



PalTel Group Foundation
مؤسسة مجموعة الاتصالات للتنمية

PalTel Group Foundation for Community Development Annual Report

Year End 31st December 2009

www.pgfoundation.ps

The First Palestinian Corporate Foundation



**One Year of Contribution
To Human Development in Palestine**



PalTel Group Foundation
مؤسسة مجموعة الاتصالات للتنمية

**PalTel Group Foundation
for Community Development
Annual Report**

**One Year of Contribution
To Human Development in Palestine**



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Chairman's Message

Investing in our young people

Since our establishment as Palestine's first Telecom provider in 1996, we have been fully aware of our responsibility towards community development.

Being the largest employer, the largest traded stock on the Palestine Stock Market and one of the main contributors to Palestine's economic development, it is important for us to also lead in human development in Palestine. This has been our value system from day one. Our goodwill has been translated through various forms of corporate responsibility schemes and tools. We have pioneered the practice of CSR in Palestine, which has evolved into more sustainable practices with larger measurable impact for all of our stakeholders.

After eight years of corporate giving and sponsorships, we have established Palestine's first corporate foundation. We aim to have a foundation governed separately from our commercial operations in order to focus on long term human development projects.

Today, we have achieved our goal by having streamlined most of our corporate donations into our foundation. We stand to work with all partners in Palestine and abroad towards truly engaging in human development. We have committed our financial resources towards that end and encouraged our staff to become more attentive to the overall needs of society.

Today we are not only a better corporation commercially but also a better corporation socially.

Sabih Masri

سبح مسري





PalTel Group CEO Message Fulfilling Gaps and Sustaining Impact

This is the first Annual Report for the **PalTel Group Foundation for Community Development (PGF)** established by our Board of Directors in 2008. Over the last year, our work has focused on formulating the internal governance structure in addition to launching the Foundation's main operations and thrust of projects.

This report is published to present the progress of institutional development and governance structure as well as the progress of all our Foundation programs. More ground work has been achieved in order to finalize preparations needed to launch major programs such as the Student Loan Program and the Gaza Hope Fund.

PGF is still in its early stages of establishment and there are a lot of milestones to be achieved in order to create the best managerial and financial modus operandi in line with international best practices and good governance. To fulfill these requirements, the Foundation has finalized implementing a financial system and governance structure prepared by an international financial consultancy. The development of the Foundation's strategic plan for 2010-2012 is already underway in order to ensure appropriate stakeholder engagement in the process of sustainable development within our defined objectives.

PGF aims to play the role of homegrown Palestinian agent for social change and innovation and tries not to engage as an implementation agency; it utilizes its potential technical and human resources to support the developmental programs of the company. We reflect the BOD and management's values in supporting human development in Palestine. This is normally done through appropriate partnership implementation schemes with specialized local organizations and NGOs, leading to significant impact from the investments allocated to different sectors. Our vision is to see PGF help spearhead development of key projects that can assist in fulfilling the human development gaps in Palestine, further complementing our existing social development work.

I welcome you to read our review of 2009 and invite you to become more involved in our programs.

Ammar Aker







Volunteers from PG employees building two classrooms at Fasayel/Jordan Valley



Gaza adults conducting interviews during film production under the Gaza Hope Fund.



Girls from Kufur Aqab School participating in organized visits to Jerusalem

Our Mission

“To empower Palestinian youth through education, creativity, social innovation and entrepreneurship, where we strive to achieve this by working with partners equally committed to human development and social change in Palestine.”

Our Strategy

We fund our programs in partnership with local Palestinian institutions to ensure that our strategy has a truly local depth. In 2009, we managed to implement social development projects through 40 local partners in the West Bank and Gaza Strip. Our partnership objectives will be enhanced to include international organizations working for the benefit of the Palestinian people.

Our Objectives

Decisions regarding how and where to spend our income are done in order to achieve the following objectives:

1. Contribute to the Palestinian youth education and wellbeing.
2. Create a knowledge-based society by investing in IT and telecommunications to bridge the digital divide.
3. Promote role models and excellence to enhance professionalism among Palestinian youth in their personal and professional lives.



