

Palestine

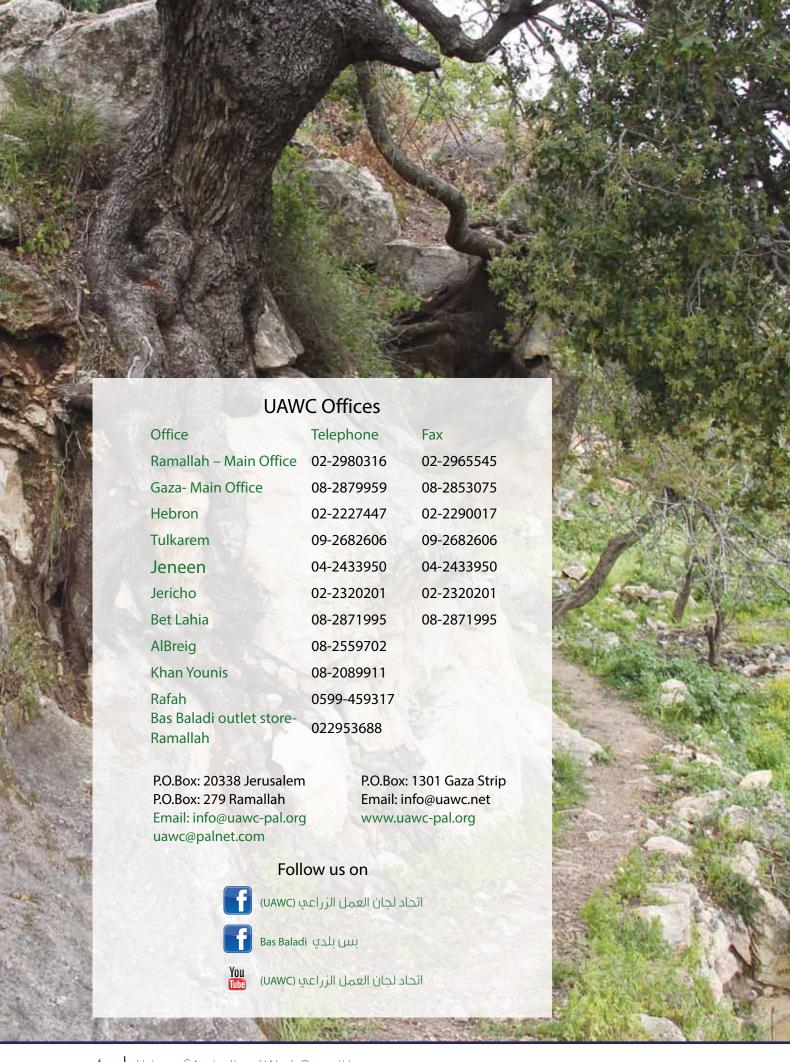
Annual Report

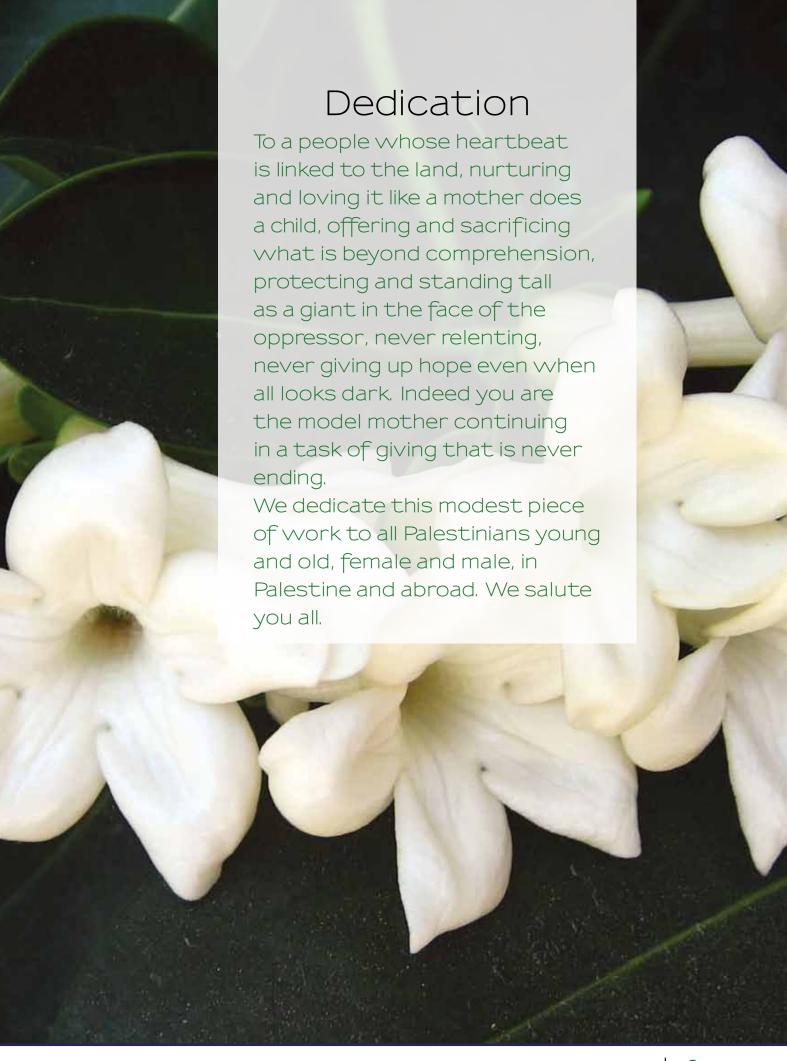
2014



# Table of Contents

Dedication5	5
Board of Directors' letter8	3
Executive Summary1	0
Fields of Developmental Agricultural Work 1	l 1
The First Goal: Improve the standards of living for small farmers	12
Field of emergency work2	25
The Second Goal: Strengthen UAWC's capacity and capability to respond 2 to emergency situations and climate change and natural disasters	26
Field of advocacy and lobbying2	27
Third Goal: protecting male/female farmers' rights and activating	28
Field of administrative and financial efficiency 3	39
The fourth goal: Strengthen UAWC's sustainability and its financial	Ю
Monitoring and evaluation4	12
Challenges and difficulties4	13
lessons learnt and recommendations4	13
Financial Report 20144	15







# Our Vision Our vision is a Palestinian farmer persevering on his/her land and effectively struggling for his/her national, democratic and living rights in a free Palestinian society that has secured its food and is enjoying social justice. Our Mission Actively contributing to empower farmers and their families and reinforcing their steadfastness on their land in an agricultural, developmental, national and voluntary framework. Our Goals First strategic goal: Improve the standards of living for small farmers and strengthen their steadfastness on their lands. Second strategic goal: Strengthen UAWC's capacity and capability to respond to emergency situations and climate change and natural disasters Third strategic goal: protecting male/female farmers' rights and activating their national role Fourth strategic goal: Strengthen UAWC's sustainability and its financial and administrative effectiveness, and increase its contribution to addressing national issues



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## Board of Directors' Letter

For UAWC and its general assembly, the current annual financial and administrative reports represent a juncture and a reflection point about successes and failures in UAWC's journey in the year 2014. Throughout this journey, we reached out for our farmers to help them and reinforce steadfastness on their land. Specially, we firmly believe that agriculture embodies a life style for the Palestinian people. In that sense, agriculture surpasses its size, or share in Gross Domestic Product (GDP), and its employment rate. Agriculture for us is land, water, and at the heart of the struggle with the Israeli occupation.

The year 2014 witnessed the intensification of Israeli settler assault on our land. It was manifested in military orders expropriating thousands of thousand square meters, in denying farmers their right to reach their lands, and in closure of vast agricultural lands especially in the area classified as C. The assault culminated in the barbarian occupation military aggression on Gaza Strip. The agricultural sector was especially hit in the aggression which targeted the agricultural structure in all aspects. The aggression complemented the Israeli siege of Gaza that has been imposed for nine years accompanied by repeated assaults. The overall result was the rising poverty and unemployment rates.

