

**Question for written answer E-000080/2014  
to the Commission**  
Rule 117  
**Hynek Fajmon (ECR)**

Subject: EU direct financial support to the Palestinian Authority

Between 2008 and 2012, the EU provided the Palestinian territories with around EUR 1 billion in direct financial support under its PEGASE DFS programme. In a report published on 11 December 2013, the European Court of Auditors expressed doubts regarding the continued sustainability of the programme and recommended that many aspects of the current approach to the programme be reviewed. It also recommended that the complex PEGASE DFS governance system be made simpler and more transparent. The audit uncovered particularly serious problems in the Gaza Strip, where a significant number of government employees receive their salaries thanks to EU support, even though they do not attend work owing to the political situation. The report also mentions that the Palestinian Authority has recently been taking on a large number of employees while experiencing a budget deficit.

1. What steps will the Commission take in response to the results of the audit and the recommendations made by the Court of Auditors?
2. How does the Commission monitor whether funds paid out under the PEGASE DFS programme are being used economically and effectively?
3. Will the Commission follow the recommendations made by the Court of Auditors and end direct financial support to the Gaza Strip?
4. Will the Commission demand that the Palestinians carry out major governmental reforms and make the funds paid out conditional upon their doing so, as recommended in the report from the Court of Auditors?