Governance

Our Board of Directors: The Foundation's Board of Directors started its activities at the beginning of 2009. The board consists of seven members who govern the Foundation. The members of the Board of Directors are members of Paltel Group's senior management and are involved in identifying new initiatives and providing oversight for **PGF's** work.

Name	Position at BOD
Mr. Sabih Masri ¹	Chairman
Mr. Ammar Aker	Vice Chairman
Mr. Kamal Abu Khadijeh	Treasurer
Mr. Kamel Hussein	BOD Secretary
Mr. Ghassan Anabtawi	Member
Mr. Mustafa Hassan	Member
Mr. Ma'en Melhem	Member
Mrs. Samah Abuoun Hamad	General Manager

Our Institutional Developmental Achievements: The Foundation's governance is currently in progress, the following activities were achieved in 2009:

1. Equipping and operating the foundation's temporary premises
2. Setting up the Foundation's institutional and structural governance
3. Installing Financial Software (Olive Tree)
4. Creating and implementing human resource bylaws

Foundation Regional Memberships: Arab Foundations Forum (AFF)²

PGF has joined the membership of the AFF in year 2008 as part of PGF's mission and objectives to enable us to expand our partners' network in the region which fulfills the human development objectives in Palestine.

¹ Dr. Abdul Malik Al Jaber has been the chairman of BOD since its establishment until 7/11/2009.

² The Arab Foundations Forum (AFF) was established out of the need for a networking structure for foundations in the Arab region to strengthen the capacity and infrastructure of strategic philanthropy. AFF originated at the Welfare Association, which assisted in its creation and has been nurturing its development. The initiative dates back to 2007. www.arabfoundationsforum.org



A girl from Fasayel/Jordan Valley playing at the playground rehabilitated by PGF volunteers



Girls from Gaza participating in the writing workshop under the psychological relief project



Global Dignity Day held in Ramallah in coordination with Operation Hope

Summary of our Achievements

Access to Education

PGF funded 50 partial master programs for students for two years under the Higher Education Scholarship program in different fields. This was in addition to funding 162 Tawjihî students with a one time scholarship opportunity for obtaining their undergraduate degrees.

Gaza Hope Fund

PGF created remarkable impact in the area of psychological relief activities supporting the children of Gaza where 3000 children benefited from the open days and school shows. The Foundation provided financial support to 345 patients admitted to 9 hospitals in Egypt and one located in Jordan. In addition to this, the fund provided 1000 clothing and education packages which were distributed to homeless families located at the UNRWA school camps in Gaza. PGF also trained 30 children in film making techniques under the Gaza Hope Fund. As a result, 9 children produced a film of 28 minutes which is scheduled to be screened in local and international film festivals. PGF organized a charity dinner in collaboration with the NDC/Welfare Association to collect funds for Gaza children's psychological relief projects.

Digital Inclusion for Women

PGF supported 50 girls from the orphanage house in Nablus through the establishment of a computer lab. Another lab was established at an orphanage in Bethlehem, benefiting 400 orphanage and 200 widows. In Bedia/Salfeet, 200 women will benefit from the lab established at the Women for Life Society. In Hebron University, another lab of 50 computers will cater 700 students, 70% of which are females.

Youth Development

PGF, in partnership with Activision-USA, is distributing 100 electronic games to kids and youth at various child and youth centers throughout the West Bank. PGF has launched a long term supporting scheme with the Hilal Al-Quds club where it developed their strategic plan in addition to strengthening their institutional setup to help develop activities for the youth of Jerusalem.

Women Development

PGF used the cross-stitch products from Qalandia Camp Handicraft Cooperative Society at its different corporate activities and events, thus outreaching with women from 15 Palestinian villages, providing a scene outlet for their products.

The Right for Decent Life

PGF supported 10 families living below the poverty line by upgrading their skills and introducing them into income generation projects. 6 of these families are expected to increase their monthly income from 1000 to 2000 NIS.



Students receiving the scholarship from Jenin Governor



Ranin Khawaja studying medicine in USA is listed at the Dean's Honor List at Manchester College.