The Israeli practices imposed additional unprecedented challenges to UAWC. However, we succeeded in overcoming all difficulties and rapidly responded to the situational requirements through a series of effective agricultural and relief interventions that fulfilled the needs of our farmers.

One of the most important outcomes of the strategy adopted by the organization was its success in building alliances and partnerships with civil organizations working in the agricultural sector. UAWC led many joint projects which positively reflected on the size and quality of agricultural interventions on the national level.

In parallel with the general agricultural concern, UAWC took many vital steps with regard to development and internal structure synchronously with its hard work to reinforce its relation with the local community namely agricultural committees and grassroots organizations which represent our social backbone and the guarantee for our continuation.

One of the most important strategies UAWC adopted and worked on was to reinforce women participation on all levels whether administrative or organizational. This was manifested in large women participation in decision making in the organization through the general assembly, the board of directors and agricultural committees in addition to the executive staff and in different programs and activities. Countryside women were noticeably present in developing and carrying out agricultural interventions in order to match the needs of women in target areas.

UAWC earned two international awards and became a member of the Peasants' international Movement (La Via Campesina). These are the fruits of UAWC's distinguished effort locally and internationally. And this will additionally motivate us to continue the course of unwavering support for farmers and its endeavor to make Palestine present and effective in policies and in the agricultural reality both in Palestine and around the whole world.

Our slogan will always be "We protect our land and we support our farmers".

Ali Hassouna Chairperson

## Executive Summary

The year 2014 witnessed many important events in the Palestinian arena. Notably was the Israeli aggression on Gaza strip with all its negative implications on the living and humanitarian circumstances of the Palestinian people of all social classes. The aggression was accompanied by negative economic indices in the West Bank. Meanwhile, The Israelis continued their policy of expropriating Palestinian land and increasing their settling activities.

UAWC, working on its strategic plan (2011-2013) which was extended for 2014, purposely executed many interventions and projects in various areas. For UAWC, 2014 was very efficient working year especially that UAWC targeted the poorest and most marginalized areas.

In general, UAWC carried out 15 projects in Gaza Strip five of which were relief projects directed toward families affected by the Israeli aggression. The number of beneficiaries in Gaza Strip was 19,964 families. On the other hand, UAWC carried out 19 projects in the West Bank with the number of beneficiaries of 10220 poor and deprived families. The projects covered 152 villages and residential areas especially in area C that is targeted by the occupation in obstacles and restrains for any organization to work in. Despite all the obstacles and challenges, UAWC had a leading role in development in this area of vast lands threatened by expropriation, settlements and military camps and enclaves within the apartheid wall.

UAWC paid special attention to building capabilities of specialized cooperatives in the West Bank and Gaza Strip. It worked closely with these organizations to develop their strategic and marketing plans. Moreover, UAWC allocated many resources in the area of water and its harvest. For instance, it helped built many wells and pools to gather

rain water for human and agricultural use.

Moreover, UAWC focused on reclamation of thousands of acres of land for agriculture. Besides, it constructed many agricultural roads connecting farmers' residences to their farm land to make it easier to reach and to market their products more effectively.

Concerning income-generating small business, UAWC carried out hundreds of projects in Gaza Strip and in the West Bank to serve particularly poor families. Besides, UAWC established a distinguished outlet store to market the products of specialized member cooperatives.

With regard to livestock, UAWC has worked relentlessly on this sector through a holistic vision that manifested itself in establishing a large number of barns and demonstration farms. It also carried out several training programs in administering modern farms and increasing productivity. Besides, it distributed veterinary bags for animal breeders' gatherings.

This year is marked by progress in UAWC's partnerships and participations locally, in the Arab world and internationally thus improving networking, communication and cooperation with various agricultural organizations in addition to exchanging technical and agricultural expertise. UAWC was able to use its networks to carry out lobbying and advocacy campaigns to support Palestinian farmers' rights and to provide legal support for farmers whose lands were threatened by expropriation or whose homes and barns were threatened by demolition by the Israeli occupation.

report reflects UAWC's Finally, this achievements in four main areas: developmental work, relief work, lobbying advocacy, internal structure and administrative and financial efficiency, in addition to a financial data report.



#### First Goal: Improve the standards of living for small farmers and strengthen their steadfastness on their lands.

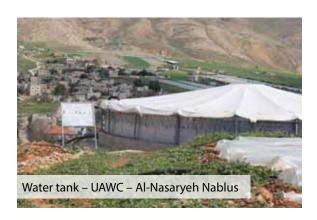
There have been several achievements to serve this strategic goal especially that it took 80% of 2014 budget because it is a priority to help the poorest and most marginalized families to improve and diversify their income and to improve their technical and administrative skills. The second goal which was "to protect farmers' rights and activate

their national role" took 4% of the budget. The third goal which was "to improve UAWC's ability to respond to emergencies, instability and different variables" took 12% of the budget while the fourth goal which was "to maintain UAWC's sustainability and improve its financial and administrative efficiency and it contributions to national causes" took 6% of the budget. The outcomes for the first strategic goal were as the following:

#### First: improving productivity (quality and quantity) for a particular farmer

#### **Improving water resources**

UAWC paid close attention to improving water harvest projects because of the pivotal role water plays in the agricultural sector and because water is a limiting factor in agriculture. Notably, Palestinians only receive 15% of the available water quantity since the Israeli occupation controls most of the water resources in the area. This pressure reduced irrigation based agricultural land to less than 7% of total agricultural and productive land. Meanwhile, agricultural land irrigated by rain constitutes the remaining 93% of agriculturally viable land in the West



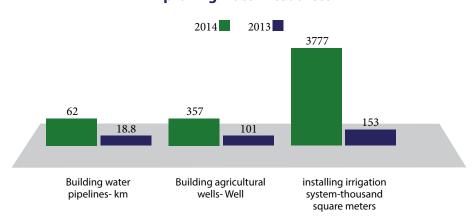
Bank. The year 2014 marked a huge leap in water harvest and the development of new techniques to collect rain water through the digging of 357 agricultural wells and the building of 4 cement and soil pools with a capacity of 3000 cubic meters to harvest rain water. Additionally, the quantity of rain water harvested by last year built wells was estimated at 40000 cubic meters.

After relentless effort, UAWC succeeded in connecting many farmer gatherings and agricultural lands with the water pipeline through establishing 62 kilometers of connecting pipelines; thus increasing agricultural land and encouraging farmers to invest in agriculture especially in highly profitable and marketable crops. In addition, UAWC built 4 water tanks with a capacity of 2000 cubic meters which will be used to irrigate protected agriculture. The tanks will be filled from artesian wells water saving farmers a lot of money as they will not have to buy water; thus reducing the costs.

Table 1. Outcome indicators for the water harvest and improving water resources

Outcome	Activity	Unit	# of units in 2014
	Construction of agricultural wells	Well	357
	Construction and renovating cement and pool soil pools		4
Improving water resources	Establishing water pipelines	kilometer	62
	Using computerized irrigation systems	Irrigation system	1
	Water harvesting tanks	Tank	4
	Installation of irrigation systems	Thousand square meters	3777

Figure 1. Achievements in water resources improvements and water harvest (km, well, thousand square meters)



#### **Improving Water Resources**

#### Agricultural land Development through reclamation, rehabilitation and constructing agricultural roads

"Agricultural land Develoment renovation" program is considered one of most important agricultural programs nationally because it protects the land from expropriation. This year, UAWC succeeded in reclamation of 325 thousand square meters and rehabilitation of 174.5 thousand square meters in the West Bank beside reclamation of 2512 thousand square meters and rehabilitation of 2383 thousand squared meters in Gaza Strip of abandoned and unexploited land turning them into productive agricultural land. Moreover, UAWC helped planting 2000 thousand square meters with productive trees saplings, crops and local vegetables.

