

Jan. 13, 2014

The Palestinian Authority's payments to terrorists facilitated by international donors

Written evidence submitted by
Itamar Marcus and Nan Jacques Zilberdik
Palestinian Media Watch

to the International Development Committee inquiry on the UK's development work in the Middle East

The PA paid more than \$100 million in 2013
to terrorist prisoners and released prisoners

These payments to terrorists are paid
directly and indirectly by the UK, the US, the EU,
and individual EU donor countries

The PA rejects Europe's demand that donor money not go to terrorists.

PA Minister of Prisoners' Affairs Issa Karake:

"The Europeans want their money that comes to us to remain clean- not to go to families of those they claim to be terrorists. [They] need to renounce this occupation mentality. These [prisoners] are heroes, fedayeen (self-sacrificing fighters), and fighters ... We appreciate the people of the revolution and are proud of them."

[Official PA TV Live, Nov. 4, 2013]

The Palestinian Authority's payments to terrorists facilitated by international donors

submitted by
Itamar Marcus and Nan Jacques Zilberdik
Palestinian Media Watch

Executive Summary:

The Palestinian Authority makes four payments to security prisoners in Israeli jails and released prisoners of which three are financial rewards. These payments totaled over \$100 million in 2013. (calculated at rate \$1 = 3.5 shekels)

The PA payments to terrorists include (see documentation below):

1. Grants to released terrorists: approximately **\$15,000,000**
 2. Monthly salaries to released unemployed terrorists: approximately **\$25,715,000**;
 3. Monthly canteen payments to imprisoned terrorists: approximately **\$6,857,000**
 4. Monthly salaries to imprisoned terrorists: approximately **\$56,000,000**
- (See all documentation and calculations below.)

- The PA's monthly salaries to terrorists in Israeli prisons reach four times the average monthly wage of PA civil servants and nearly \$58 million in 2013
- The grants given by the PA to recently released terrorists reached as high as 60 times the average monthly wage of civil servants reaching \$15 million in 2013
- The Palestinian Authority has clarified that the monthly salary payment to imprisoned terrorists is not social assistance, but rewards "out of esteem for their sacrifice and struggle": "[Minister of Prisoners' Affairs Issa] Karake denies rumors about changing salaries (Arabic: *rawatib*) into social assistance... He noted that the government... has authorized regulations to support and protect them [prisoners] out of esteem for their sacrifice and struggle."
[Wafa (the official Palestinian Authority news agency), Dec. 27, 2012]
- The highest monthly salary for terrorists in prison is 12,000 shekels (\$3,407) per month – an amount four times the average monthly wage of PA civil servants, of 2,882 shekels (\$818).
- The PA announced additional financial benefits to terrorists in December 2013 and promised more benefits in 2014
- These payments to terrorists of more than \$100 million a year would not be possible were Western donors not facilitating them, either through direct donations to the PA salary budget, its general budget or through payment of other PA expenses, which frees up money for payments to terrorists.

The following report documents the PA's financial rewards to terrorists, and that these rewards are being facilitated by Western funding.

The report

Payment to prisoners is “salary... out of esteem” - not social assistance

The Palestinian Authority makes four payments to security prisoners in Israeli jails. The Palestinian Authority has stressed that the monthly salary is not social assistance but a salary the terrorists receive because of their “struggle.” Struggle is often a PA euphemism for terror activities:

"[Minister of Prisoners' Affairs Issa] **Karake denies rumors about changing salaries (Arabic: *rawatib*) into social assistance (Arabic: *i'anat ijtima'iya*)**... He noted that the government headed by Salam Fayyad considers the prisoners' cause central, and has authorized regulations to support and protect them **out of esteem for their sacrifice and struggle.**" [Wafa (the official Palestinian Authority news agency), Dec. 27, 2012]

All these payments not only reward terror, as the PA minister indicates, but certainly can be seen by individuals as a motivation for terror. PMW has received a copy of a signed statement to Israeli police made by one terrorist prisoner who said that since his first imprisonment for planning a suicide terror attack was less than five years, he planned another attack in order to reach 5 years' imprisonment, which would provide him with a monthly salary upon release. The monthly salary of 4,000 shekels after leaving prison would cover his debt, he explained, and the money was his sole motivation:

Prisoner: "And after [my] release... I had a bank account with 45,000 shekels from [my] salary from the Palestinian Ministry of Prisoners' Affairs... and there remained a deficit of 30,000 shekels for the wedding ... I decided to arrange an imaginary plan for the Israeli ShaBaK (i.e., Israel's General Security Service) [to discover] so that I would be arrested... After I would spend five years [in prison] I would receive a salary of about 4,000 shekels [upon release] and this amount would be for three years. That means there would be a total amount of 135,000 shekels and then I would cover my debts." [Testimony of Suspect, Israel Police form, Aug. 18, 2013]

Following PMW's exposure of the fact that the PA pays salaries to terrorists, many European countries have debated the issue, condemned the practice and asked for clarifications from the PA. However, recently, PA Minister of Prisoners' Affairs Issa Karake mocked the European countries for challenging the PA's funding of terror saying "the Europeans want their money that comes to us to remain clean." He said, at a ceremony honoring released terrorists all of who were murderers, that Europe's seeing Palestinian prisoners as terrorists is "occupation mentality" since according to the PA they "are heroes":

PA Minister of Prisoners' Affairs Issa Karake

"The Europeans want their money that comes to us to remain clean -- not to go to families of those they claim to be terrorists. [They] need to renounce this occupation mentality. These [prisoners] are heroes... These heroes, whom you are applauding, must live in dignity, so that we will continue to hold our heads high. We appreciate the people of the revolution and **are proud of them.**"

[Official PA TV Live, Nov. 4, 2013]

These words of the PA minister articulate the fundamental disagreement between the PA and the West about how to define a terrorist and how the PA should use donor money. The US and Europe see Palestinians who have murdered Israeli civilians as terrorists who should be punished. The PA sees Palestinians who have murdered Israeli civilians as "heroes" and rewards them financially.

Since the PA cannot cover its expenses or pay salaries independently, the PA uses the donor money in its general budget according to its own discretion. The UK, Europe and other donors contribute money to the PA, which either directly or indirectly paid or facilitated more than \$100 million the PA paid to terrorists in 2013.

The PA paid terrorist prisoners and released prisoners more than \$100 million in 2013

PMW has precise official PA figures for three of the five payments the PA made to prisoners and released prisoners in 2013. Regarding the fourth payment – the monthly salaries – the PA has not published a monthly total since PMW exposed that the PA salaries reached 17 million shekels per month (\$4,857,000) in May 2011. In spite of not having precise official figures, PMW has calculated an estimated salary payment for 2013 based on other official PA statements, the number of prisoners, the average salaries in 2011 and the salary payments per prisoner.

The fifth payment is monthly salaries to released prisoners who were imprisoned more than five years who receive an additional 4,000 shekels a month for three years (see the prisoner's statement above and PA statements below). However, PMW is not including this expense group in the report as the PA has given no official statement as to the total number of recipients in this category or its total expenditure.

Total PA payments in 2013, by category

The following was the PA expenditure to prisoners and released prisoners in 2013 (in US dollars). Some figures are based on conversion from shekels at a rate of 3.5 shekels = 1 dollar.

All documentation follows below:

Payment 1: Grant to prisoners upon release from jail:

In 2013 \$15,000,000

Payment 2: Monthly salary to unemployed released prisoners

Per month: \$2,143,000;

In 2013 \$25,715,000

Payment 3: Canteen money to prisoners

Per month: \$571,428;

In 2013 \$6,857,000

Payment 4: Monthly salary to prisoners:

(Estimate) In 2013 \$56,000,000

Payment 5: Monthly salaries to released prisoners imprisoned more than five years

(No estimate)

Total PA payments to terrorist prisoners in 2013: (At least) \$103,500,000

Details and documentation:

Payment 1: Dignified Life Grant – paid to prisoners upon release from Israeli jail: \$15 million in 2013

When released from Israeli prisons terrorists receive a grant from the PA sometimes referred to as the "Dignified Life Grant" paid over three years. The terrorists released in August and October 2013 by Israel to accommodate the PA's precondition to return to negotiations will each receive a grant reaching as high as \$50,000, and the PA has allocated 15 million dollars for 2013.

