# The G8 and Africa Final Report

## An Overview of the G8's Ongoing Relationship with African Development from the 2001 Genoa Summit to the 2005 Gleneagles Summit

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## G8 Research Group

Civil Society and Expanded Dialogue Unit

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## **Preface**

The G8 Research Group is an independent organization based at the University of Toronto. Founded in 1987, it is an international network of scholars, professionals and students interested in the activities of the Group of Eight (G8). To date it is the largest source of independent research and analysis on the G8, its member states, and related institutions in the world. The G8RG also oversees the G8 Information Centre, which publishes, free of charge, academic analyses and reports on the G8 as well as makes available official documents issued by the G8. With very few exceptions, any and all G8 documents referred to in this report are available on the G8RG website without cost.

This report was compiled by the Civil Society and Expanded Dialogue (CS-ED) Unit of the G8 Research Group under the leadership of Vanessa Corlazzoli and Janel Smith. The CS-ED Unit conducts research and analysis on the G8's ongoing relationship with major external stakeholders, namely Africa, prospective new G8 member states (China, India, Brazil, Mexico, and South Africa), and with civil society and non-governmental organizations. It follows up on G8 and Africa Interim Report: An Overview of the G8's Ongoing Relationship with African Development from the 2001 Genoa Summit to the 2005 Gleneagles Summit, the report issued in March 2005. In addition to the G8 & Africa Final Report, the G8RG CS-ED Unit is also releasing parallel reports on the G8 & Climate Change and the G8 & Major Developing States. All of these reports are available at no charge on our website at <a href="https://www.g8.utoronto.ca">www.g8.utoronto.ca</a> as of July 2005.

The G8 Research Group also hosts the G8RG Analysis Unit, which releases two reports per year detailing the G8's compliance with commitments made across a number of issue areas in the interim year between summits. These parallel reports contain further analysis on issues pertaining to the African continent as well as other issue areas of G8 activity defined more broadly. The G8RG Analysis Unit also releases a pre-summit report detailing prospects for the upcoming leaders' meeting according to country and issue area — with the latter featuring numerous themes related to Africa. These are available under "Analytical and Compliance Studies" at <a href="https://www.g8.utoronto.ca">www.g8.utoronto.ca</a>>.

The G8 Research Group welcomes responses to this report. Any comments or questions should be directed to <g8@utoronto.ca>. We are grateful to the many individuals from numerous communities who responded to our invitation to comment on an earlier draft of this report. Responsibility for its contents lies exclusively with the authors and analysts of the G8 Research Group.

## **Executive Summary**

In 2005, African development has come to the fore of the international policy agenda. In addition to the United Nations summit to review its Millennium Development Goals (MDGs) in September, the United Kingdom has made Africa (along with climate change) the centrepiece of its agenda as it assumed the presidency of the G8 in January 2005 and the semi-annual presidency of the European Council in July 2005. In March 2005, the Commission for Africa, commissioned by UK Prime Minister Tony Blair to develop bold recommendations for how the G8, the European Union and African states could pull the continent out of under-development, released its final report. Entitled *Our Common Interest*, the report recommends sweeping policy changes for the G8 including an increase in foreign aid by US\$25 billion per year by 2010 and another US\$25 billion per year by 2015 and the cancelling of all multilateral debt for the world's poorest countries.

The question remains, however, whether the political desire and financial capacity exist among the wealthy states to translate the bold words of the Commission into bold action by the G8. It is the assertion of the G8 and Africa Final Report that future behaviour is best predicted by past actions. As such, this report situates itself as a compendium to the Commission for Africa, detailing what the G8 has achieved for Africa across 13 issue areas since the 2001 Genoa Summit as well as what it may commit to do for the continent at the 2005 Gleneagles Summit. In particular, it follows progress made on the Africa Action Plan (AAP) (see Appendix A), a comprehensive initiative agreed to by the G8 at its 2002 Kananaskis Summit to promote economic and human development of the continent. In many respects, the AAP is the forerunner of the plan to be agreed upon by the G8 at its 2005 Gleneagles Summit and is the best benchmark by which to gauge the capacity and consistency of the G8 with the African development portfolio.

