



PALESTINE*

Southern Neighbourhood



EU-PALESTINE COOPERATION PRIORITIES



Governance Reform, Fiscal Consolidation & Policy



Rule of Law, Justice, Citizen Safety & Human Rights



Sustainable Service Delivery



Access to Self-Sufficient Water & Energy Services



Sustainable Economic Development

Last updated: 1/1/2024



TRADE & INVESTMENT

- Due to the difficult economic situation and restrictions on movement and access to Palestine, trade with the EU is very limited.
- Total trade in goods between the EU and Palestine in 2023 amounted to **€425 million**.
- In 2023, the EU was **Palestine's third largest trading partner** behind Israel and Türkiye, representing **7.4%** of its total trade. With a **8.9%** share, the EU was the third largest exporter to Palestine behind Israel (**52.5%**) and Türkiye (**9.5%**). The EU was Palestine's seventh largest export destination (**0.7%**). The EU's exports to Palestine amounted to **€402 million** in 2023. The EU's imports from Palestine were worth **€23 million** in 2023.



MOBILITY

Since 2014, **4 187 Palestinian students** and academic staff travelled to Europe and **1 914** European students and staff travelled to Palestine thanks to the Erasmus+ programme.



EU SUPPORT TO PALESTINIANS

The **Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI)** is the main financial instrument for the EU's international cooperation with partner countries, including Palestine. The European Union is the biggest provider of external assistance to the Palestinians with a bilateral allocation of **around €1.36 billion for 2021-2024, of which over €1.03 billion have already been adopted**. EU funding aims to support the Palestinian Authority's (PA) recurrent expenditures and provision of social services, to strengthen the water and energy sectors, as well as sustainable economic development programmes, and to provide assistance to the Palestine refugees.

- The EU provides assistance to the Palestine refugees through its contribution to the **United Nations Relief and Works Agency for Palestine Refugees (UNRWA)**. For 2021 to 2024, the EU contribution to UNRWA's programme budget amounts to **€363 million**. This funding aims to contribute to maintaining basic living conditions and access to essential services such as health, education and social services, salaries for teachers, doctors and social workers active in refugee camps in Palestine and host countries.
- Since 2021, the EU contribution to PEGASE has amounted to **€516.75 million**. Through the PEGASE mechanism, the EU contributes to the Palestinian Authority's recurrent expenditures (payment of salaries and pensions of civil servants, social allowances for vulnerable families, payment for the medical referrals to the East Jerusalem hospitals and supports the administrative and technical capacity of the PA institutions).
- The EU contributes to sustainable economic **development programmes** in Palestine for an amount of **€151.25 million** since 2021. The focus is put on job creation, entrepreneurship, and green economy, including digital economy as well as on water and energy. It also supports the strengthening of

* This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of Member States on this issue.

the rule of law and includes an annual allocation to the EU East Jerusalem Programme in support to the two-State solution.

- The **EU-Palestine Investment Platform** was established in December 2020 with the aim of fostering policy dialogue and investment. It serves as a platform to identify, prioritise, coordinate and promote investment opportunities offered by the EU External Investment Plan, together with its European Fund for Sustainable Development.
- In July 2024, the EU has announced **€400 million** in short term emergency support in grants and loans to the Palestinian Authority to address its most pressing financial needs and support its substantial and credible reform agenda. **€382.5 million** provided respectively by the European Commission and the European Investment Bank, have been disbursed so far.
- Palestinian civil society organisations (CSOs) are eligible for funding under NDICI thematic programmes supporting CSOs and promoting human rights and democracy. The allocation for Palestine amounts to **€15.4 million** for the period 2021-2024.
- Finally, Palestine benefits, together with Israel, from the regional programme 'European Peacebuilding Initiative' (EUPI). The annual EU contribution of **€5 million** promotes the conditions for a sustainable resolution of the Israel-Palestine conflict through grassroot civil society projects and citizens' positive engagement. EUPI funds are complementary to the funds channelled through the Foreign Policy Instrument (FPI) supporting a negotiated and viable two-State solution and end to the conflict.
- During the period 2014-2020, the EU provided **€2.2 billion** in grants to support EU-Palestinian cooperation priorities through the **European Neighbourhood Instrument**.



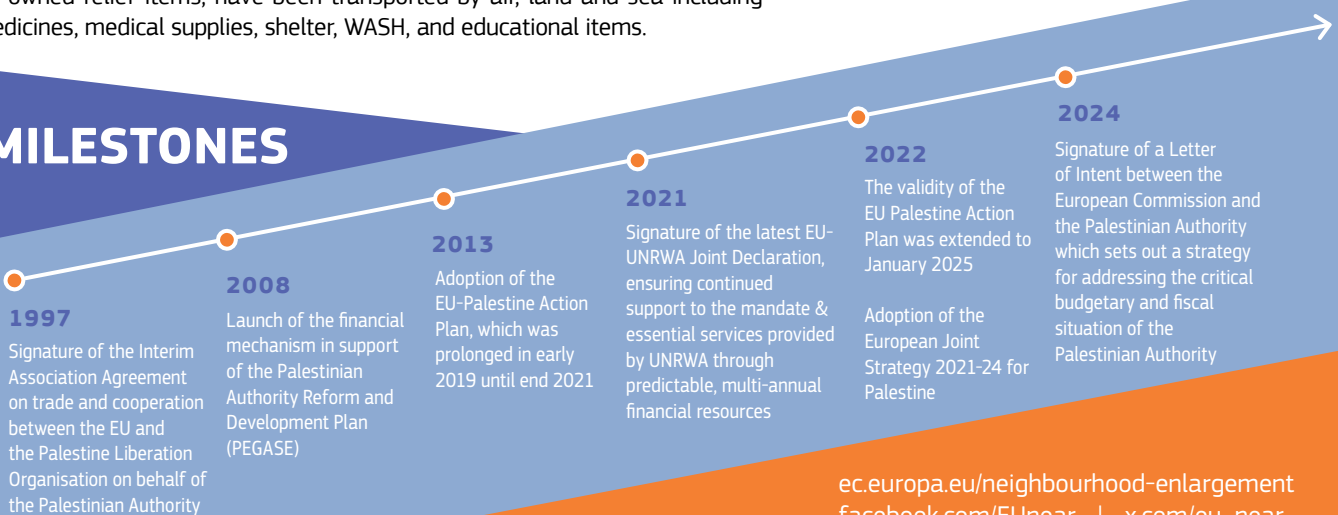
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HUMANITARIAN AID

In light of the protracted humanitarian situation of Palestinians in the Gaza Strip and its rapid deterioration due to the continued intensification of hostilities and Israeli attacks, the Commission has allocated over **€290 million** in humanitarian aid for Palestinians since the beginning of the war. The EU humanitarian assistance has quadrupled to **€103 million** in 2023, while an additional **€238 million** have been allocated for humanitarian aid so far in 2024. This funding supports humanitarian organisations working both in Gaza and the West Bank. As of 11 November, the EU Humanitarian Air Bridge operated by the Commission amounted to 60 flights. Over **3 400 tonnes** of cargo supplied by humanitarian partners and EU Member States, as well as EU owned relief items, have been transported by air, land and sea including medicines, medical supplies, shelter, WASH, and educational items.

KEY MILESTONES



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