These figures are from explicit statements by two PA officials:

Director, Ministry of Prisoners' Affairs, Nael Ghannam:

"This is a one-time grant [for released prisoners]. The full amount will be paid over the next three years. The beneficiaries are released prisoners who served more than 5 years... One who served up to 10 years will receive \$1,000 for each year; between 11 and 15 years - it goes up to \$1,500; between 15 and 20 years it goes up to \$2,000, etc. **The maximum total won't exceed \$50,000.**"

[Official Palestinian Authority TV, Aug. 22, 2013]

"Head of the Statistics Department of the Ministry [of Prisoners' Affairs], Abd Al-Nasser Farwaneh said... he expected the number of released prisoners who will register to receive the grant will reach approximately 5,000 prisoners who were imprisoned for over five years... He said that **the amount allotted for 2013 is approximately 15 million American dollars.**" [Al-Ayyam, Aug. 19, 2013]

Payment 2: Monthly salary to unemployed prisoners after release from jail: \$25 million in 2013

In an interview on PA TV PA Minister of Prisoners' Affairs Issa Karake said the monthly salary for unemployed released prisoners comes to **"7.5 million shekels every month"**:

PA TV host: "What is the monetary allowance that is given to the released prisoners?"

PA Minister of Prisoners' Affairs Karake: "The allowance's maximal amount is around 2,000 shekels..."

PA Minister Karake: "First of all, the fixed salary (*rawatib*) is not a loan..."

Attorney Suad Ghazaleh: "The law says 'loans.'"

PA Minister Karake: "This isn't a loan. You have to return a loan. Legally, this is entirely untrue. This is a salary (*rawatib*). True, it's low, but I'll give you a number: 7.5 million shekels a month [is what] we pay to unemployed released prisoners. **7.5 million shekels every month.**" [Official PA TV, Dec. 2, 2013]

7.5 million shekels a month comes to 90 million shekels or 25 million dollars in 2013.

Payment 3: Canteen money: \$6,857,000 a year

The PA gives 400 shekels a month to Palestinian prisoners to spend in prison on cigarettes, snacks etc. [Ma'an (independent Palestinian news agency), May 5, 2012] This payment is made with Israel's consent and facilitation. The number of prisoners in Israeli jails fluctuated above and below 5,000 prisoners during 2013.

5,000 prisoners receiving 400 shekels a month equals 2 million shekels a month and 24 million shekels or \$6,857,000 a year.

Payment 4: Monthly salary while in prison: \$56,000,000 a year

In April 2011, PMW first exposed that the PA pays high monthly salaries to all security prisoners in Israeli jails. This payment is defined in what is called "**PA Government Resolution of 2010**,

numbers 21 and 23,” and the resolution formalizes what was already a PA practice. The terrorists receive this salary “from the day of arrest until release.” [Official PA daily *Al-Hayat Al-Jadida*, April 15, 2011]

These salaries are linked to length of time in prison, going as high as 12,000 shekels for those imprisoned “30 years or more” as stated in the text of the PA’s resolution – which is **four times the average monthly wage** of PA civil servants (2,882 shekels in May 2011):

“Government resolution # 23 of 2010 concerning the regulation to pay a monthly salary to the prisoner:..

The salary will be paid to the prisoner from the date of his arrest...

- 0- 3 years... 1,400 shekels/month...
- 3 - 5 years... 2,000 shekels/month...
- 5 -10 years... 4,000 shekels/month...
- 10 -15 years... 6,000 shekels/month...
- 15 - 20 years... 7,000 shekels/month...
- 20 - 25 years... 8,000 shekels/month...
- 25 - 30 years... 10,000 shekels/month...
- 30 years or more... 12,000 shekels/month.”

