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40,000 Palestinian families to benefit from EU social allowances at the start of Ramadan

The Commission, through the Temporary International Mechanism (TIM), has started the payment of social allowances to 40,000 of the neediest Palestinian families. This comes on top of allowances already paid to health workers, those who have suffered a sudden drop in income and pensioners. Families have been identified from those normally supported through the social welfare scheme of the Palestinian Authority and will receive €270 each. No regular payments have been made to the families in the scheme since February 2006 due to ongoing financial crisis. The Middle East Quartet (EU, US, UN and Russia) last week supported an extension of the TIM for a three month period and an expansion of its scope.

Commissioner Ferrero-Waldner said: *"The TIM is helping to meet the most urgent needs of the Palestinian people, and following the Quartet decision, we will be able to do even more. I am looking forward to consulting with the EU Member States on how we should respond to the Quartet's call for an expansion of the scope of the mechanism. To make a difference, we will need new donors to come forward to support the TIM. But to really tackle the economic gridlock in the Palestinian Territories, we need both parties to implement the Agreement on Access and Movement and the Israelis to resume transfers of tax and customs revenue that belong to the Palestinians".*

So far the TIM has benefited:

- 1.3 million people in the Gaza strip have access to water, health care and sanitation thanks to the TIM.
- Over 600,000 people will benefit from social allowances under TIM, including 12,000 health care workers, 55,000 other lowly paid public service providers and pensioners and 40,000 families in greater need.
- TIM has delivered over 2 million litres of fuel to ensure the continued supply of energy, in particular for hospitals and water sanitation in the Gaza Strip following the destruction of the Gaza power plant in July.
- Payments of additional allowances will depend on pledges received from other donors.

The TIM was established last June by the European Commission at the request of the Quartet and the European Council to facilitate needs-based assistance to the Palestinian people. Since then, different sectors of Palestinian society have benefited from EU granted allowances. Emphasis has been given to the sectors that enable the continued functioning of essential public social services. The TIM has now its three elements up and running: support for health services, utilities, and social allowances. The European Commission is making €105 million available for the TIM from the Community budget and Member States have so far pledged an additional €77 million. Together with the support granted through international organizations, UNRWA and NGOs, the total European Commission support to the Palestinian people will reach €330 million this year.