It also helped establish a grazing park with an area of 850 thousand square meters and establish 455 home gardens.

UAWC focused primarily on constructing agricultural roads because these roads are vital in connecting farmer residences with their land. This provided a network of roads that connected farmers with their land and provided an alternative to the roads that were closed by the occupation. UAWC was able to connect; and thus protect thousands of square meters of agricultural land through constructing 110 km of roads.

Figure 2. Achievements of "land Develoment" program

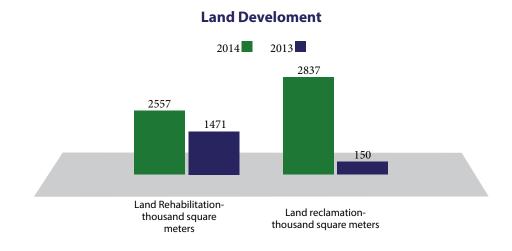


Figure 3. UAWC's achievements in agricultural interventions

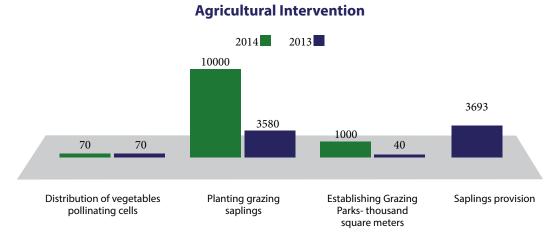




Figure 4. Achievements of "improving land" program in constructing agricultural roads. **Constructing Agricultural Roads/km** 



Table 2. Land Development activities achieved in 2014 (land reclamation, road construction, planting saplings)

construction, planting suprings,					
Outcome	Activity	Unit	# Achieved in 2014		
	Land reclamation	Thousand square meters	2837		
	Land rehabilitation	Thousand square meters	2557		
	Agricultural Road construction	km	110		
	Building and renovating retaining walls	Square meter	6658		
Land improvement	Distribution of seeds for anti drought crops	Farmer	410		
through land	Saplings provision	Sapling	3693		
reclamation, rehabilitation and constructing agricultural roads	Establishing grazing parks	park	1		
	Planting grazing Saplings	sapling	10000		
	Distribution of vegetables pollinating cells	cell	70		
	Planting land with vegetables	Thousand square meters	9		
	Planting land with fodder crops	Thousand square meters	22050		
	Distributing local seeds	farmer	100		
	Establishing home gardens	garden	455		



#### Building technical and administrative capabilities to effectively allocate product resources.

This is a pivotal outcome with what it can achieve to the target group of building technical and administrative capabilities. Based on the accumulated expertise over the years and the philosophy that "any developmental intervention not accompanied by preparation for the administrative and technical skills of benefiting families will not be sustainable", UAWC focused on providing the families with all necessary inputs for best outcomes in terms of improving income and the standard of living. The beneficiaries are overall marginalized families suffering from either lack of expertise to run their business or shortage, sometimes lack, of financial resources.

Thus, the technical team worked on improving the capabilities of these families through specialized technical and skill training programs. Moreover, the team offered vocational guidance to assist the families in determining the suitable small business for them based on the available resources, their expertise and technical and administrative points of weakness optimizing the outcome of the venture.

The year 2014 was a hallmark in the initiation of training program for college graduates and senior college students for the first time. The goal was to equip them with practical skills and connect them with the agricultural community and realities of agricultural work. This was achieved through Community Based Learning Program (CBL) which is a worldwide program connecting graduates to the practical world through carrying out tasks in agricultural work namely breeding animals.

Sixty graduates from Hebron and Al Najah Universities benefited from the program. The intensive training period was for six months covering different aspects of practical work. This created the first chance for students and graduates to practice what they have learned and to have a feel of things on the ground. They also had a chance to visit agricultural gatherings and to do follow up



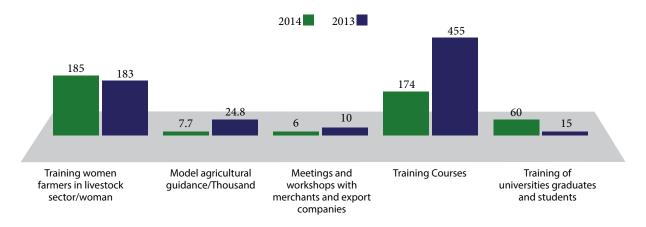


on projects in progress and to play the same role of a technical employee in these projects. The program was developed and carried out with complete partnership with the two universities. Now, the work is on going to integrate the program in the college of agriculture curriculum and to make it part of the student plan in these universities.

Table 3. Achievements in Capacity Building Program

Outcome	Activity	Unit	# achieved in 2014
	Workshops	Workshop	3
	Vocational guidance	Family	107
Technical and administrative	Training newly graduates from schools of agriculture	Graduate	60
capabilities building	Training Courses	Training course	174
to effectively manage resources	Meetings and workshops with merchants and export companies	Meeting	6
	Model agricultural guidance	Visit	7694
	Training women in livestock breeding namely sheep and poultry	Woman	185

Figure 5. Achievement of Capacity building program for 2014



#### Income-generating small businesses.

This kind of business is considered one of the most effective strategies to solve poverty problem not only in Palestine but in many countries as well. In some instances, small businesses contribute up to 90% of national economy like in Denmark. That is the rationale behind focusing on these businesses.

This year, UAWC established and strengthened 187 small businesses; 121 in Gaza Strip and 66 in West Bank. This number is ever increasing in accordance with UAWC's goals that realize the



necessity to deal with poverty and to combat unemployment which is rising to alarming heights because of economic circumstances. Small businesses help overcome Israeli measures and constitute an effective developmental tool as it is not connected to larger economies. It is a model for an economy that strengthens the steadfastness of poor families especially in marginalized areas.

#### **Pioneering projects**

UAWC has achieved quality achievements in developing sustainable developmental models through accumulating experience and assessing farmers' needs namely the poorest and most marginalized categories.



UAWC succeeded in developing the following models:

#### Outlet Store for only local products "Bas Baladi":

UAWC worked for a long time on this leading initiative to materialize. This center actively contributes to marketing of agricultural cooperatives products and countryside women. This encourages local agricultural products. UAWC also supported the participation of local products in international exhibitions in Berlin/Germany and Jadda/Saud Arabia. In addition, it supported participation in local exhibitions like the Qalgeelya Guava exhibition, Jericho dates exhibition and Toobas and Northern Jordan Valley Agricultural exhibition. Altogether in these exhibitions, 53 tons of fruits and vegetables were marketed.

#### Establishing a public garden/park.

This project was carried out to ease the psychological pressure among residents east of Jerusalem especially animal breeders in Alsawahera Alsharqiya. The park is a center connecting several areas threatened by Israel, making it a good communication center.

This initiative is exceptionally important since it occurs in area C in a location threatened by Israeli expropriation. It was the fruit of partnership with local municipality which donated a piece of land 4 thousand square meters for the project. UAWC contributed all the preparations, the games and spots of recreation in the park. Local community response was very enthusiastic especially among children since such recreation centers are not to be found in the area.

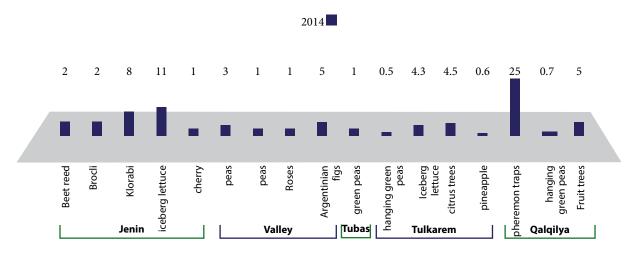




#### **Demonstration of new profitable crops:**

These Demonstrations are an essential element of UAWC's work. It is based on the technical team work on most profitable crops (Global Gap project) which is the leading project that aims at increasing marketing and competitive abilities of the farmers, to open new markets, and to increase competitiveness of the agricultural cooperatives. Consequently, these Demonstrations are considered one of the most dependable mechanisms in selecting crops with high profitability. It generates good revenue and makes good profits for the farmers. In 2014, many plant species were put under observation and to be studied further and generalized for farmers use.

