



Press Release - European Union

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European Union provides nearly €14 million to support families living in extreme poverty in the West Bank and Gaza

The European Union is making its second contribution this year to the Palestinian Authority's quarterly payment of social allowances to poor Palestinian families living in the West Bank and Gaza. This contribution, channelled through PEGASE^[1], amounts to €13.6 million and is funded by the European Union (€12.6 million) and the Government of Spain (€1 million).

Eligible beneficiaries are households living in extreme poverty that are registered in the cash transfer programme of the Ministry of Social Affairs. The programme is designed to provide basic safety net to the poorest and most vulnerable Palestinians in the West bank and Gaza, through cash and in-kind assistance.

The contribution covers 40% of the total cost of providing cash assistance to over 122,000 Palestinian households living in poverty. More than 64% are in Gaza.

*"Our longstanding contribution to the payment of social allowances underlines the EU's commitment to work closely with the Palestinian Authority to ensure that Palestinian families who struggle to make ends meet are not forgotten. This is complementary to our work with the Ministry of Social Affairs to develop a social protection framework that cares for those facing real economic or social hardship", said the EU Representative, **Mr. John Gatt-Rutter**. "One year after the escalation of hostilities and its disastrous consequences in Gaza, and despite ongoing recovery efforts, there is continuous concern over the humanitarian conditions. In a context of protracted uncertainty and instability, regular cash and in-kind assistance put predictability into the lives of the poorest and most vulnerable by offering them a guarantee of access to basic necessities. This payment bears a special social significance as it is made available ahead of Eid al fitr, permitting those in need to provide for their families."*

Payments are made through a network of local banks in Gaza and the West Bank.

This contribution represents the second tranche of EU's financial commitment in 2015 of €40 million to contribute to the payment of social allowances to households living in extreme poverty in the West Bank and in Gaza. In response to the needs identified during the Cairo Gaza Reconstruction Conference in October 2014, this amount includes €10 million to provide immediate relief and contribute to build the resilience of households that have been pulled down into further poverty as a result of the devastation wrought by the 2014 hostilities in Gaza. With this amount, an estimated 10,000 households in Gaza who fulfil the criteria of the cash transfer programme will benefit from a limited number of quarterly payments in 2015, until a more sustainable solution is found to ensure their livelihood in safety and dignity.

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 Palestinian national plans. As well as helping to meet a substantial proportion of the PA's running costs, European Union funds are supporting major reform and development programmes in key ministries, to help prepare the PA for statehood. Since February 2008, nearly €1.9 billion have been disbursed through the PEGASE direct financial support programmes. In addition, the EU has provided assistance to the Palestinian people through UNRWA as well as a wide range of other cooperation projects.

Contact:

The Office of the European Union Representative

Shadi Othman, Tel: +972 (0) 2 541 5888 ext 867, Mobile: +972 (0) 599 673 958 / <http://eeas.europa.eu/delegations/westbank/>