. Recent graduates and college students will be provided with job employment opportunities as tutors for students in individual Mathematics, Arabic, and English tutoring sessions.

“Strengthening Children, Youth, Parents, Teachers and CBOs in Gaza through Drama” represents another creative initiative funded by NDC. The project works to strengthen the social integration of children living in the marginalized areas of the Gaza Strip while simultaneously empowering them with life skills by providing them with access to cultural activities of drama and theatre. It also bridges the gaps between children and society as a whole through animation projects and digital media.
## Distribution of Single Empowerment Grants

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Funded Projects</th>
<th>Grant Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jerusalem</td>
<td>3</td>
<td>236,502</td>
</tr>
<tr>
<td>West Bank</td>
<td>5</td>
<td>417,232</td>
</tr>
<tr>
<td>Gaza</td>
<td>13</td>
<td>930,638</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>1,584,372</strong></td>
</tr>
</tbody>
</table>

## List of Single Empowerment Grants Projects

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Implementing Partner NGOs</th>
<th>Grant Amount (USD)</th>
<th>Project Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhancing Environmental and Hygiene Conditions for Children</td>
<td>Palestine Hydrology Group</td>
<td>89,700</td>
<td>Al Midya Deir Qaddis Qibya Rantis Shuqba</td>
</tr>
<tr>
<td>Promoting Socioeconomic Development of the most vulnerable Palestinian young people</td>
<td>East Jerusalem YMCA Rehabilitation Program</td>
<td>87,744</td>
<td>Jenin Nablus Tulkarem</td>
</tr>
<tr>
<td>Youth Engagement in Economic Development YEED</td>
<td>Partners for Sustainable Development - PSD</td>
<td>79,922</td>
<td>Deir Istiya Haris Kifl Haris Marda</td>
</tr>
<tr>
<td>Promote the economic empowerment of young people with disabilities in marginalized areas</td>
<td>Palestinian Consultative Staff for Developing NGOs in Jenin</td>
<td>96,866</td>
<td>Al Mughayyir Al Mutilla Jalqamus Jenin Raba</td>
</tr>
<tr>
<td>Building unit for Psychological support and strengthen the activities of Dunya Center for diagnosis of breast cancer and gynecological</td>
<td>Health Work Committees-HWC</td>
<td>63,000</td>
<td>Sa’ir Qalqiliya Tubas</td>
</tr>
<tr>
<td>Socio Economic Empowerment for The Poor and Vulnerable</td>
<td>Youth Development Department-Arab Studies Society</td>
<td>97,050</td>
<td>Beit Duqqu</td>
</tr>
<tr>
<td>Hand in Hand</td>
<td>Palestinian Youth Association for Leadership and Rights Activation -PYALARA</td>
<td>86,452</td>
<td>Ar Ram Dahiyat al Bareed Jaba</td>
</tr>
<tr>
<td>Enhancing the Role of Young Men and Women In Their Community</td>
<td>Women Center of Shu' fat Refugee Camp</td>
<td>53,000</td>
<td>Shu fat Camp</td>
</tr>
<tr>
<td>Project Description</td>
<td>Implementing Organization</td>
<td>Amount</td>
<td>Location(s)</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------</td>
<td>---------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Improving the Educational and Psychological Status Of Low Achievers at Wadi Al Salqa Village</td>
<td>Palestine Save the Children Foundation</td>
<td>65,850</td>
<td>Wadi as Salqa</td>
</tr>
<tr>
<td>Economic Empowerment of Female Heads of Households</td>
<td>Gaza Culture and Development Group</td>
<td>91,100</td>
<td>Al Mughraqa Abu Middein Beit Hanun Beit Lahiya</td>
</tr>
<tr>
<td>Rowad Learning Creativity Project</td>
<td>Association Of Alrowad For Palestinian Youth</td>
<td>20,000</td>
<td>Khan Yunis</td>
</tr>
<tr>
<td>Supporting the Needs of Visually Impaired Students</td>
<td>Friends Society of Visually Impaired Rehabilitation</td>
<td>41,300</td>
<td>Ash Shati Camp</td>
</tr>
<tr>
<td>Early Intervention for Hearing Impairment in Rafah</td>
<td>Al-Amal Association for the Deaf</td>
<td>98,620</td>
<td>Rafah</td>
</tr>
<tr>
<td>Prevention of Hearing Disabilities</td>
<td>Jabalia Rehabilitation Society</td>
<td>64,478</td>
<td>Beit Hanun Beit Lahiya Jabalya</td>
</tr>
<tr>
<td>For A Better Future</td>
<td>East Gaza Association for Family Development</td>
<td>73,740</td>
<td>Gaza City</td>
</tr>
<tr>
<td>Enhancing Livelihoods Opportunities for PwDs in the Gaza Strip through Inclusive Economic Empowerment and Social Protection</td>
<td>Atfaluna Society for Deaf Children</td>
<td>63,307</td>
<td>Gaza City</td>
</tr>
<tr>
<td>Strengthening the role of community based rehabilitation in empowering persons with disabilities</td>
<td>Palestinian Medical Relief Society-Gaza</td>
<td>99,970</td>
<td>Abasan Al Fukhkhari Khan Yunis Camp Khuza'a</td>
</tr>
<tr>
<td>Improve the Education and Social status of Children and Mothers in East of Gaza area-Together we learn</td>
<td>Ajyal Association For Creativity and Development</td>
<td>60,000</td>
<td>Gaza City</td>
</tr>
<tr>
<td>Children youth parents teachers and CBOs in Gaza strengthened by Drama 2014-2015</td>
<td>Theatre Day Productions</td>
<td>81,512</td>
<td>Khuza’a Khan Yunis Camp Jabalya Camp Rafah Camp</td>
</tr>
<tr>
<td>Together for A New Beginning</td>
<td>Aisha Association for Woman and Child Protection</td>
<td>70,790</td>
<td>Gaza City Al Shati’ Camp Juhor ad Dik</td>
</tr>
<tr>
<td>Improving Sustainable Livelihoods of Poor and Marginalized Households</td>
<td>Beit Lahiya Development Association</td>
<td>99,971</td>
<td>Beit Hanun Beit Lahiya</td>
</tr>
</tbody>
</table>
Allocation of Single Sector Empowerment Grants in 2014
Per Geographic Area