Figure 6. Demonstration of new crops (Size and type of observation alongside geographical distribution) according to plant type and governate in thousand square meters





#### **Demonstration farms and hydroponic units:**

This is a new developmental model in our region based on developing sheep farms in a modern way. The method resolves a serious problem in managing sheep farms. The traditional method costs farmers between 20-50% of losses which is a high percentage. As a result, we established a demonstration sheep farm in Za'tara east of Bethlehem with an area of 1000 square meters with a silage unit to make animal fodder from farm wastes. In addition, a barley culturing unit was added. These are models that can be used as an alternative to purchasing very expensive fodder that usually doubles the production costs for farmers. Worth mentioning, the technical team of UAWC developed a scientific manual that includes techniques to culture barley and its economic feasibility.

#### **Developing livestock sector**

It is fair to say that UAWC is the most effective organization dealing with livestock through the quantity and quality of its interventions in the sector. One of the major interventions of 2014 was establishing a demonstration farm in Za'tara east of Bethlehem. It marked a huge step toward directing farmers to scientific ways of building and running a modern farm and to give up traditional methods that result in huge losses. Within the same initiative, 363 fixed and mobile barns were built alongside the aforementioned model farm, in addition to distributing 360 veterinary bags for 360 farmers from different areas where animal breeders are located especially in poor and marginalized areas. The aim was to improve the standard of living for these farmers. By the same token in Gaza Strip, UAWC offered veterinary support for 2300 animal breeders through 4 mobile veterinary clinics supervised by a specialized Veterinarian.

UAWC continued its endeavor to develop this vital sector through its membership in active committees in the sector including the National Committee for improving Animal Breeds and the National Committee to Develop Livestock Sector.





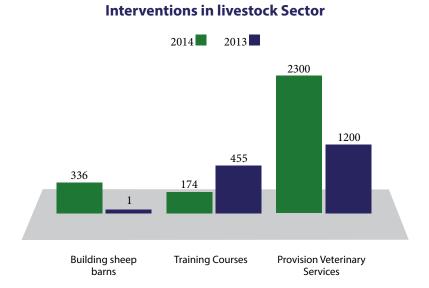




Table 4. Achievements of livestock sector in 2014.

Outcome	Activity	# achieved in 2014
	Building sheep barns	363 barns
	Distributing veterinary bags	360 bags
	Establishing model sheep farm	1 farm
	Establishing a unit to produce green fodder	1 unit
Improving livestock sector	Establishing public gardens/park	1 park
	Provision of sheep	70 sheep
	Veterinary support for sheep breeders	2300 farmer
	Distribution of fodder	1782 tons

Figure 7. Achievements of livestock program in 2014.



#### Improving fishing sector.

The fishing industry is the most important agricultural activity in Gaza Strip which is targeted by the occupation on daily basis. So, UAWC initiated a move to support small fishermen and helped





2984 fishermen through renovation of their boats and their fishing nets beside providing new fishing nets. UAWC also created jobs for 527 fishermen in addition to training in many aspects including regulations of fishing, first aid, and human rights.

UAWC also supported fishermen activity in front of UN in Gaza demanding lifting the siege off Gaza. Additionally, it distributed 1382 food parcels on fishermen during the Israeli aggression on Gaza Strip. It succeeded in building 25 rooms for fishermen and in establishing a central fish market which helped regulate the process of fish marketing.

Table 5. Achievements in fishing sector in 2014.

Outcome	Activity	tivity Unit	
Improving fishing sector	Fishing boat engines	Engine	2
	Maintenance of fishing boats	Boats	
	Distribution of fishing nets	Net	2178
	Renovation of fishing nets	Net	965
	Fishing equipment	Fisherman	660
	Training	Fisherman	22
	Fishermen rooms	Room	25
	Central fish market	Market	1

**Interventions in Fishing Sector** 2014 2013 2178 194 144 140 22 **Training** provision of **Fishing Boat** fishing net/ net maintanance/boat

Figure 8. Achievements of improving fishing sector program in 2014.

#### Establishing and strengthening agricultural cooperatives.

Strategic wise, UAWC emphasizes the importance of organizing farmers and to work collectively as a whole. Consequently, UAWC established and strengthened 48 cooperatives with the aim of increasing farmers' competiveness to enter new markets. For instance, the project "most profitable crops" helped 75 farmers belonging to 12 cooperatives to earn "Global Gap" certificates which qualified them to enter global markets. This will increase the market value of Palestinian agricultural products and will enhance its quality to international standards. As a result, farmers could easily market their products both locally and abroad.

UAWC did not hesitate to introduce new types of plants to increase productive potential, to diversify income and to fulfill some international market needs.

Concerning strengthening already existing cooperatives, UAWC performed capability building for 48 specialized cooperatives in West Bank and 16 in Gaza Strip. UAWC worked relentlessly to establish "Agricultural Cooperatives Company for Crops Production and Marketing " that includes 13 specialized cooperatives with the aim of marketing their products especially of highly profitable crops.



UAWC has contributed to the development of strategic plans for several cooperatives and marketing plans for 7 cooperatives. It also helped develop a purchase manual and a follow up and evaluation, and human resources manuals.

UAWC worked on developing and modernizing quality control for 739 farmers to prepare them to earn "Global Gap" certificates which enables them to market their products globally. In addition, it performed a course in licensing 14 cooperatives and 40 mutual visits to farmers from different areas for expertise exchange. In general, the work with other cooperatives can be summed up as the following

- Developing strategic plans for 12 cooperatives.
- Executing the strategy for olive sector in the project target areas.
- Developing internal guidelines for 6 cooperatives and NGOs.
- Development of a manual for best practices to produce olive oil.
- Economic feasibility studies for 40 cooperatives.
- Development of purchasing, financial, human resources, follow up and evaluation manuals for 4 cooperatives.





#### The Second Goal: Strengthen the UAWC's capacity and capability to respond to emergency situations and climate change and natural disasters

UAWC was able to develop its ability to respond to emergencies and different variables. It worked to lighten the burden of poverty and unemployment especially in Gaza strip where it executed 5 relief projects that benefited 8208 families affected by the latest Israeli aggression.

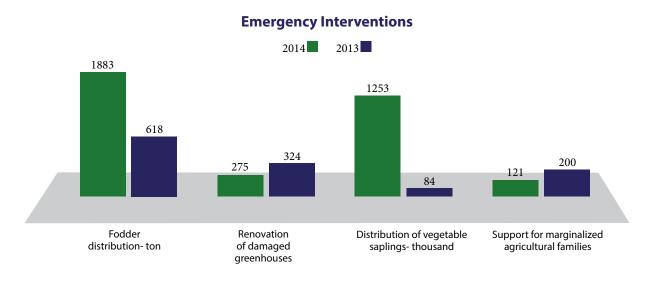
One of the outcomes of these projects was to create jobs for many unemployed agricultural workers which eased their suffering. 13,431 individuals benefited from these projects from marginalized farmers and fishermen, sheep breeders, and poor and deprived families.

On the other hand, storm Alexa hit Palestine in mid December 2013 causing a lot of damage especially to greenhouses. UAWC, through its membership of a special committee for disasters caused by weather, made contributions to renovate 75 greenhouses in West Bank. In addition, it renovated 200 greenhouses in Gaza Strip that was damaged by storm Huda which hit the area early January 2014.

**Table 6. Outcomes of Responding to Emergencies in 2014.** 

Outcome	Activity	Unit	# Achieved in 2014
	Create job opportunity/employees	Monthly job	30
	Create jobs/workers	Daily job	20,525
Responding to emergencies especially in reducing poverty and unemployment	Support for marginalized agricultural families	Family	121
	Distribution of vegetable saplings	Sapling	1,252,500
	Renovation of damaged greenhouses	Greenhouse	275
	Distribution of food parcels	parcel	8,208
	Distribution of fodder	Ton	1,883
	Distribution of water tanks	1000 liters tank	2,923

Figure 9. Achievements of emergency response program in 2014.





