
OPEC FUND ESTABLISHES SPECIAL ACCOUNT FOR PALESTINE

First grant of US\$2 million approved to help Palestinian universities and students

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The OPEC Fund for International Development has affirmed its continuous support to Palestine with the launch of a Special Grant Account to help finance relief operations in the occupied territories. With an initial endowment of US\$10 million, the Account will enable the Fund to scale up its efforts and provide greater assistance to the Palestinian people. The first grant to be drawn from the Account was approved today for US\$2 million to co-finance an initiative aimed at providing financial support to Palestinian universities and students.

Over the past months, Palestinian settlements have experienced some of the worst violence since the beginning of the Intifada, with the widespread destruction of schools, medical centers, roads and homes. The death toll is rising daily, as is the number of severely injured, many of whom are likely to suffer permanent disabilities. Most areas are subject to strict curfew and movement restrictions that disrupt economic activity and prevent access to social services.

Assistance to educational institutions and students

This first grant represents the Fund's contribution to a joint emergency program initiated by a group of Arab aid agencies to coordinate and intensify assistance to Palestine. Other institutions involved are the Arab Monetary Fund, the Arab Fund for Economic and Social Development (Arab Fund), the Arab Bank for Economic Development in Africa, and the Arab Authority for Agricultural Investment and Development.

The grant focuses on support to the education sector; it will supplement financing from the Arab Fund to provide grants to nine non-governmental, non-profit universities to directly cover the tuition fees of needy students. At present, more than half of all students in the West Bank and Gaza Strip have had their studies interrupted either as a result of movement restrictions or because they cannot pay their fees. This has placed a large financial burden on the universities.

The scheme will enable universities to continue providing educational services while at the same time insuring regular class attendance. Universities will also receive an allocation for establishing a revolving credit fund to help poor students defray their living expenses. The credit will be paid back in small monthly installments once the beneficiaries graduate and start their careers.

Since its inception, the OPEC Fund has pledged its solidarity with Palestine by extending over US\$17.6 million in grants for a number of emergency assistance schemes and a wide range of regional programs that supported, among others, hospitals, maternity clinics, rehabilitation and vocational training centers and colleges.