- West Bank: 43%
- Gaza: 37%
- Jerusalem: 20%
NGO Sector Development- Supporting the NGO sector in becoming a partner in the development of a Palestinian state

NDC places the development of the Palestinian NGO sector at the core of its priorities. NDC’s sector development activities fundamentally underpin all grant-giving schemes. Since its establishment, NDC has helped the NGO sector to become more responsive, transparent and accountable to Palestinian communities by setting standards, promoting collaboration within the sector and initiating strategic policy research and planning. Throughout 2014, NDC continued its work in further developing the NGO sector through a variety of initiatives and partnerships.

NGO Code of Conduct

In 2008, NDC facilitated the establishment the Palestinian NGO Code of Conduct in collaboration with the four main Palestinian NGO umbrella networks and unions, forming the Code Coalition with NDC as its Secretariat. The Code emerged from a participatory process which gathered input from more than 200 Palestinian civil society organizations in the West Bank and Gaza. NDC aimed to disseminate and integrate the Code’s 12 principles throughout the NGO sector.

The Code of Conduct program serves as a self-regulating voluntary scheme. It strives to enhance the internal institutional strength of NGOs while simultaneously integrating values of transparency, accountability, and community participation into their programming efforts. The Code strengthens the role of NGOs in delivering quality and efficient services and calls for respect of the role of targeted individuals and community groups and empowers them in voicing their opinions, needs, and priorities.

NDC actively coordinates with the four NGO umbrella networks and unions to highlight and publicize the important role the Code of Conduct plays in strengthening the NGO sector. In July 2014, NDC signed Grant Implementation Agreements with the Palestinian NGO Network (PNGO), the Palestinian National Institute of NGOs (PNIN), the Palestinian General Union of Charitable Societies, and the General Palestinian Union for NGOs in Gaza to raise awareness on the Code of Conduct Compliance among their member NGOs.

Code of Conduct Compliance System

The development of the Code Compliance System represents an innovative achievement for NDC. Under the Compliance System, the Compliance Council was established to thoroughly measure the level of compliance civil society organizations achieve in applying the Code of Conduct. NGOs who voluntarily commit to the Code of Conduct standards are given the tools necessary to rate their performance and compliance levels.

In 2014, a pilot program of the Compliance System was completed with 25 participating NGOs. Based on the implemented pilot program, the system was further developed to serve as a well-rounded and thorough capacity building and compliance system.