Human Rights > Statement on Solidarity Mission with Palestinian Farmers



**Hum**an Rights

### Statement on Solidarity Mission with Palestinian Farmers

Published on Friday, 16 January 2015 14:07



Elaborated by SOC, EHNE-Bizkaia, ELB, VSF-Justicia Global Alimentaria, Mundubat, Bizilur, UztaroKoopt, and Mikelazulo.

During the first nine

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to an appeal from La Via Campesina. The group's riolations in the region, especially and right of the Israe

Lobbying

#### Third Goal: protecting male/female farmers' rights and activating their national role

#### **Agricultural committees**

In 2014, the cooperation between UAWC and its agricultural committees was strengthened. As a result, there was more interaction between these committees and the local community which had a positive impact toward people's mobilization to defend farmers and fishermen rights.

The committees are considered the voluntary part of UAWC. They have prominent social contributions that embody the message of UAWC and its unwavering commitment to defend farmers and protect their steadfastness. There are 25 committees in the West Bank and 23 in Gaza Strip. Working on continuous communication with the committees, UAWC organized





250 meeting with members of agriculture and fishermen committees. In these meetings, the discussion was centered around coordination and planning for different activities concerning defending farmers and fishermen rights.

The committees execute 12 small projects including renovating agricultural wells, starting home gardens, animal breeding and supporting means of production for women agricultural cooperatives. UAWC organized 40 training workshops with participation of 267 farmers and committee members. The aim was capability building to raise legal awareness among male and female farmers. The training program covered different subjects including: Cooperatives laws, nonprofit organization and civil organization laws, Israeli violations and farmers rights, water and environment regulations, women rights in inheritance, and legal implications of inheritance. Moreover, it organized mutual visits to women cooperatives and to student agricultural committees in order to view different experiences, to exchange expertise and information, and to reinforce coordination and networking mechanisms. In 2014, UAWC organized the annual conference for agricultural committees under the slogan "together to defend farmers' rights" with the aim of introducing Via Campesina (farmers movement). The conference was concluded with recommendation of the necessity to consolidate Palestinian farmers in a national social movement that represents all farmers to demand their rights and to support steadfastness on their land.

During 2014, UAWC organized a national conference under the title "Approaches to Adapt to Climate Change between Theory and Practice". The aim of the conference was to develop a common vision among local community, relevant governmental organizations and agricultural civil organizations regarding a Palestinian discourse alternative to the Israeli discourse about climate change. The second aim was to coordinate and unify efforts to generalize suggested adaptation mechanisms on the local level to support farmers' steadfastness on their land.

#### **Student Committees**

UAWC believes that the role of youth is vital thus, voluntary student groups were formed in Hebron University, Palestinian technical college and Jerusalem Open University.

The committees made significant contributions as they were used to raise the level of awareness for member students. They were trained on the concept of climate change and the challenges in adaptation to it. In addition, they played a role in advocacy for Palestinian farmers' rights demanding the application of adaptation mechanisms to climate change.

These groups engaged in activities and days dedicated to show solidarity with farmers. They also participated in workshops, mutual visits and meetings with international agricultural organizations. It is worth mentioning that student committees noticeably attended the national conference about the implications of climate change which was organized by UAWC in December the third 2014. They actively participated in sharing ideas and initiatives that reinforce the Palestinian right in the application of adaptation mechanisms to climate change.

Finally, student committees contributed to developing the role of the youth in local community to support small farmers, raise awareness of issues of agricultural sector and the challenges of its development.

#### National lobbying and advocacy campaigns





UAWC initiated many solidarity campaigns in several governates under the slogan "we protect our land and stand in solidarity with our farmer". The aim was to reinforce voluntary work values, to support farmers' steadfastness and to defend farmers' rights. It participated with 2000 farmers in 12 farmer solidarity activities in the West Bank and in 15 activities with 10000 female/male farmers and fishermen in Gaza Strip.

The activities including solidarity stands with demolition-threatened farmer gatherings in Jordan Valley, planting saplings close to settlements and the apartheid wall, the commemoration of national occasions like Land Day, Water International Day, Environment International Day, olive picking campaign, "We stand in solidarity with Gaza" Campaign, Farmers International Day, Women International Day, among others. UAWC participated in activities to demand the speed up of Gaza rebuilding, to strengthen national unity and end political division. In addition, the it followed up and coordinated lobbying and advocacy efforts to amend national policy toward Albahrein Canal (connecting the Red Sea and the Dead Sea), to exempt farmers from income tax and follow up on water regulations.

## Advocacy Campaigns in photos





























#### International lobbying and advocacy campaigns

In 2014, UAWC directed two main campaigns. The first campaign was in solidarity with political administrative prisoners undergoing hunger strike. The campaign largely echoed among UAWC's partners of international organizations and supporters. The partners issued position statements and carried out solidarity stands with administrative prisoners in several countries. UAWC also networked with Amnesty International which issued an urgent call to put an end to the situation.

The second campaign was "we stand in solidarity with Gaza" to express solidarity with Gaza under Israeli aggression. Many international partners responded to the UAWC's call through issuing position statements, organizing solidarity stands in many countries and donations to relief Gaza. The Palestinian communities through UAWC contributed with 120 tons of food and relief materials to Gaza.

UAWC's activities varied with regard to coordination and networking with international organizations including international social movements and international activists. More than 100 international activists participated in visits supporting Palestinian farmers. They came from many countries including USA, France, Germany, Spain, and Japan.

The activists engaged in field trips to many areas where UAWC is carrying out its developmental projects and where there are Israeli violations to farmers' rights. They also participated in farmers' solidarity marches like on Land Day and in activities like planting saplings and olive picking.

#### Legal defense of farmers who received demolition and expropriation orders

UAWC played a major role in legal confrontation to orders halting construction work, and orders of demolition and expropriation. It purposely raised the level of coordination with local and international organizations working in law suits and legal matters. It also worked closely with local communities to raise awareness around military orders and legal procedures to be followed. This was done through organizing 15 specialized training workshops in addition to providing legal consultations for farmers and members of agricultural committees.



Indeed, through legal means, UAWC was succeeded in freezing the execution of 7 Israeli military orders including halting construction work, demolition and expropriation in addition to freezing orders of expropriating more than 5511 thousand square meters.

In Gaza, UAWC worked with fishermen to document repeated Israeli army assaults on them using notifications from fishermen committees' volunteers and agricultural committees along the shore of Gaza strip. UAWC documented 400 assaults against fishermen. This instantaneous documentation became a reference for legal organizations.

Table 7. Shows achievements in defending the land in 2014.

Nature of military order	# of orders/ violations	Area	Unit	# of achievements
Halting construction work/ demolition	4	Se'ir, Kefil Haris, Azmout, Bardala	Sheep barns and metal pools	4
Ownership	1	Se'ir	1,000 meters	11
Expropriation	2	Nahaleen, Wad Fokeen, Scarya, Alkhader, Soureef, Al Jab <sub>2</sub> a	1,000 meters	5500
Documenting assaults on fishermen	400	Alongside Gaza Strip sea shore	Assault	400

#### **UAWC** in media

UAWC made a noticeable presence in local media through emphasizing the developmental and public aspects of UAWC's work. It was present in programs, reports, news, TV and radio interviews, and written interviews. UAWC was hosted on TV more than 50 times with a focus on important agricultural issues related to farmers and animal breeders beside agricultural policy. On radio, the number of interviews was well over a hundred. This reflected Palestinian media interest in the agricultural sector from a developmental perspective.



