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## European Union provides nearly €13 million to support families living in extreme poverty in the West Bank and Gaza

The European Union, Austria, Ireland and Spain are contributing to the Palestinian Authority's second payment of social allowances this year to poor and vulnerable Palestinian families in the West Bank and Gaza. The contribution, channelled through the PEGASE<sup>[1]</sup> mechanism, amounts to around €12.97 million (€10.22 million from the European Union, €1.25 million from the Government of Austria, €0.5 million from the Government of Ireland and €1 million from the Government of Spain)

Palestinian households living in extreme poverty receive assistance through the national cash transfer programme administered by the Ministry of Social Affairs. The programme provides a basic safety-net to the poorest and most vulnerable Palestinians in the West Bank and Gaza through cash and in-kind assistance.

Today's contribution will reach over 50,000 Palestinian families in need, more than half of which live in Gaza. Eligible beneficiaries for EU support are identified in close cooperation with the PA Ministry of Finance.

*"Today's payment of social allowances comes at the start of the holy month of Ramadan, a period during which social solidarity and compassion have particular importance", said the **EU Representative Mr. John Gatt-Rutter**. "The Palestinian Authority and the Ministry of Social Affairs have introduced significant reforms in social protection policies in Palestine with the aim protecting the poorest and most vulnerable citizens which I commend them for. The EU remains committed to working closely with the Ministry and with development partners to continue to improve the national social protection framework". He added "I would like also to thank Austria, Ireland and Spain for their contribution to the programme, which once more demonstrates the determination of the EU and its Member States to support the Palestinian people. ."*

Payments are made through a network of local banks in Gaza and the West Bank.

This €12.97 million contribution represents the first tranche of an overall financial commitment in 2014 of €40 million allocated to the payment of social allowances for households living in extreme poverty. This amount, which includes funds for the EU budget and donors' contribution, covers almost half of the total budget of the Palestinian cash transfer programme.

### Background:

Most of the European Union's assistance to the Palestinian Authority is channelled through PEGASE, the financial mechanism launched in 2008 to support the PA Reform and Development Plan (2008-2010) and the subsequent Palestinian national plans. As well as helping to meet a substantial proportion of the PA's running costs, European Union funds are supporting major reform and development programmes in key ministries, to help prepare the PA for statehood. Since February 2008, €1.62 billion have been disbursed through the PEGASE direct financial support programmes. In addition, the EU has provided assistance to the Palestinian people through UNRWA as well as a wide range of other cooperation projects.

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