

PMW Exclusive: PA publishes new budget; continues to defy US and Europe by rewarding terror

- **7.47% of the PA's operational budget is for salaries to terrorist prisoners, released terrorists, and payments to families of "Martyrs" and wounded**
 - **The PA has 2 budget categories rewarding terror; together they equal 44% of anticipated foreign aid**
 - **New in 2018 Budget: For the first time since 2014, the PA is directly paying the Commission of Prisoners, which pays the salaries to terrorist prisoners; as a result, the PA now fits Israel's criteria to be declared a terror organization**
- **Total PA 2018 operational budget: 16.559 billion shekels (\$4.76 billion)**
 - **Salaries to terrorist prisoners: 550 million shekels (\$158 million)**
 - **Payments to families of "Martyrs" and wounded: 687 million shekels (\$197 million)**
 - **Total expenditure in budget categories rewarding terror = 1.237 billion shekels (\$355 million)**
 - **For comparison: PA Ministry of Health which serves the entire population of 5 million has a budget of 1.787 billion shekels, a mere 44% more than 1.237 billion shekels serving the recipients in the two budget categories rewarding terror**

By Itamar Marcus

In the same week that the United States passed the Taylor Force Act, which cuts off nearly all US aid to the Palestinian Authority if it continues paying salaries to terrorist prisoners and allowances to families of terrorist "Martyrs," the PA publicized the main parts of its 2018 budget. In open defiance of the US, other donor countries, and Israel, the PA's new budget shows it is continuing to reward terror. The amount the PA has budgeted to spend on the two categories that reward terror (salaries to prisoners and allowances to families of "Martyrs" and wounded) is 7.47% of the total operational budget. The amount equals 44% of the funding the PA hopes to receive in foreign aid in 2018, which is 2.79 billion shekels according to the budget.

Salaries to terrorist prisoners

For 2018, the PA budget for the Commission of Prisoners' Affairs, which pays salaries to all terrorist prisoners and released prisoners, is 581 million shekels (\$166 million). Of this, 550 million shekels (\$158 million) is for salaries to terrorist prisoners and released terrorists.

Payments to families of "Martyrs" and wounded

The budget for the Families of the Martyrs and Wounded Institution is 696 million shekels (\$200 million). Of this, 687 million shekels (\$197 million) is for payments to families of the so-called "Martyrs" and wounded. The families of "Martyrs" receiving these monthly payments include the families of all Palestinian suicide bombers and other terrorists killed while attacking and murdering Israelis and tourists. For example, the family of the terrorist Bashar Masalha who murdered American student Taylor Force receives this monthly payment. The category for "Martyrs" and wounded also includes some non-combatants, however, the PA has not publicized those numbers or names.

Total PA expenditure on salaries to terrorists and "Martyrs" and wounded in 2018 is 7.47% of the budget

The total amount of these PA payments in the two terror reward categories comes to 1.237 billion shekels or \$355 million, which is 7.47% of the PA's operational budget of 16.559 billion shekels (\$4.76 billion).

PA stops using intermediary to pay salaries to terrorists and now pays directly

It is very significant that for the first time since 2014, the PA has stopped attempting to hide that it is the PA that pays salaries to all the terrorist prisoners. This year, the PA openly lists the budget for these salaries to the Commission of Prisoners as a direct PA budget expense (listed as "transfer payments"). In 2014, after [Palestinian Media Watch](#) showed the [US Congress](#), the EU, and many [European parliaments](#) that the PA was using donor money to pay salaries to terrorist prisoners, the PA closed its Ministry of Prisoners' Affairs and lied to the international community, saying a new PLO Commission of Prisoners' Affairs was paying the salaries from non-PA sources. PMW then exposed that the PA was actually transferring the money to the Palestinian National Fund (PNF) which then transferred the money to the PLO commission, which paid the terrorists. This proved that the salaries for terrorist prisoners were paid with PA money. This brought donor outrage, leading to the Taylor Force Act in the US and measures by other governments. However, now, the PA's budget for 2018 has revealed that the PA has resumed paying the salaries to terrorists directly to the commission.