#### An active role and international appreciation

UAWC's efforts during the past years paid off. And it was internationally honored for its role in easing the Palestinian farmer suffering. Thus, it earned two international prizes. The first was equator prize by UNDP in New York for UAWC's leading role in sustainable development and combating poverty. Specifically, it was for the project "Local Seeds Bank". The second prize was " Food Sovereignty "ran by the United States Coalition for Sovereignty on Food.





### Publications of 2014

- UAWC's publications for the year 2014 included the following:
- Four supplements of Nida Alard (Land Call) in Alayam daily newspaper aiming at raising awareness of the challenges, difficulties and violations faced by the agricultural sector. A professional analysis tackled many issues in the agricultural sector and brought to light farmers' suffering. It also tried to make suggestions and offer solutions to support farmers' steadfastness.
- A research paper titled "The Impact of Israeli Occupation Practices on the implementation of Agricultural Sector Adaptive Mechanisms toward Climate Change in Area C in the West Bank".
- A booklet titled "Food Sovereignty from a Palestinian Perspective".
- "Hydroponic Unit" manual

Production, translation and publication of 12 documentary movies about issues related to Palestinian farmers.

A monthly electronic newsletter about Israeli assaults on fishermen and farmers, and main **UAWC** activities.



### Networks, local and international bodies

UAWC continued to coordinate and network with many networks and social movements. It significantly contributed in advocating Palestinian farmer issues on all levels. Consequently, UAWC utilized its active membership in many national committees related to the agricultural sector to lobby for friendlier policies toward farmers and livestock breeders.

Some of these committees were the emergency committee specialized in natural disasters resulting from the weather, strains committee for livestock, and the national committee to improve livestock sector. Besides, UAWC is a member in the steering committee of **Palestinian** NGOs Network. PNGO worked the whole year on vital issues like civil liberties, combating corruption, support and development of civil organizations capabilities, in addition to many causes related to development and rights.

### The International Peasants Movement "Via Campesina":

In 2014, the draft of terms of reference document was developed for the movement on the national level. Active organizations were contacted to introduce the movement goals and mechanisms of action to support and strengthen Palestinian farmers' movement. The aim is to reach international level in 2015. As a result, UAWC focused on strengthening the relation with members of Via Campesina through information exchange and supplying them with reports about Israeli aggressions on Palestinian farmers.

Many of UAWC's publications were posted on the main webpage of the movement and its reports were circulated among the movement branches. UAWC also participated in the regional movement meeting of North eastern Asia, and the first movement meeting in the Arab world in Morocco in cooperation with the national coalition for the agricultural sector there. The effort paid off in raising awareness of issues faced by Palestinian farmers and the fact that many groups from the movement came to Palestine to show solidarity.

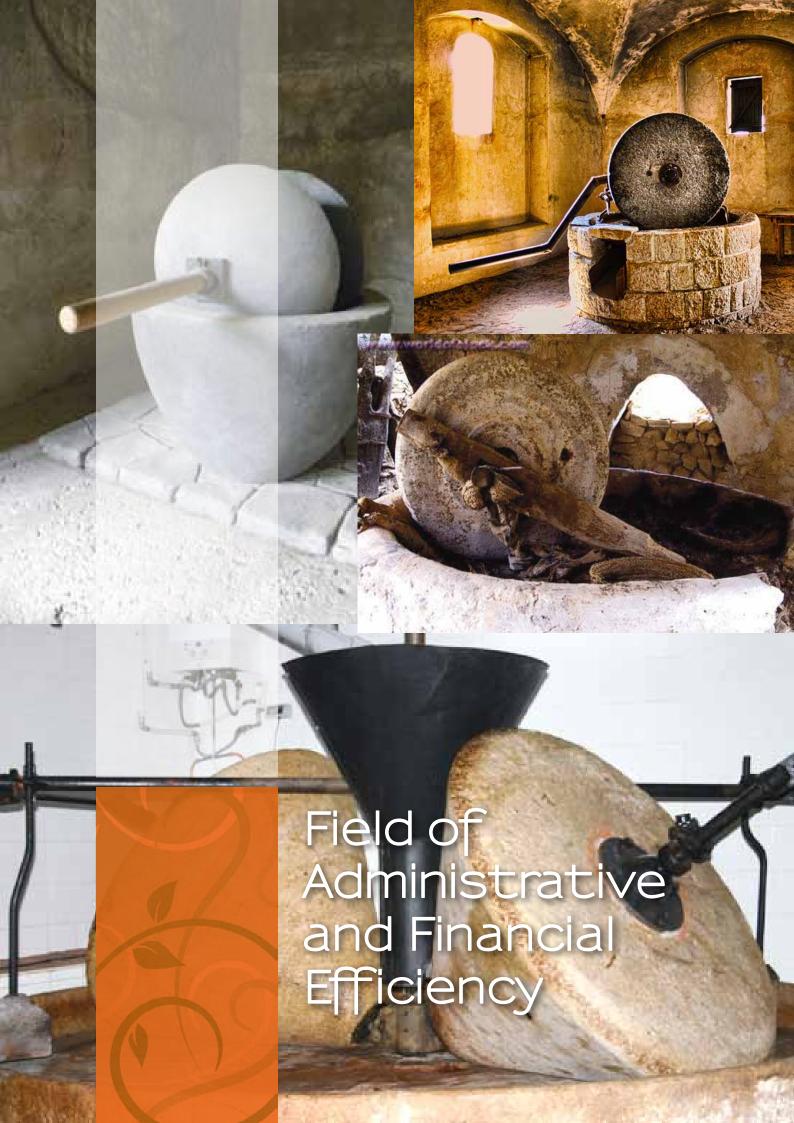




### world Social Forum:

The forum is the annual meeting held by members of the international movement against globalization to coordinate their global campaigns and to develop and exchange information about the strategies they use. In 2014, UAWC participated in the international committee meeting for the world social forum together with meetings of "Mashreq Maghreb Forum" as a representative for the Palestinian NGO Network "PNGO". On the national level, UAWC worked together with many civil organizations to establish "The Palestinian Social Forum" which will be in charge of regulating participation of Palestinian organizations in the World Social Forum in 2015.





The fourth goal: to reinforce UAWC sustainability, its fiscal and administrative efficiency, and its contribution to national causes.

## General assembly and board of directors

The general assembly of UAWC, continued to follow up UAWC's work. Last year witnessed the participation of several general assembly members either in activities or in strategic follow up of the organization's work.

The general assembly held its annual meeting in March the 24th 2014 with the attendance of 137 members out of 224 members. The assembly endorsed new members contributing to enriching the expertise and competencies of voluntary human resources in the organization. It discussed the administrative and financial report for the year 2013 and endorsed them. In addition, it appointed a financial auditor for the year 2014.



In that meeting, nomination and election of the board of directors for 2014-2016 cycle was held. Moreover, the general assembly held a meeting in December the 13th 2014 to discuss and amend some articles of UAWC's bylaws. The meeting was attended by 120 members who amended and ratified some statutes.

The year 2014 was marked by the regularity of board of directors meetings and the contribution to organizational structure. The board held 23 regular meetings in the West Bank and Gaza Strip to discuss financial, administrative and program issues. The board decided to form and activate voluntary committees specialized in: communication with the general assembly, following up international and local coalitions, and developmental studies and social type. Moreover, it paid attention to and exerted significant effort in reviewing the bylaws and the strategic plan in addition to representing the organization both locally and internationally. The board also participated in activities, media events, and different programs. The board of directors played an active role in internal control and in following up UAWC's work through supervising the development of monitoring and evaluation mechanisms. It also made many field visits to activities and programs during and after execution where it met with farmers and beneficiaries directly and on the ground to assess the impact of interventions. For the record, the board of directors held an emergency meeting during the Israeli aggression on Gaza and despite serious difficulties in communication to discuss and determine the interventions carried out by UAWC to ease the suffering of families impacted by the aggression.

