

Comprehensive Programme for Palestinian Recovery and Resilience

2025 - 2027



April 2025
#Together4Med

In her mission letter, Commissioner for the Mediterranean, Dubravka Šuica, was tasked with “taking forward the multi-year Support Programme for the Palestinian Authority (PA) anchored in reforms, to help pave the way for a two-state solution”.

The European Commission proposes a **Comprehensive Programme** to support Palestine*, which will have an overall volume of up to €1.6 billion covering the period from 2025 to 2027. Thanks to this programme, the EU will support vulnerable Palestinian citizens and refugees who are experiencing dire circumstances.

The Programme will be structured in 3 pillars:

Pillar 1

Reforms and financial support to the Palestinian Authority

Under this first pillar, the EU will help the Palestinian Authority (PA) to continue delivering services to its people. This direct financial assistance will be disbursed via the EU mechanism “**PEGASE**” and will contribute to the PA’s recurrent expenditures. Those include, for example:

- Payments of salaries and pensions of civil servants.
- Social allowances for vulnerable families.
- Medical referrals to the East Jerusalem hospitals.
- Administrative and technical capacity-building of the PA.

EU disbursements will be linked to the PA’s achievement of key reforms identified in the **Reform Matrix** agreed between the EU and the PA in November 2024.

up to
€1.6 billion
2025 - 2027



around
€620 million
in grants

Prime Minister of Palestine, Mohammed Mustafa, and Commissioner for the Mediterranean, Dubravka Šuica, January 2025

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

Pillar 2

Support for resilience and recovery in the West Bank and Gaza

The EU will support actions for economic recovery and resilience towards stabilization. EU-funded projects will, for example:

- Support income generation, job creation, and livelihood opportunities.
- Strengthen the effectiveness of local governments so as to enhance service delivery to the citizens at local level.
- Provide technical and financial support to Micro, Small and Medium Enterprises so that they can improve their resilience, competitiveness and access to new markets.
- Support early recovery as well as access and provision of quality basic services in areas such as water, energy, wastewater education, health.

This integrated approach will encourage **Team Europe** initiatives.

This pillar will include an allocation of **€82 million per year** to deliver uninterrupted essential basic services to Palestinian refugees via the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

The EU will furthermore launch a **Donor Platform** to ensure the transparent implementation of the Comprehensive Programme and offer a forum for engagement on the Reform Matrix and future engagement on Gaza, while ensuring that international efforts are aligned.



around
€576
million
in grants

up to
€400
million
in loans

Pillar 3

Loans from the European Investment Bank (EIB) and EFSD+ guarantees

As part of the Comprehensive support Programme for Palestine, the Commission will guarantee loans for up to **€400 million** by the EIB for new finance to the Palestinian private sector, subject to approval of the EIB's governing bodies. EIB and the EU are also developing additional operations that will support key sectors such as energy, water, wastewater and health.