Students benefiting from the Foundation activities

Access to Education

Student Loan Program

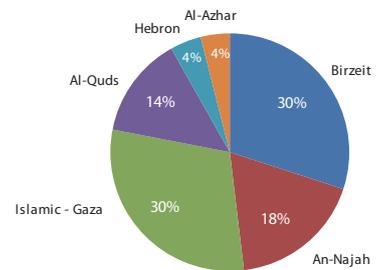
The Student Loan Program, initiated by PGF's Palestine Education Fund, created an opportunity to enhance students' accessibility to higher education.

Higher Education Scholarship Program

This program supports graduate studies and research in Palestine by providing scholarships to students enrolled in various universities. 50 students were selected in 2009 to receive a 50% scholarship. The following fields were targeted:

1. Engineering and IT
2. Economics and Business Administration
3. Education

Scholars Percentages per University



Scholarships for undergraduate students

136 Tawjihi students accepted at local universities were offered scholarships covering one semester. The selection of students was done by Members of Parliament, from Jenin, who took the students' financial hardship into consideration. 26 scholarships were awarded to students through the Rashid K. Erikat Student Aid Foundation from Jericho. In addition, two talented students were funded to study overseas during 2009.

School Rehabilitation

Two schools were rehabilitated during 2009. One of them was a school of 110 students (Bedouin background) in the Jordan Valley/Fasayel, which lacked basic minimum requirements. The project included the building of two new classrooms as well as providing IT equipment carried out in coordination with MAAN Development Center. Another school located at Jenin governorate/ Jaba' village benefited from the construction of three classrooms that solved the problem of additional study space for 700 girls.

Teachers' Resources Center – Ni'leen

Ni'leen, a Palestinian village with 5,000 inhabitants suffering from the separation wall received funding to establish a Teachers' Resources Center to serve 610 teachers of 27 schools (40 % females). This was done in partnership with A. M. Qattan Foundation.

Women Development

Women Digital Inclusion

PGF was able to fund four projects under the ICT sector which were carried out in coordination with the following institutions:

Organization	Number of Beneficiaries	Project	# of PCs
Arab Women Union Association/Girl Orphan House/ Nablus	50 girls	Renovating the computer lab at the girls orphan house	12 ³
University of Hebron	5,000 students (70% females)	Establishing a new computer lab targeting female students who represent 70% of the students	50
Orphanage in Bethlehem	400 orphan children 200 widows	Establishing a computer lab for orphaned children and widows	12 ³
Women for Life	200 rural women	Establishing computer lab at the newly renovated heritage women centre	14 ³

PGF focuses on enhancing women ICT knowledge, aiming to reach women in marginalized areas and empowering them to participate in the economic and social progress. 69.6% of females do not know how to use a computer, increasing the need to make this area of human development the focus of our investments in 2010⁴.

Women Empowerment via supporting handicraft workshops

On April 13th 2009, an agreement was signed with the Qalandia Camp Handicraft Cooperative Society to purchase the handmade cross-stitch products of the society in order to support the empowerment of women by creating business opportunities. PGF intends to use the cross-stitch products in its different activities and events. Qalandia society serves women from 15 Palestinian villages of Jerusalem, Ramallah and Al-Bireh governorates as well as Qalandia camp. By purchasing their products, we help sustain an income stream for the working class women.

³ Support included printers, ADSL, LCD projectors in addition to PCs

⁴ Women Empowering in ICT Sector Survey -2005, PCBS



PC Lab at the girls orphanage house/
Nablus, Osama Bishtawi Lab



PC lab at Hebron University



Women performing cross-stitch embroidery
Photo from Qalandia Women Association



Youth Development

Sports

An agreement was signed in April 2009 with the Hilal Al-Quds Sports Club to support the current needs of the club and help them build their institutional and administrative capacities. Hilal Al-Quds Sports Club was established in 1972 and became one of the top sports clubs in Jerusalem.