## Reinforcing UAWC sustainability Administrative and financial efficiency.

The year 2014 was marked by doubling the size of work and achievement of UAWC because of growing responsibilities and interventions. This imposed the necessity of rising competencies and capabilities of the administrative and financial staff, in order to fulfill work needs, raise the bar for performance to achieve the general goal of consolidating sustainability and financial and administrative efficiency.

The administrative and financial staff reviewed all the financial and administrative regulations, and the and procurement system to be compatible with the structural changes in the organization in order to address work needs and the expansion in interventions and programs. UAWC paid special attention to reinforce internal financial monitoring processes through cooperation with

internal auditor. This was done through strengthening the means to achieve this purpose to reach an optimum of financial transparency. Financial data reports were issued regularly and precisely on their due dates and according to financial regulations. Administrative and financial reports were routinely prepared. The general budget was prepared with accompanying reports so that any deviation in one item from the budget could be tracked. This enhanced the performance and reinforced the internal financial control.

UAWC did not ignore the need to develop the capabilities of its staff. In fact, it encouraged its administrative, financial and



technical staff to participate in various training courses based on the needs of each employee. As result, there were 10 training courses to raise technical and administrative capabilities of staff members with a total of 275 hours of training. Thirty three employees benefited from the training in the fields of financial administration, follow up and evaluation, time management and reports writing. The most notable specialized courses were in professional projects (PMP) and in cultivating highly profitable crops. UAWC continued to enrich life and practical skills for newly graduates to facilitate their entrance to the job market. So, it accommodated a female intern in development and operations department, and another female intern in advocacy and work with masses department in cooperation with "Welfare Association" as part of the project "Employing the Youth and Newly Graduates".

UAWC continued its work in upgrading technology and software systems in its offices. A Firewall was installed to protect the network computers. A "GIS" map system was created for all the existing projects and programs. In addition, UAWC's webpage was renewed with new software and page links.

## **Bids and procurement**

The bids and procurement unit made a significant leap in its mechanism of action both qualitatively and quantitatively. In 2014, the number of tenders (bids, calls for bids) was 297 with a total of \$4,332,163.

The bids varied from services and material imports to tenders and consultancies. The unit carried out the purchases with the best and most transparent means especially with the large number of bids that were made. In this regard, UAWC work was distinguished as highly professional with an ability to control and administer so many bids using international standards in bid management. It used a comprehensive chain of follow up on bidders and contractors and using specialized technical committees to study and evaluate each bid. UAWC's atmosphere disseminates awareness of proper purchasing procedures based on opening the opportunity for all to compete and based on transparency.

# Monitoring and Evaluation.

UAWC continued to focus its efforts on follow up and evaluation for all its programs and interventions using many tools and activities to ensure effective mechanisms of its interventions and to achieve the desired outcomes.

UAWC's staff prepared pre surveys for all interventions and at all levels in accordance with prerequisites of the logical framework. The aim is to assess the current situation of the target group and to facilitate measurements of the impact of interventional forms. The most important surveys that were developed were: product survey, marketers of olive oil (farmers and cooperatives) survey, Livestock breeders' survey in marginalized areas (based on standard of living, methods of animal breeding, water availability), land owners with land in need of reclamation survey, irrigated agricultural farmers' survey, and agricultural roads beneficiaries' survey.

The results of follow up and evaluation, as connected to the most important implications of UAWC interventions, can be summed up by the following:

Agricultural roads construction: Both farmers and local councils were obviously interested in the construction of agricultural roads. The roads greatly contributed to farmers returning to cultivate lands that were previously abandoned for years. This protected the land from nearby settlements expansion. Bear in mind that the roads positively impacted investment and agriculture in vast areas. For instance, in Bani N'aim in Hebron area, the area of land benefited from agricultural roads was more than 25 thousand square meters which protected this land from expropriation.

Land wise, vegetation obviously increased. However, the distinguishing mark was the establishment of natural parks to be used as grazing land in an organized way. One example is Za'tara natural park where you could assess its impact in the role the local community took in protecting it from the occupation's greedy desire to expropriate it together with surrounding lands.

UAWC has been alert to the issue of water resources which are vital for irrigation based agriculture. One of the interventions was in Nasarya where clean water resources were created instead of having to use polluted water for agriculture. A memorandum of understanding was signed with farmers there with the participation of local and official entities. Working within its policy of developing the production and marketing of olive oil, UAWC deliberately intensified efforts to raise awareness among farmers, cooperatives and producers to care for the quality of oil in marketing. As a result and testimony, the amounts of virgin oil, the majority of which marketed locally, exceeded expectations.

On the other hand, UAWC played a prominent role in supporting fishermen in Gaza Strip. This role was manifested in that more than 75% of the 4000 fishermen received exceptional support in improving fishing methods and in repairing their boats and fishing nets. As mentioned earlier, UAWC's contributions in building 25 rooms for fishermen and a central fish market in Rafah, both positively impacted fishermen.

# Difficulties and Challenges.

- Continuation and escalation of Israeli assault on farmers and the increasing number of demolition orders especially in areas classified as area C.
- Israeli aggression on Gaza Strip which was a disaster for the agricultural sector, destruction of infra structure, in addition to its devastating environmental impact on agricultural land, water and environment. This required urgent relief intervention instead of developmental aspects which basically

- should have the priority.
- The inability of the international community to force Israel to adhere to international agreements.
- Rising unemployment rates in the West bank and Gaza Strip despite the announced economic growth.
- Imposed restrictions on movement and transportation among Palestinian towns and villages and between the West Bank and Gaza Strip and the continuation of siege on Gaza Strip. This negatively impacted communications and the provision of required inputs to execute projects.
- Politically conditioned finance which violates items of Palestinian law. It is an impediment to the ability of organizations to respond to sectors' priorities. Another issue is the existing competition from international organizations unspecialized in the agricultural sector yet directly executes specialized agricultural projects.
- Electricity crisis in Gaza Strip. It is considered one of the greatest challenges to UAWC's work there. Black out times continue for as long as 12 hours. This negatively impacts UAWC's work especially in small branch offices that do not have an electric generator. It is worth mentioning that operation expenses for a generator in the main office are high because of high gas prices.

### Lessons learnt.

- Based on UAWC's evaluation of all interventions in 2014, and based on practical experience and the outcomes of follow up and evaluation, UAWC has came up with these conclusions and recommendations which will be taken into account for its next strategic plan (2015-2017) as the following:
- Intensification of monitoring and evaluation processes played a positive role in improving performance and determining gaps which was amended during execution.
- UAWC's fast response of establishing "emergency committees" during disasters and extreme weather events, resulted in cutting the losses and positively contributed to the mobilization to help those affected. This made UAWC a trust worthy entity by international relief agencies and local organizations especially after the emergency resulted from the latest Israeli aggression on Gaza Strip and winter storms during which the agricultural committees and projects staff performed a rapid and effective assessment of damage. This had a positive impact and UAWC will continue to pay attention and care about this vital aspect in the future.
- Beneficiaries' participation in determining the needs during suggested projects design were pivotal in obtaining positive results. Therefore, UAWC will continue to co-work with the local community and the target groups.
- The participation of beneficiaries in the technical committee in checking the supplies contributed in obtaining high quality materials. It also increased beneficiaries' satisfaction of UAWC's performance. Unsurprisingly, UAWC will continue to do its work in this way in the future.

# General recommendations for 2015:

- Relentless work to develop long term developmental projects and programs which reinforce the impact and sustainability of interventions on farmers and fishermen.
- To strengthen relations with international and local organizations and to start relations with new donating organizations.
- To strengthen UAWC capacity to respond to emergencies and to help out farmers in cases of natural disasters or wars.
- Concerning Gaza Strip, there needs to be a focus on projects that fit the current situation like projects that need much man power (to combat unemployment) and projects that depend on materials available in the local market.
- There needs to be work on finding alternatives for materials produced inside the green line and to make use of local materials and to search for mechanisms to avoid delays in project execution plans.
- To organize workshops for farmers benefiting from projects on a regular basis. This is important to raise awareness and for guidance. They need to be aware of the standards followed in executing UAWC's project and to take care of the offered projects for sustainability.
- To increase UAWC's efficiency in studies and scientific research in agriculture especially in subjects related to farmers and peasantry.





