



Press Release- European Commission and Ministry of Social Affairs - Palestinian Authority Jerusalem/Ramallah PR/50/2008

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## Payment of PEGASE social allowances to over 47,000 Palestinian families facing hardship: Gaza recipients face delays due to Israel stopping the PA's cash shipments to Gaza

The 24,000 vulnerable families in Gaza who should have been able to start collecting their social allowance payments next week will face delays due to Israel's continued restrictions on the shipment of cash by the Palestinian Authority into Gaza. The Palestinian Ministry of Social Affairs, in cooperation with the European Union and using funds provided by the Government of Italy, was due to pay on Monday 22 December social allowances to over 47,000 vulnerable Palestinian families across the occupied Palestinian territory (oPt). The assistance takes the form of an allowance of NIS 1,000 (around €200). Payments to families in the West Bank will be able to take place as planned.

The Government of Italy has made available, through the European Union's PEGASE mechanism,  $\notin 9.36$  million to the Palestinian Authority for this payment of social allowances. The funds are part of a recent contribution of  $\notin 20$  million by the Government of Italy to help the PA to meet its recurrent expenditures. These payments were due to begin on Monday 22 December, across the whole territory, benefitting over 47,000 vulnerable families.

In the West Bank, the Palestinian Authority will be able to make the payments as scheduled. Beneficiaries can collect their allowances in 29 designated bank branches throughout the West Bank until 29 January 2009.

In Gaza, to date, the Israeli authorities are stopping the Palestinian Authority from making normal, regular shipments of cash from Ramallah to Gaza. As a result, there is currently no cash available in Gaza for this payment. The 23,964 vulnerable families living there who are eligible for this payment will not be able to collect their allowance until the situation is resolved.

The European Union, the Palestinian Ministry of Finance and the Palestinian Ministry of Social Affairs will ensure that these families are informed as soon as the cash is available to make payments. For now, eligible families in Gaza are asked not to go to collect their allowances at the banks in Gaza until instructed by their social worker.

The European Union has made, and continues to make strenuous efforts to convince the Israeli authorities to allow regular cash shipments to Gaza, so that banks can operate as normal and so that the Palestinian Authority can fulfil its obligations towards the people of Gaza. The European Union supports all the efforts of the international community to persuade Israel to cooperate on resolving this problem. The European Union will continue with these efforts until a solution is found.

Contact:

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