



Berlin, March 2007

CHAIR'S SUMMARY

Moving poverty reduction and growth worldwide forward in global partnership

For the first time in history of the G8, the G8 Ministers with responsibility for development policy together with representatives from Brazil, China, India, Mexico, South Africa and the OECD, and from the African Union (AU), the African Development Bank (ADB), the East African Community (EAC), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority on Development (IGAD) and the Southern African Development Community (SADC) met in Berlin on 26 and 27 March 2007 to discuss key development policy issues on the agenda of the German G8 Presidency. We thus sent a clear signal that the G8 are working together with partners from all over the world to find answers to the challenges for our global future.

A key question at our meeting was what the G8 can contribute towards the achievement of the Millennium Development Goals as well as sustainable growth. We therefore specifically discussed the topics "Investment in Africa", "Health", "Climate", "Gender and Empowering Women", "Global Partnerships", "Peace and Security", "Regional Economic Cooperation" and "Improving and Increasing ODA" in greater detail.



Investment in Africa. Achieving the Millennium Development Goals will require the creation of an environment that enables economic activity and encourages broad-based private sector-led growth. Many countries in Africa have had stable economic growth of 5% and more for the past few years. This economic growth is partly the outcome of courageous reforms and improved governance. The German G8 Presidency wants to strengthen these positive developments and contribute to sustainable growth. One goal is more and more sustainable investment in Africa – and we know that our G8 partners and our African partners share this goal. The concrete plans for achieving this involve measures in the financial sector that are specifically designed to also benefit micro, small and medium-sized enterprises in Africa. As a result, employment and income will be generated, whereby a particular concern will be to promote women and women's equal participation in economic life. Germany has presented these measures to our G8 partners and will elaborate concrete initiatives for the G8 Summit in Heiligendamm. We discussed the importance of the delivering existing G8 commitments on aid for trade.

Health. HIV/AIDS, malaria and tuberculosis are diseases that cause harrowing death tolls every year. That is why, at our meeting, we talked about the most effective ways of tackling these diseases. In the process we reaffirmed the commitment made in the Millennium Declaration to stop and reverse the spread of these diseases by 2015. We agreed that the Global Fund to Fight AIDS, Tuberculosis and Malaria continues to enjoy our full support, something that we will also demonstrate by providing sufficient, additional funding in the ongoing replenishment round, and took note of the first success registered by UNITAID. We also made it clear that more attention must



be paid to the special situation of women and girls in the fight against HIV/AIDS – this applies to the health programmes of our partner countries, to the bilateral work of all donors, and also for the Global Fund and other multilateral organisations. In so far strategic reorientation is necessary. We have taken a very close look at how we can tackle the broad spectrum of problems associated with HIV/AIDS and other life-threatening diseases in a sustained manner and ensure that appropriate health care is available for all, including poor, disadvantaged and particularly vulnerable groups such as women and children. Referring to the International Conference “Health protection in developing countries: Breaking the vicious circle of disease and poverty” held in Paris (15-16 March 2007), we agreed to develop and strengthen health systems and to push ahead with the expansion of social protection options.

G8 Development Ministers reaffirm their commitment to come as close as possible to universal access to HIV/AIDS prevention, treatment and care by 2010. However the price of some drugs remains prohibitive for many countries, and more needs to be done to help lower their cost including the use of TRIPS flexibilities to the fullest extent.

Climate. Aware of the findings published in recent months (Stern Report, Report by the Intergovernmental Panel on Climate Change), we discussed the impacts of climate change and joined together in emphasising that the developing countries in particular will be hit especially hard by the consequences of climate change: the number of storms, floods, droughts and forest fires will increase significantly, threatening the livelihoods of people in developing countries. We, the G8, discussed the need to mainstream adaptation to climate change in all our development



programmes, to develop new means to adapt to climate change and to explore innovative sources of finance. We also agreed that we must give particular attention to forest protection, in order to reduce the greenhouse gas emissions caused by deforestation in developing countries.

Gender. We, the G8, confirmed our view that sustainable poverty reduction can only happen if women and men have the same rights and duties including access to education. We therefore affirmed that we will continue to focus our bilateral development cooperation on strengthening the rights of women and ensuring that they enjoy equal opportunities. At the same time, we will continue to support the World Bank's Gender Action Plan, which we see as a suitable instrument for the economic empowerment of women.

Global partnerships. An important issue on the German G8 agenda is closer cooperation on global issues between industrialised countries and emerging economies. Fighting poverty and achieving the Millennium Development Goals are tasks that, in a globalised world, can only be understood as the joint responsibility of the G8, the emerging economies and the developing countries including the private sector. Global partnerships are necessary in order to meet the challenges we face today.

We – the G8 development ministers and the representatives from Brazil, China, India, Mexico and South Africa – agreed to continue the dialogue on development issues and to further develop our collaboration e.g. in the form of triangular cooperation.



G8 Ministers encourage emerging donors to work together in order to increase the transparency of aid and make development cooperation more effective in line with the principles of the Paris Declaration. We also agreed that revenues from extractive resources must be mobilised to a greater degree for fighting poverty and that the Extractive Industries Transparency Initiative (EITI) is one of the ways to further enhance the transparency of payment flows in the raw materials sector. In this respect a global conference on transparency in the raw material sector will be hosted by Germany in 2007 to foster the dialogue between G8 and emerging economies.

Conflict prevention. Together with the representatives of African organisations, we discussed questions relating to long-term peacebuilding and the prevention of violent conflicts. The African Union and African regional organisations have already begun to build structures which can be used to apply African solutions in order to settle violent intra-African conflicts and secure peace. We agreed in our joint session that the G8 must continue to support these efforts including secure financing of African peace keeping efforts.. However, we affirmed that military solutions alone cannot secure peace in the long term. Instead, the political, economic and social conditions in which security can become the norm must be put in place. We agreed that this includes strengthening good governance, closer regional cooperation on economic, social and security matters, and preventing the illegal exploitation of resources.

Regional economic cooperation. In our discussion with the representatives of African organisations, we joined together in emphasising that regional economic cooperation can be a key to development: where purchasing power is low and markets are fragmented, cross-border economic activities can open up new markets



and thus increase the reach of African economies. That is why we have agreed to further promote the development of cross-border infrastructure and to give extra support to the African organisations responsible for regional economic cooperation by helping to develop their capacities and to take into account the essential role of local communities and civil society.

Improving and increasing ODA. During our discussion we talked about the fact that several conditions must be met in order to achieve the Millennium Development Goals: our partner countries must do their part to support the emergence of structures that make development possible; the Doha development round must be brought to a pro-development conclusion; and the industrialised countries must make their development cooperation more effective in line with the principles of the Paris Declaration and keep their pledges to increase ODA. That also means that Germany must keep its promise made within the framework of the EU agreement to gradually increase ODA and must bring its own ODA ratio up to 0.51% by 2010 and 0.7% by 2015; and it means that the G8 must honour their commitments to double their funding for Africa by 2010. Only if all sides work reliably can there be progress on long-term, sustainable developments.

We thank the representatives from Brazil, China, India, Mexico, South Africa and the OECD and from the AU, ADB, EAC, ECOWAS, IGAD and SADC for taking part in our meeting and enriching the discussion through the contribution of their own specific views. We will take up the ideas that have come from this meeting, feed them



into the further G8 and TICAD (Tokyo International Conference on African Development) process, thus help ensure that substantial results are achieved at the G8 Summit in Heiligendamm.