





The EU and the Netherlands contribute €29 million to the PA's payment of August salaries and pensions

The European Union is making today a contribution of €29.0 million to the payment of August salaries and pensions of 65,000 Palestinian civil servants and pensioners in the West Bank and the Gaza Strip. This contribution, which is channelled through the PEGASE[1] mechanism, is being funded by the European Union (€28.0 million) and the Government of the Netherlands (€1.0 million earmarked specifically for PA salaries in the justice sector).

By this contribution, the EU has disbursed €134 million out of the €168 million that the European Union allocated this year to support the Palestinian Authority payment of salaries, pensions, social allowances, and referral to East Jerusalem hospitals. The EU and it Member States remain the most reliable and committed donors to the Palestinian people. This support helps in securing the PA's fiscal sustainability and protecting its institution-building achievements

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 subsequent Palestinian national plans. 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. Since February 2008, almost €2.1 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.

[1] *Mécanisme **P**alestino-**E**uropéen de **G**estion de l'**A**ide **S**ocio-**E**conomique (PEGASE)*

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