The Compliance System is comprised of 3 main stages:

1. Self-rating by Palestinian NGOs
2. Validation of the self-rating conducted by peer reviewers/consultants/NDC
3. Accreditation by the Code of Conduct Compliance Board

In December of 2014, NDC and the Code of Conduct Compliance Council presented 6 NGOs with the Compliance Certificates. Of the 6 NGOs awarded, 4 are based in Gaza and 2 in the West Bank. The NGOs were awarded with the Compliance Certificate after undergoing a thorough self-evaluation and validation by external consultants.
At the center of the NDC’s Code of Conduct program lies the Coaching and Technical Assistance component. In 2014, 6 NGOs in the West Bank began to receive technical assistant to improve their ranking under the Compliance System, thereby strengthening their capacity prior to the onset of the next rounds of evaluation. 3 NGOs in Gaza are also in the process of receiving technical assistant to strengthen their rankings. By 2016, NDC aims to reach out to 250 NGOs who will undergo the self-assessment stage; and provide accreditation to 60 targeted NGOs. 30 NGOs will be selected to receive Coaching and Technical Assistance.

### Coaching and Technical Assistance

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mothers’ School Society</td>
<td>Nablus</td>
</tr>
<tr>
<td>Bisan Center for Research</td>
<td>Ramallah</td>
</tr>
<tr>
<td>Middle East Council of Churches</td>
<td>Gaza</td>
</tr>
<tr>
<td>Palestinian Agricultural Development Association</td>
<td>Gaza</td>
</tr>
<tr>
<td>Union of Health Work Committees</td>
<td>Gaza</td>
</tr>
<tr>
<td>Red Crescent Society for Gaza Strip</td>
<td>Gaza</td>
</tr>
</tbody>
</table>
Strengthening the Palestinian NGO Sector Capacity and Involvement in Governance and Democratic Processes

With funding from the European Union, NDC launched the project titled “Strengthening the Palestinian NGO Sector Capacity and Involvement in Governance and Democratic Processes.” Aiming to enhance the role and capacity of the four NGO Umbrella Networks and their member organizations to more actively participate in policy-making and democratic processes and promote partnerships between state and non-state actors, NDC implements various capacity building interventions.

The overall objective is to strengthen the position of civil society in public debate and in the implementation of development strategies, aligned with the Palestinian Authority’s strategy and actions. In addition, the project aims to consolidate the role of the NGO umbrellas in furthering national unity and the democratization process through lobbying public opinion, mainstreaming society concerns, and mobilizing civil society resources. This consolidation was based on the principles of democracy, social justice, rule of law and respect for human rights.

Umbrella Networks/Unions

- The Palestinian General Union of Charitable Societies (PGUS)
- The Palestinian NGO Network (PNGO)
- The General Palestinian Union for NGOs in Gaza (GPUN)
- The Palestinian National Institute of NGOs (PNIN)

Trainings Provided to NGOs

- Effective Impact of National Policy Making
- Mechanisms of Communication
- Principles and Applications of Participatory Good Governance
- Fundraising and Proposal Writing Skills
- Media Outreach
- Project Cycle Management
Expected Impact and Results

- NGO platforms’ capability of engaging in political and policy dialogue improved
- NGO platform’s capacity to advocate for their missions and programs strengthened
- Cooperation and coordination as well as networking among the four NGO umbrellas consolidated and strengthened

Trainings Conducted in 2014

- How to Strategically Plan Within an NGO
- Effective Impact of NGOs on National Policy Making
- Effective Monitoring of Policy Implementation and Compliance with Stakeholders
- Project Cycle Management

Participating Sectoral Committees in Trainings

- Agriculture
- Education, Culture and Youth
- Social Justice, Freedom and Human Rights
- Social Protection

“I was very pleased with the trainings offered to us in terms of the content, presentation, and the trainer. Thank you to NDC for this great opportunity.”

“The training was very helpful and valuable to all NGOs present. All my gratitude and respect to NDC and the trainer.”