### **INDEPENDENT AUDITOR'S REPORT**

### TO THE BOARD OF TRUSTEES OF UNION OF AGRICULTURAL WORK COMMITTEES (UAWC) **RAMALLAH- PALESTINE**

We have audited the accompanying combined financial statements of Union of Agricultural Work Committees – West Bank (UAWC) (hereinafter "the Union"), which comprise the combined statement of financial position as of December 31, 2014, the combined statement of activities, the combined statement of changes in net assets and the combined 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 combined financial statements

Management is responsible for the preparation of combined financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of combined 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 combined 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 combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined financial statements.

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

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Union as of December 31, 2014 and the results of its activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers Palestine Limited Ramallah, Palestine

June 9, 2015

PricewaterhouseCoopers Palestine Limited, P.O.Box 1317, Masrouii Building 201, El-Bireh (Ramallah), Palestine T: +972 (0) 2 242 0230, F: +972 (0) 2 242 0231 Note: From Arab Countries Dial 970 instead of 972, www.pwc.com/middle-east

### UNION OF AGRICULTURAL WORK COMMITTEES (UAWC)

Combined Financial statements for the year ended December 31, 2014

### COMBINED STATEMENT OF FINANCIAL POSITION

(All amounts are in ILS)

	Note	2014	2013
ASSETS			
Non-current assets			
Property, plant and equipment, net	(4)	3,073,336	3,377,030
Investment properties	(5)	1,456,550	1,025,398
Total non-current assets	1-7	4,529,886	4,402,428
Current assets			
Inventory	(6)	647,322	350,791
Accounts receivables	(7)	417,662	540,254
Pledges receivable	(8)	3,602,399	713,133
Other current assets	(9)	415,121	301,074
Cash and cash equivalents	(10)	17,682,140	12,480,588
Total current assets		22,764,644	14,385,840
Total assets		27,294,530	18,788,268
NET ASSETS AND LIABILITIES			
Net assets			
Temporary restricted net assets	(11)	11,192,500	7,705,699
Unrestricted net assets		1,656,448	1,929,237
Total net assets		12,848,948	9,634,936
Liabilities			
Non-current liabilities			
Provision for End-of-service indemnity	(12)	3,465,177	2,786,908
Employees provident fund	(13)	921,328	492,416
Total non-current liabilities		4,386,505	3,279,324
Current liabilities			
Accounts payable	(14)	6,242,614	3,207,267
Other current liabilities	(15)	3,816,463	2,666,741
Total current liabilities		10,059,077	5,874,008
Total liabilities		14,445,582	9,153,332
Total net assets and liabilities		27,294,530	18,788,268

- The notes on pages (7) to (32) form an integral part of these combined financial statements.

- The combined financial statements on pages from (3) to (32) were authorized for issue by the Board of Trustees on June 7, 2015 and were signed on its behalf.

Um Mr. Samer Arbeed **Financial Officer** 

Mr. Khaled Hidmi **General Director** 

Mr. Ali Abdel Rahman Chairman

### **UNION OF AGRICULTURAL WORK COMMITTEES (UAWC)**

Combined Financial statements for the year ended December 31, 2014

### **COMBINED STATEMENT OF ACTIVITIES**

(All amounts are in ILS)

	Note	2014	2013
Changes in unrestricted net assets:			
Grants, revenues and gains			
Sales and other revenues	(16)	1,520,947	1,587,400
Unrestricted contributions	(17)	905,152	1,004,161
Gains from sale of property, plant and equipment		58,981	-
Unrealized gains from investment properties valuation	(5)	431,152	
Total unrestricted grants, revenues and other support		2,916,232	2,591,561
Net assets released from restriction	(11)	40,209,698	15,049,636
Property, plant and equipment – net release from restriction Currency variance		83,642 (48,071)	112,426
Total revenues		43,161,501	17,753,623
Expenses			
Projects expenses	(18)	(40,305,573)	(15,904,399)
General and administrative expenses	(19)	(2,502,322)	(2,678,392)
Depreciation expense	(4)	(375,921)	(392,754)
Doubtful accounts expense		(158,264)	(27,992)
Currency exchange loss		(92,210)	(76,679)
Total expenses		(43,434,290)	(19,080,216)
Net changes in unrestricted net assets - general fund		(272,789)	(1,326,593)
Changes in temporarily restricted net assets			
Grants and donations	(11)	40,317,817	21,473,666
Net assets released from restriction	(11)	(40,305,573)	(15,049,636)
Transfer (from) to pledges receivable	(11)	3,414,253	532,725
Property, plant, and equipment purchased from donors	(11)	(289,198)	(218,289)
Currency exchange gain	(11)	349,502	207,796
Net changes in temporarily restricted net assets	\- <del>-</del> /	3,486,801	6,946,262
Total changes in net assets during the year		3,214,012	5,619,669
Total changes in het assets during the year		3,217,012	3,013,003

<sup>-</sup> The notes on pages (7) to (32) form an integral part of these combined financial statements.

UNION OF AGRICULTURAL WORK COMMITTEES (UAWC)

Combined Financial statements for the year ended December 31, 2014

# COMBINED STATEMENT OF CHANGES IN NET ASSETS

(All amounts are in ILS)

		Temporarily	
	Unrestricted	restricted net	
	net assets	assets	Total
Balance as of January 1, 2013	3,368,256	647,011	4,015,267
Changes during year 2013	(1,439,019)	7,058,688	5,619,669
Balance December 31, 2013	1,929,237	7,705,699	9,634,936
Balance as of January 1, 2014	1,929,237	7,705,699	9,634,936
Changes during year 2014	(272,789)	3,486,801	3,214,012
Balance December 31, 2014	1,656,448	11,192,500	12,848,948

- The notes on pages (7) to (32) form an integral part of these combined financial statements.

# UNION OF AGRICULTURAL WORK COMMITTEES (UAWC)

Combined Financial statements for the year ended December 31, 2014  $\,$ 

### **COMBINED STATEMENT OF CASH FLOWS**

(All amounts are in ILS)

	Note	2014	2013
Cash flows from operating activities:			
Change in net assets for the year		3,214,012	5,619,669
Adjustments of non-cash items:			
End of service additions	(12)	876,119	815,927
Provident fund additions	(13)	515,792	432,856
Allowance for doubtful accounts	(8)	158,264	-
Depreciation expense	(4)	375,921	392,754
Adjustments to reconcile changes in net assets to net cash provided by operating activities:			
Inventory	(6)	(296,531)	(85,874)
Accounts receivable	(7)	(35,390)	167,196
Pledges receivable	(8)	(2,889,266)	293,980
Other current assets	(9)	(114,047)	115,783
Accounts payables	(14)	3,035,347	2,428,152
Other current liabilities	(15)	1,149,722	(282,195)
End-of-service payments	(12)	(361,777)	(155,675)
Provident fund payments	(13)	(177,383)	(238,843)
Net cash provided by operating activities		5,450,783	9,503,730
Cash flows from investing activities:			
Purchases of property, plant and equipment	(4)	(237,569)	(370,059)
Net disposal of property, plant and equipment	(4)	419,490	418,319
Investment properties	(5)	(431,152)	(188,609)
Net cash used in investing activities		(249,231)	(140,349)
Increase in cash and cash equivalents		5,201,552	9,363,381
Cash and cash equivalents, beginning of year	(10)	12,480,588	3,117,207
Cash and cash equivalents, end of year	(10)	17,682,140	12,480,588
cash and cash equivalents, end of year	· -/	17,002,170	12,700,300

<sup>-</sup> The notes on pages (7) to (32) form an integral part of these combined financial statements.