

United Nations Development Programme

Programme of Assistance to the Palestinian People

برنامج الأمم المتحدة الإنمائي / برنامج مساعدة الشعب الفلسطيني



PRESS RELEASE

Funded by the Islamic Development Bank The Palestinian Authority and UNDP/PAPP launch a US\$30 million micro-finance programme for deprived Palestinians

Jerusalem, August 09th, 2007- In a concerted effort to combat poverty in the occupied Palestinian territory (oPt), the Islamic Development Bank (IDB) joined with the Ministries of Foreign Affairs, Planning and Labour and UNDP's Programme of Assistance to the Palestinian People launched the "Deprived Families Economic Empowerment Programme" (DEEP). Dr. Mahmoud Al Habbash, Minister of Social Affairs, Dr. Samir Abdullah, Minister of Planning and Labour, Mr. Mazen Sonnokrot, IDB Representative, and Mr. Jens Toyberg Frandzen, UNDP Special Representative attended the ceremony along with several NGO representatives.

This US\$30 million pilot programme, funded by the IDB and executed by UNDP/PAPP in partnership with the Palestinian Authority, is a comprehensive and innovative poverty alleviation initiative that harnesses global expertise and knowledge. It aims at creating new pathways for the poorest families by linking micro-finance and safety net programmes, as a mean to empower and graduate 12,000 Palestinian chronic and hard hit poor families who are currently economically dependent and help them become independent providers of income.

In partnership with 15 NGO's, the first component in the implementation process will be the establishment of Promotional Social Safety Net Activities to help families who are too poor for conventional micro-finance assistance to graduate from poverty.

The programme will also enhance the capacity, efficiency and effectiveness of a number of Palestinian micro-finance institutions throughout the West Bank and Gaza to ensure a conducive environment for the growth and effectiveness of the micro-finance industry.

"One of our priority areas as the Palestinian Authority and Government is to provide maximum social security to the poor and most needy families. The Ministry of Social Affairs and its partners believe in a vision based on sustainable development connecting the national, developmental, economical and social short and long-term goals," said Dr. Mahmoud Al Habbash. "This programme is our response to help reduce the suffering of the Palestinian People," he added.

Thanking the IDB and the ministries involved for their trust in UNDP/PAPP as a partner in implementing development assistance to the Palestinians, Mr. Jens Toyberg Frandzen stated, "This unique programme will have a long lasting impact on Palestinian families. It provides a wide range of financial and non-financial intervention areas that will capitalize on their skills. This intervention should unleash their potential to become entrepreneurs in their own right. This is an example of real development and transformation from a life of dependency to sustainable livelihood of the neediest Palestinians", he added.

It is worth noting that the poverty and unemployment rates in the occupied Palestinian territory have reached alarming levels with large segments of the population experiencing significant hardships. A recent paper produced by UNDP on poverty revealed that 58% of Palestinians live under the poverty line, with about half of them are living in extreme poverty.

For further information, please contact:

In Jerusalem: Dania Darwish, Communications Officer, Tel. +972-2-6268229 – e-mail: dania.darwish@undp.org. Wadi Razzouk, PR Specialist, Tel. +972-2-6268311 – e-mail: wadi.razzouk@undp.org, In New York: Sausan Ghosheh Communication's officer, Tel. +1 (212) 906-5382 – e-mail: sausan.ghosheh@undp.org. For more information on UNDP/PAPP see <http://www.undp.ps>.

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