



Press Release - PR/12/2013  
Jerusalem

**23 APRIL 2013**

## **The EU supports the 10<sup>th</sup> payment under the PA's "Private Sector Reconstruction in Gaza" programme**

**The European Union contributed today c.€1.6 million (c.US\$2.0 million) to the tenth payment under the Palestinian Authority's "Private Sector Reconstruction in Gaza" (PSRG) programme. The programme, which was the first large-scale initiative in support of the private sector in Gaza after "Operation Cast Lead", has played an important part in its recovery. This contribution is being channelled through PEGASE<sup>[1]</sup>, the European Union's mechanism for support to the Palestinians.**

The Palestinian Authority established the PSRG programme to provide financial support to Gaza businesses that were destroyed or damaged by Israel's "Operation Cast Lead". Since July 2010, PSRG has been providing financial assistance to businesses in need to restore destroyed or damaged assets necessary for their activities in order to help them resume their economic activity or better sustain it in the context of Gaza's deteriorated economic situation. Its beneficiaries are businesses of all sizes and are present in almost all sectors of activity. This EU-funded programme has been helping to revitalize the economic activity in Gaza, helping to create jobs and contributing to provide sustainable livelihoods for its people.

The tenth PSRG disbursement of c.€1.6 million (c.US\$2.0 million) and will benefit 37 claims by Gaza businesses, which will receive the second and/or third instalments of their total PSRG entitlements. It follows nine earlier payments under PSRG that have been taking place since July 2010. The PSRG payments have covered more than 900 eligible claims under this programme reaching a total of c.€22.7 million to date. Further payments to cover the remaining instalments to eligible beneficiaries are expected to take place under the PSRG programme in the near future.

### **Background:**

The European Union committed €22.0 million to PSRG at the end of 2009. In March 2011, the Japanese Government provided an additional €4.78 million to the programme. Both contributions are being channelled through the European Union's PEGASE Direct Financial Support mechanism, which is open to all donors and has been used by a number of European states. The contribution from Japan was the first non-European donor to channel contributions to a Palestinian Authority programme through PEGASE. Since February 2008, more than €1.46 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.

<sup>[1]</sup> Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique (PEGASE)

### **Contact:**

**The Office of the European Union Representative**, West Bank and Gaza Strip, UNRWA  
Antonia Zafeiri: 02 5415 859, 0 548 024 915; Shadi Othman, 0 2 541 5867, 0 599 673 958  
[http://eeas.europa.eu/delegations/westbank/index\\_en.htm](http://eeas.europa.eu/delegations/westbank/index_en.htm)