



Press Release  
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## **The EU and the Netherlands continue to support the PA by contributing €20.8 million to salaries and pensions for February**

Today the European Union is making a contribution of approximately €20.8 million to the payment of February's salaries and pensions of almost 82,000 Palestinian civil servants and pensioners in the West Bank and the Gaza Strip. This contribution, which is channelled through the PEGASE<sup>[1]</sup> mechanism, is being funded by the European Union (€20.0 million) and the Government of the Netherlands (c.€0.8 million earmarked specifically for PA salaries in the Justice sector).

*"This is the third PEGASE contribution in 2013 to the Palestinian Authority's payment of salaries and pensions to help provide public services to the Palestinian people. The Dutch government has made once again a generous contribution", said the EU Representative Mr. John Gatt-Rutter. "The Ad-Hoc Liaison Committee meeting taking place in Brussels on Tuesday will focus on the seriously deteriorating financial situation of the PA". "It is of fundamental importance that we protect the PA's achievements in building sustainable Palestinian institutions. Regular and predictable transfers of Palestinian customs and tax revenues must be ensured. The EU also calls on all other donors to provide their financial support to the PA in a timely and reliable manner", the EU Representative added.*

### **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. This is in line with the state-building plan put forward by Prime Minister Salam Fayyad in August 2009. Since February 2008, around €1.4 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)*

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