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EU to support PA's drive to build the institutions of future Palestinian State with €21 million

Prime Minister of the Palestinian Authority, Dr. Salam Fayyad, and European Union Representative, Mr. Christian Berger, signed today a €21 million financing agreement to support the PA's institution-building agenda.

The European Union's financial support to the Palestinian Authority is designed both to help sustain the public services that the PA provides to the Palestinian people and to strengthen the institutions of the future Palestinian state. This new €21million financing package signed today will be utilized towards supporting ongoing work in key sectors such as justice, security, economic and financial management and development of public infrastructure.

More specifically, the funds will be allocated to support justice institutions (e.g.: High Judicial Council) with upgrading their facilities and building new premises (courts, research centres). The Palestinian Monetary Authority will be supported with key IT solutions and cutting-edge software technology to modernize its banking operations. Finally, €3,5 million will go towards the completion of a sanitation and waste water system in Rafah and Deir Al Balah, Gaza.

"With this latest support we hope to boost the progress made in the past year in important sectors such as the rule of law and public infrastructure", said the EU Representative Christian Berger. "Tangible progress has been achieved in the economic and public financial management sectors and we aim to take it a step further with today's agreement". "This progress is a clear sign that the Prime Minister's two-year plan is bearing fruits; a plan that the EU is supporting both politically and financially", he added

Background

Since 2007 the European Union has provided total assistance to the Palestinian people, including civil society organizations and refugees, averaging to €500 million annually. European funds support major reform and development programmes in key ministries, to help prepare the Palestinian Authority for statehood in line with the plan proposed in August 2009 by Prime Minister Salam Fayyad. Further to this support and to some partial and insufficient easing of

restrictions on movement and access in the West Bank, the reform agenda of Prime Minister Fayyad has translated into economic and social progress. The situation in Gaza, however, remains unsustainable. For 2011, the EU has already earmarked €300 million for support to the Palestinians.

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