



Press Release - European Union  
Jerusalem  
PR/15/2011  
Friday 24 June 2011

## European Union helps the Palestinian Authority provide essential social protection to families in need through the payment of social allowances

On Monday 27 June 2011, the European Union (EU) will be making its second contribution this year to the Palestinian Authority's quarterly payment of social allowances to poor Palestinian households, across the West Bank and Gaza. This contribution, channelled through the PEGASE<sup>[1]</sup> mechanism, amounts to just over €9.8 million (ILS 48,103,002 million) and is funded by the EU (€8.8 million) and the Government of Ireland (€1 million).

Beneficiaries are identified in cooperation with the Ministry of Finance and Ministry of Social Affairs, through the latter's national cash assistance programme – a programme designed to provide basic safety net to the poorest and most vulnerable Palestinian citizens. The assistance takes the form of a cash allowance.

The €9.8 million contribution, through PEGASE, will directly benefit 49,578 eligible Palestinian families – out of which 26,185 are in Gaza.

The **Minister of Social Affairs** said:

*"Through its diverse programmes reaching-out to the poorest and most marginalised populations, the Ministry of Social Affairs seeks to alleviate poverty and promote a life with dignity for its most vulnerable citizens. The national cash transfer programme is at the forefront of the Ministry's activities, with over 87,000 households in the West Bank and Gaza benefiting from regular cash-based assistance. The Ministry of Social Affairs is consistently looking to improve the level and quality of services provided to its beneficiaries, while upholding their dignity. For this reason, and starting with this payment, assistance will be channel through individual bank accounts for beneficiaries in the West Bank. We thank all stakeholders involved in the process, and in particular the European Union for its support to this programme."*

The **European Union Representative, Mr Christian Berger** said:

*"Firstly, I would like to thank Ireland for its generous contribution to the programme, which attests the fruitful cooperation between the EU and its Member States in supporting the Palestinian Authority in its state-building plan. Over the last period we have seen a number of joint achievements in the road of building a strong Ministry of Social Affairs; the latest being the adoption of a business strategy for the coming couple of years. I am certain that with the EU's regular contribution to the payment of social allowances and its capacity-building support we will soon see the materialization of a comprehensive social protection scheme able to support effectively all Palestinians in need."*

Payments will be made across a network of five local banks all through the West Bank and Gaza. For the first time since social cash transfers have been established, beneficiaries residing in the West Bank will receive their allowance directly through individual bank accounts. In Gaza, beneficiaries will continue to collect their allowance over-the-counter. Beneficiaries may collect their allowances as of Monday 27 June 2011, at the bank branch indicated by their social worker.

### Background:

Most of the EU assistance to the Palestinian Authority is channelled through PEGASE, the financial mechanism launched in 2008 to support the three-year Reform and Development Plan presented in 2007.



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, €1.03 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.

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