



Press Release - European Union
Jerusalem PR/02/2012
11/01/2012

EU gives €11 million to support Palestinian private-sector and boost Palestinian economy

Palestinian Authority Prime Minister Salam Fayyad and Acting EU Representative Mr. John Gatt-Rutter signed today a financing agreement of €11 million supporting the private sector and building the capacity of institutions related to the Economy. In line with the Palestinian National Development Plan 2011-2013 this agreement aims to promote in the West Bank and Gaza a sustainable, job-creating economic growth led by the private-sector.

"For the last couple of years supporting the Palestinian private-sector and facilitating Palestinian trade has been a key policy objective for the EU. We have stood by Palestinian businessmen in the West Bank but also in Gaza and we intend to continue through the activities put in place by today's agreement. Over the course of the next 3,5 years we will build on the important work the PA and the EU have achieved so far in strengthening Palestinian private enterprises to become more competitive and to widen their market opportunities. This will be backed by supporting the capacity of the Ministry of National Economy in formulating trade policies".

Namely, through this agreement, the EU will provide financial support to businesses in the West Bank, affected by the Israeli occupation and also strengthen the capacities at the level of business service providers (e.g. by providing technical assistance, training and market research) to promote economic revitalisation in the Gaza Strip.

Moreover, it will reinforce the capacity of the Ministry of National Economy and related institutions to integrate the Palestinian economy into the multilateral trading system (e.g. by providing assistance for the WTO accession, technical assistance to develop internal expertise and capacities to help formulate policies).

To make Palestinian businesses more competitive internationally the programme will secure that beneficiary businesses conform to international environmental standards and have access to cleaner technologies. Particular attention will be given to promote an improved public-private sector dialogue and secure the involvement of women in key positions.

Background:

This agreement is part of a package of support to the Palestinians initially announced by the European Commission in August 2010. The EU has supported various projects aimed at strengthening Palestine's private sector. The PA 'Private-Sector Reconstruction Programme' in Gaza – a first large scale initiative supporting the business community in Gaza launched in 2009 - has been one of EU's key projects supported with € 22.0 million. The EU has taken concrete actions to open its markets to Palestinian exports under the duty free quota free agreement (agricultural, fish and fishery products) which is effective as of January 1st 2012.

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<http://eeas.europa.eu/delegations/westbank/>