- NDC Training Participants
Under the project titled “Jerusalem Ambassadors,” Palestinian Vision successfully administered psychometric assessments (Tamheed) for students in Al Essawiya School. Following the assessment, individual sessions were provided to students to discuss the results of their assessment. One of these students was 13 year old Mohammad Al-Qawasme, who suffered from low academic performance as well as negative social pressure due to his failing marks in various academic classes. His family expressed that the best option for Mohammad was to drop out of school at the end of the current academic year and join the job market as a business man or mechanic. During the individual session, Mohammad’s personal traits based on the assessment were given to him, which revealed striking similarities with his personality. This provided Mohammad with confidence in the assessment and increased his engagement and participation during the session. During the session, Mohammad was able to see the connection between his personal traits and proposed careers through explaining the correlation between the two and providing examples. Based on the assessment, the suggested careers for Mohammad lie in the environment and agriculture sectors as well as the engineering and construction sectors. His hobbies are raising animals as well as car mechanics, and Mohammad spends his holidays and free time in his cousin’s mechanic shop. He expressed the joy he experiences while spending time at the mechanic shop. The changing point of the session took place when Mohammad saw the benefit of continuing his education through the tenth grade, and to transfer thereafter to a specialized industry school in Jerusalem to continue his education in the field of his choice. At the conclusion of the session, Mohammad was provided with a career plan to match his abilities and potential.
Al Mutala is one of the targeted villages in the project titled “Promote the Economic Empowerment of Young People with Disabilities in Marginalized Areas” implemented by the Palestinian Consultative Staff. Yasmin Al Bzour, a resident from AlMutala, was a social recluse, adamant to stay at home and never engage in any community activities. During the first introductory session between project staff and community residents to introduce the project, Yasmin’s father attended on behalf of his disabled daughter. Project staff expressed their desire to engage Yasmin in the project’s interventions. While her father was free to attend project activities, project staff advised him to convince his daughter to take advantage of the opportunities found in the project. Her father’s response was “convince her to attend. She never meets new people and doesn’t leave the home.”

As project staff learned more about Yasmin and her life, they discovered that Yasmin is an educated young lady with a Bachelor’s degree in Accounting. Despite her academic achievements, Yasmin’s physical disability has isolated her and led to feelings of desperation. The lack of any community organizations that specialize in disabled individuals as well as the inexperience of parents in coping with disabled children has further exacerbated the problem.

Wafa’ Kameel, one of the project’s trainers, visited Yasmin’s home with her father after the introductory session. Wafa’ met with Yasmine and tried to convince her to join the next workshop, but was unsuccessful. However, Wafa’ did not give up. She organized another visit to Yasmin’s home two days later, and was unsuccessful again. As Wafa’ left Yasmin’s home, her last words were “I’ll be waiting for you at the next meeting.”

To everyone’s surprise, Yasmin was the first person to arrive for the next session. While the beginning of the session was difficult for her, as it was the first community activity she had ever attended, Yasmin quickly transformed into an engaged and enthusiastic participant. She was able to break free from the barriers she set for herself and no longer needed her father to act as a chaperone. Project staff encouraged Yasmin by letting her know that a disability cannot take away her energy.
Our Donors in 2014

- World Bank
- French Agency for Development
- Swedish International Development Cooperation Agency
- European Commission
- Kingdom of the Netherlands
- Netherlands Representative Office to the Palestinian Authority
- Swiss Agency for Development and Cooperation
- Danish Representative Office to the Palestinian Authority-DRO
Our Finances and Disbursements

GRANT AGREEMENTS FOR THE YEAR ENDED 31/12/2014 IN U.S. DOLLARS

<table>
<thead>
<tr>
<th>DONOR</th>
<th>Amount</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR/GG Program - 4 Donors *</td>
<td>18,060,000</td>
<td>May 1st 2010</td>
<td>June 30th 2014</td>
</tr>
<tr>
<td>World Bank PNGO IV AF</td>
<td>5,000,000</td>
<td>August 26th 2013</td>
<td>September 30th 2016</td>
</tr>
<tr>
<td>French Agency for Development - 5 Million Euros</td>
<td>6,500,000</td>
<td>July 7th 2010</td>
<td>December 31st 2015</td>
</tr>
<tr>
<td>European Commission- 400,000 Euros</td>
<td>500,000</td>
<td>February 1st 2013</td>
<td>October 31st 2015</td>
</tr>
<tr>
<td><strong>Total Grants</strong></td>
<td><strong>30,060,000</strong></td>
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</tr>
</tbody>
</table>

ACTUAL DISBURSEMENTS FOR THE YEAR ENDED 31/12/2014 IN U.S. DOLLARS

<table>
<thead>
<tr>
<th>DONOR</th>
<th>DISBURSEMENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR/GG Program - 4 Donors *</td>
<td>764,296</td>
<td>36.39%</td>
</tr>
<tr>
<td>World Bank</td>
<td>547,499</td>
<td>26.07%</td>
</tr>
<tr>
<td>French Agency for Development</td>
<td>500,045</td>
<td>23.81%</td>
</tr>
<tr>
<td>European Commission &amp; Core Funding</td>
<td>288,583</td>
<td>13.73%</td>
</tr>
<tr>
<td><strong>Total Disbursements</strong></td>
<td><strong>2,100,423</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

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)
Independent Auditor’s 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 NGO Development Center (hereinafter “NDC”), which comprise the statement of financial position as of December 31, 2014, 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 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, 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.