Jerusalem Hilal Club, the first football team

Media: "Shooting Back from Palestine"

This project entitled "Shooting Back from Palestine" specifically aims to enhance photography in Palestine. The concept of this project is to train and support young people to develop their skills within the still photo and film making fields. The project will target young people from Jerusalem, West Bank and eventually the Gaza Strip. The project aims to achieve the following goals:

1. Enhance the photography and film making skills in Palestine
2. Develop the media skills of youth
3. Establish a competent workforce in the media sector
4. Create an emotional outlet for youth



Gaza, the film crew during the training courses

Youth Entertainment via interactive games

PGF was contacted by Activision Inc., a worldwide pure-play online and console play publisher which operates in nearly 20 countries to donate Guitar Hero and other Activision games and consoles through PGF to youth centers in the West Bank. This donation will help youth cope with the difficult circumstances they have undergone, especially those living in conflict zones. A competition will be held in 2010 between children who have received the games.



2 girls participating in the game distribution event for orphanages and child and youth centers



The Chairman visits injured from Gaza who were transferred to Egypt



A girl participating in the open day held in Jabalia



Kids at the UNRWA school in Gaza receiving support packages.

Gaza Hope Fund

In response to the Gaza war, the Foundation launched the Gaza Hope Fund to support the people of the Gaza Strip. It financed several emergency and psychological relief projects.

Support of injured Palestinians who survived the Israeli attack on Gaza, Egypt / Jordan

An immediate initiative was launched on Jan 21st 2009 led by Mr. Sabeeh Al-Masri, Chairman of the Board, to provide relief for Palestinians injured during the attack on Gaza and transferred to hospitals in Egypt and Jordan. The PGF delegation visited 345 patients residing in 9 hospitals in Egypt and one hospital located in Jordan. The mission offered the injured a mobile phone with a SIM card and credit to make calls as well as a specific sum of money. In addition, the Foundation provided financial support to Palestine Hospital/Cairo to purchase needed equipment.

Warm winter campaign for Gaza

This campaign was initiated by Gaza Immediate Voluntary Relief Effort (Give Gaza Society) to provide winter clothes packages for 1,000 orphans and impoverished elementary school students covering all Gaza regions. 200 clothes packages were distributed to the orphans in the Give Gaza Society. The remaining 800 packages were planned to the deprived elementary school students proposed by the Ministry of Education as social cases. However, due to the Gaza war in 2008, the project was re-directed as an emergency relief to benefit the homeless children at the UNRWA school camps in Gaza directorates.



Girls writing about their experience of the Gaza War



A boy and a girl from Gaza participating at the open days



Rae'd Asfour (blue shirt) , 11 year-old child, was injured during the recent Gaza war now his intestines are not working properly. He lost three fingers but still dreams to be a telecommunications engineer; Rae'd has been the inspiration for the "Gaza Hope Fund" when he told us his story during our visit of Gaza war victims in Cairo hospitals

Psychological relief campaign for children

In order to eliminate the effects of the last war on Gaza's children, an immediate psychological relief campaign was launched, targeting children of 6 to 12 years. 13 entertainment shows in different schools all over the governorates of the Gaza Strip were implemented in 2009, benefiting around 1,040 school children. 36 more events that benefited roughly 2,000 children took place in early 2009.

In partnership with the NGO Development Center, a charity dinner which included private donations was held to support Gaza NGOs to provide psychological relief activities.

Gaza Documentation Project

Under the "Gaza Hope Fund", PGF is financing the Gaza documentation project including a psychological relief project, which will document 170 stories and dreams to be published in a book in two languages. It is a comprehensive project that includes producing a documentary film to be broadcasted by various audiovisual media and satellite channels to shed light on the children's suffering and future dreams. Jabalia, Bithlahia and Slateen children were targeted in coordination with the following organizations: "Sharek Youth Forum", "The Palestinian Center for Democracy and Conflict Resolution" and "Tamer Institute".



Before: A house for a handicapped person which was badly burned in Jerusalem



During: Volunteers from Jawwal cleaning the cinder on the walls of the home



After: The house rehabilitated and re-furnished with used furniture

The Right for Decent Life

Decent Life Program

To institutionalize and sustain the individual social relief projects funded by the PalTel Group, a long-term development approach has been adopted to rehabilitate people with hardship problems. The Right for Decent Life Program was launched via emphasizing the prospects and ethics of volunteerism within the PalTel Group employees. The Decent Life program will play a vital role in empowering poor families by supporting them through the following specific areas:

- Decent education: Fund university fees/personal aid
- Health, equipment (hearing, teaching, glasses, surgeries, medicines...etc)
- Job creation, working equipment, raw materials... etc.
- Decent housing and living

