Press Release - European Union

Jerusalem

Ref. Ares (2016)195707

January 15, 2016

European Union provides nearly €12.5 million to support families living in extreme poverty in the West Bank and Gaza

The European Union is making a contribution to the Palestinian Authority's quarterly payment of social allowances to poor Palestinian families living in the West Bank and Gaza. This contribution amounts to €12.3 million.

Beneficiaries of the contribution are households living in extreme poverty and registered in the cash transfer programme of the Ministry of Social Affairs. It provides a basic safety net to the poorest and most vulnerable Palestinians in the West bank and Gaza, through cash and in-kind assistance. Almost 121,000 Palestinian households are currently enrolled in the programme. Two thirds of them live in Gaza.

"*The steady deterioration of the socio-economic conditions in Palestine is a matter of concern. One out of four Palestinians live in poverty. The situation is worse in Gaza, with an estimated poverty rate of almost 40 per cent. The scale of unemployment remains one of the highest in the world. The national cash transfer programme plays an essential role in helping households in need to attain a minimally acceptable standard of living*" said **the EU Representative Ralph Tarraf.** "*We work with the Palestinian Ministry of Social Affairs to provide assistance to those most in need. We are committed to continue our support to social protection*".

In 2015, EU and EU Member States (Austria, Spain and Italy) contributed over €52.5 million to the budget of the cash transfer programme, equivalent to 40% of its total cost. The current contribution represents the fourth and last tranche of the €50 million made available from the EU Budget in 2015 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, €10 million were earmarked to provide immediate relief and build the resilience of households after the 2014 war on Gaza. With this amount, up to 8,000 households in Gaza, who fulfilled the eligibility criteria of the cash transfer programme, benefited from payments in 2015.

Background:

The current contribution will be channelled through PEGASE, like most of the European Union's assistance to the Palestinian Authority. PEGASE is the financial mechanism launched in 2008 to support the PA Reform and Development Plan (2008-2010) and the subsequent Palestinian national plans. European Union funds help to meet a substantial proportion of the PA's running costs They also support major reform and development programmes in key ministries, to help prepare the PA for statehood. Since February 2008, nearly €1.96 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/