[Official PA daily *Al-Hayat Al-Jadida*, April 15, 2011]

The official PA daily also published a detailed analysis of a typical month’s payment of salaries, which included details about the salaries to prisoners. The following chart that accompanied the article shows in the sixth row, named “prisoners”, payments of more than 17,000,000 shekels, which was 2.43% of the monthly salary budget of May 2011:



That same article noted the high level of the prisoners' salaries, whose average monthly salary is higher than PA civil servants and PA military personnel:

“An official document, a copy of which reached *Life and the Market* (supplement to the official PA daily), reveals that the cost of salaries [in the PA budget] is much higher than people think. According to the document, the sum of monthly salaries for May 2011 totaled 727,287,824 shekels (\$214,412,683.96), paid from the treasury of the [Palestinian] National Authority... **The average salary for a civil servant in the Palestinian Authority is 2,882 shekels... The average salary for members of the PA military personnel is 2,704 shekels...** As for the prisoners (i.e., in Israeli prisons), they receive approximately 2.5% of the cost of salaries, **in the form of salaries and payments, totaling 17,678,247 shekels (\$5,211,747)... The average prisoner salary is 3,129 shekels...**”

[*Al-Hayat Al-Jadida*, June 19, 2011]

This official document on which the official PA daily reported clearly shows that the salaries to prisoners are paid from the PA's general budget for salaries, and that the average prisoner's salary in 2011 was approximately 10% higher than that of civil servants and approximately 15% higher than that of PA military personnel.

Calculating PA expenditure for salaries in 2013 using 2011 as a base

The May 2011 report cited above was the last time the PA published the figures for its monthly salary budget. **The average monthly expenditure in 2011 totaled 17,678,247 shekels (\$5,211,747) and approximately \$62.5 million for all of 2011.**

To estimate the yearly expense for 2013, starting with 2011 as a base, three adjustments have to be made.

- The number of prisoners has gone down, by 500, lowering expenses -
- Many long term prisoners were released by Israel, lowering expenses
- Many of the 5000 prisoners would be receiving 1,000 – 2,000 shekels more a month than in 2011, as all salaries for terrorists rise the longer they are in jail, raising expenses.

Given these higher and lower adjustments, PMW calculates it would be safe to estimate that the salary expenses have not changed very much since they cost to the PA \$62.5 million in 2011. However, in the interest of caution, PMW is choosing a figure of 10% lower expenditure since 2011 - so as to be certain we are not overestimating PA expenses to terrorists.

The final salaries expenditure estimate for 2013:

Base figure: 2011 yearly expenditure: \$62,540,964

Minus (10%) \$6,254,096

2013 salaries equal at least \$56,000,000

Payment 5: Released prisoners who were jailed for five years: *No estimate*

Released prisoners who were jailed for five years or more receive a monthly stipend or salary of 4,000 shekels from the PA upon leaving prison, apparently for three years:

"Al-Haj was one of 26 citizens released by the occupation's forces in the early hours of Wednesday morning [Aug. 14, 2013] despite protests by families of Israelis killed in Palestinian attacks... The released prisoners received a hero's welcome in the West Bank

by senior [Palestinian] Authority officials and by their relatives... **Money is not an immediate concern because the [Palestinian] Authority will pay at least 4,000 shekels a month to prisoners released after serving a long prison term, and considers them to be returning soldiers.**" [*Al-Hayat Al-Jadida*, Aug. 16, 2013]

As stated above, the PA has not released official figures as to the numbers of recipients or its monthly expenditure so PMW has chosen not to include this payment in the estimate for 2013, even though it may be substantial.

New benefits to terrorists 2013 - 2014

As this report is being written in December 2013, the PA is announcing and enacting new regulations to increase financial benefits to terrorists, which will be paid by the PA's education budget, health budget and other budgets:

"[At] its weekly meeting, convened yesterday [Dec. 3, 2013] in Ramallah [and] chaired by Prime Minister Dr. Rami Hamdallah, the [PA] government ... **approved the proposed revised regulation to exempt released prisoners from school and university tuition, medical insurance [fees] and training course fees**, to show appreciation for their struggle, and as part of the government's pledge to provide our brave prisoners and their families with a dignified life." [*Al-Hayat Al-Jadida*, Dec. 4, 2013]

And more benefits are pending:

"[PA] Minister of Prisoners' Affairs Issa Karake announced that the prisoners' issue is constantly and continuously on the government's table, due to the great interest in this issue and to the **search for every possibility to assist them as fighters who sacrificed for their homeland and country...** Karake noted that in recent years the Ministry of Prisoners' [Affairs], in cooperation with all institutions, enacted four implementing regulations of the prisoners' law... **Karake related to a number of other proposals for regulations, which he hopes will be duly approved. They relate to university education in prisons, fertility services for released prisoners, salary completion and the establishment of a national fund to support prisoners and their families, alongside a regulation for deceased released prisoners.**" [*Al-Hayat Al-Jadida*, Nov. 12, 2013]

Salary payment or social welfare?