The first phase of the project targeted 10 families in coordination with the YMCA-East Jerusalem. The following is an example of some of the projects carried out within the program:

Family Number	Location	Poverty level & situation	Funded project
1	Abu Dies	Handicapped Father	Renovation of their burned home
2	Qalandia Camp	Heart Disease father, blind son	Building equipment to be rented
3	Al Ama'ri Camp	No home because of wall, sick mother, handicapped son, 6 children	Building equipment and chairs to be rented
4	Allar	Unemployed sick father, 4 handicapped children	Provided them with sheep for raising as income generating project
5	Al Jeib	Deaf girl with 8 family members, unemployed father	Health support, Hearing aid
6	Beit Rima	The income doesn't cover the treatment for a handicapped child	Small grocery shop
7	Rantis	Handicapped father, son in detention	Building a home for them
8	Deir Dibwan	Father with cancer, 10 children, more income to cover treatment	Rehabilitate the existing grocery store



Mr. Sabih Al-Masri presenting former President Mr. Jimmy Carter with the International Figure Award, 2009.



The Award Chairman, Mr. Sabih Al-Masri surrounded by international and local award recipients, 2008.



Mr. Sabih Al-Masri presenting Mr. James Wolfensohn with the International Figure Award, 2007.

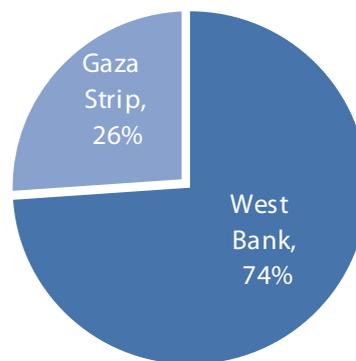
Palestine International Award for Excellence and Creativity

The Palestine International Award for Excellence and Creativity (PIA) is considered one of PGF's most forward looking projects under the Human Excellence sector. It aims to promote excellence and creativity and offer good role models for the future generations of Palestine.

The Foundation believes that the parallel awarding of international visionaries allows Palestinians to feel recognized by the outside world. Some of the international recipients of the Award are: Mr. Jimmy Carter, former President of the United States (2009); Ms. Mary Robinson, former president of Ireland and former United Nations High Commissioner for Human Rights (2008); Mr. Peter Hansen, former UNRWA Commissioner (2007) and; Mr. James Wolfensohn, former president of the World Bank and former Quartet Special Envoy for Gaza Disengagement (2007).

Applications increased to 215 this year compared to 120 last year. In 2010, the PIA team will continue to work with the selected awardees to ensure that the financial award is spent towards furthering his/her own entrepreneurial projects with the appropriate backing for sustainable success.

Ratio of received applications



Our Internal and External Volunteers programs

The Foundation is an independent body from the PalTel Group, benefiting only from its technical expertise and overall Social Development Strategy Coordination. There are 3 full time staff members currently working in the Foundation with the help of over 100 volunteers. 50% of the volunteers are employees of Paltel Group who give their free time outside of office hours.

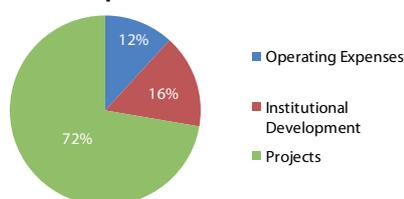
Revenues and Expenditure

The Foundation's total revenues represent 2% of PalTel Group gross profit. The Foundation's share for 2009 amounted to 1,437,760 JOD, in addition to a 6 million JOD endowment in 2008, while the external fund received by the Foundation was 110,113 JOD.

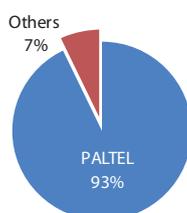
Program Expenditures (JD)

Administrative Expenses	Institutional Development	Education Sector	ICT Sector	Sport, Culture, Media	Gaza Hope Fund	Humanitarian Aid	PIA	Others	Total Expenditure
136,329	175,127	144,113	31,803	146,494	167,395	116,048	67,658	138,175	1,123,142

PGF expenses



Received Donations



Supported projects per sector