The PA's direct payments of salaries to terrorists mean that the PA, by Israeli criteria, is a terrorist organization

In March 2017, Israel's Defense Minister Avigdor Liberman declared the Palestinian National Fund (PNF) a terror organization. This was because it, and not the PA, was the one directly paying the PLO Commission of Prisoners' Affairs, which paid the salaries to the terrorist prisoners. The PA, which was the source of the money, was not declared a terror organization because the actual payments were made by the PNF.

As stated above, in the PA's 2018 budget, the payments for salaries to terrorist prisoners are now listed as coming directly from the PA to the Commission of Prisoners' Affairs. The PNF is no longer the intermediary. In the PA budget this year the PA allocates directly to the Commission of Prisoners' Affairs 550 million shekels as "transfer payments" - which are the salaries to terrorists. It was these identical "transfer payments" by the PNF in 2017 that caused Liberman to declare the PNF a terror organization. The following is the [Israeli Ministry of Defense's explanation](#):

"List of Declarations and Orders Regarding Terror Organizations and Unlawful Associations
State of Israel, Ministry of Defense...

Date of the declaration/order:
Temporary declaration - March 16, 2017
Permanent declaration - June 28, 2017

Palestine National Fund - PNF...

Source of the declaration:
Minister of Defense Avigdor Liberman...

**Reasons for the declaration [of the PNF as a terror organization]:
The [Palestinian National] Fund encourages terror activity against the State of Israel by funding bodies responsible for carrying out serious terror activity, including funding imprisoned and formerly imprisoned terrorists, as well as the families of terrorists who were wounded or killed."**

[Israeli Ministry of Defense website, accessed March 21, 2018]

Since the PA has resumed paying the salaries to the Commission of Prisoners' Affairs, the criteria that made the PNF a terror organization now apply to the PA.

Ministry of Health serving population of 5 million has only slightly larger budget

For comparison, the PA Ministry of Health which serves the entire population of 5 million Palestinians (PA Central Bureau of Statistics) has a budget of 1.787 billion shekels. This is a mere 44% more than the 1.237 billion shekels serving the recipients in the two budget categories rewarding terror even though that money serves only a fraction of the population.

PA's former Minister of Prisoners' Affairs confirmed PMW reports

The PA's former Minister of Prisoners' Affairs Ashraf Al-Ajrami recently confirmed PMW's findings that the PA was trying to hide its terror payments from donor countries. Al-Ajrami appeared as a defense witness for the PA in a lawsuit on behalf of the family of a terror victim which is suing the PA. In his testimony, when being cross-examined by the Head of PMW Legal Strategies Adv. Maurice Hirsch, Al-Ajrami admitted that the closing of the Ministry of Prisoners' Affairs and the creation of the PLO Commission of Prisoners' Affairs instead, was done to deceive the international community, which did not want the PA to use their money to pay salaries to terrorists and families of "Martyrs":

Hirsch: "Does the Palestinian Authority pay the salaries to the prisoners from its own money, from its account?"

Al-Ajrami: "Correct."

Hirsch: "Yes? ...I looked at the 2017 budget of the Palestinian Authority and I didn't see that; I saw a transfer to the PLO, because that's what the Palestinian Authority announced in 2014 - that it no longer pays salaries to the prisoners. What is the identity of the body that pays the salaries? The Palestinian Authority from an official account of the Palestinian Authority, or another body?"

Al-Ajrami: "Because there were complaints from bodies, in fact from funders of the Palestinian Authority who did not want their money to go to the families of prisoners and the

fallen. Therefore, the [Palestinian] Authority said that we will not pay money from the government's budget, we will pay from the PLO, and then they brought the [PA] Ministry of Prisoners' Affairs to the Commission of Prisoners' Affairs under the control of the PLO, and then the money moved from the Palestinian Authority to the PLO - the PLO pays, not the [Palestinian] Authority.

[Jerusalem District Court protocol, civil suit 3367-09, Feb. 7, 2018]

PMW will continue to follow, expose, and report on the PA's financial rewards to terrorists and will continue to supply governments around the world with the latest information.

Note about the PA 2018 budget:

The PA lists the operational budget for all of its ministries and activities as 16.559 billion shekels. In addition, it lists in another place in its budget the figure of 18.089 billion shekels. Above, PMW used the 16.559 billion figure because it is the budget for all of the PA's operations. The PA does not specify the use of the extra money, but it may be for repayment of loans and debts.