There has been discussion in a number of European parliaments, especially in UK Parliament, as to whether these salary payments are social welfare stipends to families or salary payments to terrorists. As PMW has stressed in the past, and as official PA statements and reports corroborate, these payments to terrorists are not categorized by the PA as social welfare in name and not treated as social welfare in practice. The PA has stressed as cited above that payments to terrorist prisoners are rewards "**out of esteem for their sacrifice and struggle**":

"[Minister of Prisoners' Affairs Issa] **Karake denies rumors about changing salaries (Arabic: *rawatib*) into social assistance...** He noted that the government... has authorized regulations to support and protect them **out of esteem for their sacrifice and struggle.**"

[Wafa (the official Palestinian Authority news agency), Dec. 27, 2012]

In addition, the Minister of Prisoners' Affairs Issa Karake himself has confirmed that the prisoner is the only person who can decide where the salary money goes. He is the only one who can assign a power of attorney, and he is not obliged to transfer the money to his wife and children:

PA Minister of Prisoners' Affairs Issa Karake: "The current procedure in the Ministry of Prisoners' Affairs is that the prisoner determines who has the power of attorney... He gives the power of attorney to whomever he wants from within this group -- first-degree relatives -- to receive his monetary allowances." [Official PA TV, Feb. 17, 2013]

In an interview, the wife of a prisoner explained that her husband gave his salary to others and not to her:

PA TV journalist Roba Al-Najjar to wife of prisoner: "For nearly four years, the prisoner's allowance from the Ministry of Prisoners' Affairs and the official institutions has not reached your hands and your children's hands... Did you try to turn to the authorities?"

Prisoner's wife: "A year and a half ago, I went to the Ministry of Prisoners' Affairs... Their answer was: 'Your husband transfers it to the person he wants. It's in his power not to transfer [it to you] and we can't do anything about it.'"

Prisoner's wife: "[My husband] told me: 'If you do what I want, it [the monthly salary] will return to you. As long as you are like this, it won't return to you.'"

[Official PA TV, Feb. 17, 2013]

This confirms that it is not only the letter of the law but also Palestinian Authority practice, that the prisoner determines where his salary money goes – and he can withhold it from his wife and children and save it for when he is released if he chooses.

PA payments to terrorists and Western donor money

There are some European officials who have argued that the PA has a separate account from which it pays salaries to terrorists and therefore donating money for PA salaries or to the general budget is not funding terrorists.

The chart and the accompanying article cited above, quoting the official PA document and analyzing the May 2011 salary budget, shows that these salary payments to terrorists come from the PA's salary budget, which is paid from the PA's general budget. In this detailed article in the official PA daily's financial supplement discussing the PA's salary budget, the payments to prisoners were explicitly presented as part of the monthly salaries' budget even citing that it was 2.43% of the general budget for salaries.

The Chairman of the PA-funded Palestinian Prisoners' Club Qadura Fares confirmed in an interview on official PA TV, that since payments to prisoners are like other civil servants' salaries they are all paid together. He explained that in times of financial crises, whenever salaries are paid to civil servants "they will also be paid to the prisoners":

PA TV host: "How were the prisoners' salaries and allowances affected by the economic crisis in Palestine?"

Chairman of the Prisoners' Club, Qadura Fares: "All in all, we are in the same situation as others. What is disbursed to the prisoners is exactly what is disbursed to me and you [i.e., government employees]. These are salaries. Therefore, when the salaries are paid to those working in [government] ministries and institutions, they will also be paid to the prisoners." [Official PA TV, Jan. 17, 2013]

Funding by the UK and other Western donors

It is clear from the rules, regulations, and statements of the PA that any country that gives funding to the PA's general budget or to the payment of salaries participates in paying salaries to terrorists.

