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The EU, Spain, Ireland and Luxembourg contribute €47.7 million to the PA's payment of December salaries and pensions

The European Union is making today a contribution of approximately €47.7 million to the payment of the December 2011 salaries and pensions of almost 85,000 Palestinian civil servants and pensioners in the West Bank and the Gaza Strip. This contribution, which is channelled through the PEGASE^[1] mechanism, is being funded by the European Commission (€26.2 million) and the governments of Spain (€20.0 million), Ireland (€1.0 million) and Luxembourg (€0.5 million).

"The European Union's continuing financial support to the Palestinian Authority underlines the confidence that Europe has in the PA's institutions and their ability to provide essential public services. This support will continue in 2012 while the PA moves forward its objective of fiscal sustainability and economic viability", said Acting EU Representative Mr. John Gatt-Rutter. "I would like to thank the Governments of Spain, Ireland and Luxembourg for their respective contributions and for entrusting the PEGASE mechanism with channelling their funds."

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 PA Palestinian National Plan (2011-2013). As well as helping to meet a substantial proportion of its running costs, European funds support major reform and development programmes in key ministries, to help prepare the PA for statehood in line with the plan put forward by Prime Minister Salam Fayyad in August 2009. Since February 2008, c.€1.2 billion have been disbursed through the PEGASE Direct Financial Support programmes. In addition, the EU has provided assistance to the Palestinian people through UNRWA and a wide range of cooperation projects.

For further information in Arabic and English on the EU's assistance to the occupied Palestinian territory and the PEGASE mechanism, please visit: <http://eeas.europa.eu/delegations/westbank/>

^[1] *Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique (PEGASE)*

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