Auditor’s 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 about whether the financial statements are free from material misstatement.

As audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s 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. As 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 accompanying financial statements present fairly, in all material respects, the financial position of NDC as of December 31, 2014 and the results of its activities and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Other matters
The financial statements as of December 31, 2013 were audited by another auditor whose report dated May 26, 2014 expressed an unmodified opinion on those statements.

PricewaterhouseCoopers Palestine Limited
April 22, 2015
Ramallah, Palestine

NGO Development Center (NDC)
Financial Statements
Statement of Financial Position
(All amounts in USD)

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current Assets</td>
<td>(3)</td>
<td>40,737</td>
<td>60,068</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>(3)</td>
<td>40,737</td>
<td>60,068</td>
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<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Contributions receivable</td>
<td>(4)</td>
<td>4,191,599</td>
<td>5,179,399</td>
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<tr>
<td>Other current assets</td>
<td>(5)</td>
<td>16,681</td>
<td>22,872</td>
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<tr>
<td>Cash and cash equivalents</td>
<td>(6)</td>
<td>1,811,529</td>
<td>2,581,761</td>
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<tr>
<td></td>
<td></td>
<td>6,019,811</td>
<td>7,885,932</td>
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<td><strong>Total Assets</strong></td>
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<td>6,060,548</td>
<td>7,946,000</td>
</tr>
<tr>
<td><strong>Net Assets and Liabilities</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td>1,080,104</td>
<td>1,268,785</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td></td>
<td>1,080,104</td>
<td>1,268,785</td>
</tr>
<tr>
<td><strong>Non-current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for employees’ indemnity</td>
<td>(7)</td>
<td>294,875</td>
<td>251,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>294,875</td>
<td>251,830</td>
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<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
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<tr>
<td>Temporarily restricted contributions</td>
<td>(8)</td>
<td>4,630,517</td>
<td>6,375,212</td>
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<td>Accounts payable and accruals</td>
<td>(9)</td>
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<td>52,173</td>
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<td></td>
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<td>4,685,569</td>
<td>6,421,385</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>4,980,544</td>
<td>6,677,215</td>
</tr>
<tr>
<td><strong>Total Net Assets and Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6,000,548</td>
<td>7,946,000</td>
</tr>
</tbody>
</table>

- The notes on pages 7 to 16 are an integral part of the financial statements.
- The financial statements on page 4 to 16 were authorized for issue by NDC Board of Directors on April 11, 2015 and were signed on its behalf.

Safa Abu Assab
Chair of the Board of Directors

Isam Abu Al Haj
Treasurer
NGO Development Center (NDC)
Financial Statements

Statement of Financial Position
(All amounts in USD)

<table>
<thead>
<tr>
<th>Notes</th>
<th>Year ended December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>1,813,340</td>
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<tr>
<td>(8)</td>
<td>Interest income</td>
</tr>
<tr>
<td></td>
<td>Other revenues</td>
</tr>
<tr>
<td>(109,110)</td>
<td>Foreign currency exchange (loss) gain</td>
</tr>
<tr>
<td></td>
<td>Total Revenues</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(10)</td>
<td>1,955,845</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(3)</td>
<td>27,389</td>
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<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total Expenses</td>
<td></td>
<td>1,983,234</td>
</tr>
</tbody>
</table>

| (Decrease) Increase in net assets |       |                     |
|                                  | (188,641) | 103,640           |
| Net assets, beginning of the year |       | 1,268,785          | 1,165,145          |
| Net assets, end of the year     |       | 1,080,144           | 1,268,785          |

* The notes on pages 7 to 15 are an integral part of the financial statements
Contact Us:

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Tel: 02 - 234 7771/5
Fax: 02 - 234 7776

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Fax: 08 - 284 9921

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Email: info@ndc.ps
Facebook: NGO Development Center NDC