In addition, due to the PA's inability to raise the money to cover its monthly budget expenses, the PA has conditioned payment of terrorist prisoners' salaries on "**availability of funds**":

"Head of the Statistics Department of the Ministry [of Prisoners' Affairs], Abd Al-Nasser Farwaneh... confirmed that the first group of released prisoners will be able to receive the Dignified Life Grant next month and explained **that payment will depend on availability of funds.**" [*Al-Ayyam*, Aug. 19, 2013]

"Every prisoner will be granted a monthly salary... These regulations will be implemented from Jan. 1, 2011, **on the basis of available sources of funding.**"

[PA regulation, *Al-Hayat Al-Jadida*, April 15, 2011]

Since salaries are conditioned on "availability of funds," even those countries, which earmark their donations for specific PA needs and expenses, such as teachers' salaries, instead of donating directly to the PA general budget, in effect facilitate payments to the terrorists. Earmarking money for teachers' salaries frees up money in the budget that would otherwise have paid the teachers, and thus make money for terrorists "available". Accordingly, those countries that give money directly for the PA budget's use, are paying the salaries and grants to terrorists.

The PA is aware of the Western world's refusal to pay salaries to terrorists, and this was expressed by PA Minister Karake who mocked and rejected Europe's demand that their money not fund terrorists:

PA Minister of Prisoners' Affairs Issa Karake:

"The Europeans want their money that comes to us to remain clean- not to go to families of those they claim to be terrorists. [They] need to renounce this occupation mentality. These [prisoners] are heroes, *fedayeen* (self-sacrificing fighters), and fighters ... We appreciate the people of the revolution **and are proud of them.**"

[Official PA TV Live, Nov. 4, 2013]

Just a month after the PA minister made these remarks the EU sent more money to the PA to pay salaries – including those of terrorists:

"Yesterday [Dec. 15, 2013] the European Union donated approximately 11 million euros to pay the November salaries and pensions of approximately 71,000 Palestinian government employees and pensioners in the [West] Bank and the Gaza Strip."

[Wafa, official PA news agency, and *Al-Hayat Al-Jadida*, Dec. 6, 2013]

From the EU press release:

"For many years, the EU has been the biggest donor and most reliable partner to the Palestinian Authority. Today's contribution to salaries and pensions is further evidence of our unimpeded support for the Palestinian people which will continue in 2014."

[http://eeas.europa.eu/delegations/westbank/documents/news/2013/20131205_november_salaries_en.pdf]

The Western donor countries' choice to ignore the fact that the PA is spending over \$100 million dollars a year in payments to terrorists from the money they donate to the PA for development enables the PA to continue its policy of rewarding terrorists and murderers without having to worry about the source of income to cover these expenses.

Conclusions:

The PA makes four payments to terrorist prisoners and released prisoners, which reached in 2013 to over \$100 million dollars.

Countries which donate money to the PA's general budget or to the salaries budget are directly making payments to terrorists.

Countries which earmark their donations for specific projects are freeing up money elsewhere with which the PA pays terrorist salaries.

(See more details with additional sources in [4 reports on PA terrorist salaries.](#))

Additional Remarks

PMW's reason for submitting evidence:

PMW believes that peace education is a critical component for achieving peace. By providing salaries and other financial rewards to terrorists, the PA is educating its people to glorify violence and terror against Israeli civilians and to see murderers as role models. Financially rewarding murderers of civilians constitutes an overwhelming impediment to peace.

PMW's recommendations to the UK Government

The UK and other international donors have the power to influence the PA to put an end to the glorification and payment of financial rewards to terrorists. Donor countries have the power to bring about this change, were they to link their funding upon the elimination of terror glorification by the PA, its rewarding terrorists and turning them into role models for youth.

A more conservative approach to eliminate terror glorification would deduct from the PA's funding, the amount that the PA was spending on payments to terrorists, until they stopped terrorists salaries and terror glorification.

Brief description of PMW:

PMW fills a unique role internationally by monitoring, translating, and preparing in-depth reports about Palestinian society, leadership and activities, and bringing the findings directly to decision makers around the world. PMW's goal is to research PA society and expose fundamental impediments to peace actively generated by the PA, so that those impediments can be eliminated. PMW monitors official PA daily newspapers, official PA TV, PA schoolbooks, sports and cultural activities, PA leaders' statements and activities, children's songs and dance, formal and informal education, children's TV programs and music videos. By doing so PMW is able to report key indicators of PA intentions and ideology, and uncover impediments to peace which are found in many PA government-controlled structures.