Overall, this report concludes that the G8 has exhibited an engaged yet uneven record of adherence to its commitments regarding Africa since the 2001 Genoa Summit. Issue areas that garner the largest degree to attention from the G8 are those that require little coordination among G8 states, involve little obligation beyond the commitment of funds and produce ends that are both easily quantifiable and media-friendly. As such, the G8 has delivered an excellent record on debt relief (with its Highly Indebted Poor Countries Initiative), the bilateral financing of the Global Polio Eradication Campaign and African peace training centres, and the provision of funds and supplies, but notably not troops, for the African Union (AU) mission in Sudan. The recent commitment of the UK, France, Germany and Italy to raise their foreign aid to 0.7% of gross national income (GNI) also moves official direct assistance (ODA) into this category. The noted exception to this trend is funding for the Global Fund to Fight AIDS, Tuberculosis, and Malaria, which, despite being similar in nature to other issue areas in this category, nonetheless demands such high levels of funding from G8 member states as to foster non-compliance.

The G8, however, registers far more poor levels of performance on a broad range of issue areas that demand a much different form of engagement from the member-states. Namely, these are commitments that require a large degree of long-term policy coordination and collective action of the part of the G8 states. As a loosely affiliated organization that does not host a secretariat, the G8 is not well suited to these tasks. This partly explains why large-scale G8 strategies on water and famine and food security, and

even the development of the African Peacekeeping Force have been attracted little attention from G8 member states, let alone funds. The G8 also performs poorly on issue areas that lack clear quantifiable policy outcomes or policy "wins." For example, good governance and the African peer review process are both critical portfolios in African development that, due to their open-ended nature and lack of clear, measurable policy successes, attract only moderate G8 attention.

As the following text details this policy track record of the G8 regarding Africa over the past four years, it is the overall assertion of the report that the 2005 Gleneagles Summit will represent a notable moment — but not a watershed — in the course of Africa's development. The US\$40 billion debt relief plan for HIPC countries agreed to by the G8 on June 10 will be symptomatic of many of the G8's action in Gleneagles: the package goes a long way in relieving the economic strain on Africa, but does not amount to a sweeping investment in the continent needed to radically change socio-economic conditions and the chance for development. The G8's debt deal, while a positive beginning, only clears one-sixth of Africa's US\$300 billion external debt. This pattern will likely hold for the issue of ODA where the G8 (perhaps without the US) will agree to boost aid levels but not by the amount of \$50 billion per year by 2015 as the Commission for Africa had mandated and not through the International Finance Facility. The most significant surprise would involve Canada joining the UK, France, Italy and Germany in committing to 0.7% ODA/GNI although this is unlikely. As for agricultural subsidies, the Least Developed Countries (LDCs) will likely see an agreement to lift all quotas and tariffs on their exports to G8 countries. Middle-income developing countries, including population giants India and Brazil, will likely have to wait for the outcome of the World Trade Organization's Hong Kong Ministerial in December 2005 to see if their farmers will be awarded a more fair deal.

On smaller issues, the G8 will likely release a polio action plan that commits to eradicating the disease within the next 2-3 years as well as an HIV/AIDS statement that possibly endorses funding the HIV Vaccine Initiative through a smaller, targeted version of the International Finance Facility. In terms of African peacekeeping, it is widely expected that the G8 will finally release an action plan to detail how it intends to keep its promise to train 75,000 African peacekeepers by 2010. On the Darfur file, few G8 breakthroughs are expected; the leaders will likely thank Canada for its commitment of troops and endorse North Atlantic Treaty Organization's offer of military advisors and transportation assistance to the AU mission operating in the region. Issue areas including water, food security and an international arms trade treaty will likely stall due to a lack of interest and may be dropped from the agenda altogether.

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## The Group of Eight

The Group of Eight (G8) includes the eight leading industrialized democracies in the world: Canada, France, Germany, Italy, Japan, Russia, United Kingdom, and the United States. Together, these eight states account for 48% of the global economy and 49% of global trade, hold four of the United Nations' five permanent Security Council seats, and boast majority shareholder control over the International Monetary Fund (IMF) and the World Bank. The G6 (the G8 without Canada and Russia) originally met in Rambouillet, France, in 1975 to discuss the economic impact of the OPEC oil crisis and the end of the US-dollar gold standard regime. In 1976, they were joined by Canada, with Russia gaining membership in 1998. Each year the leaders of these states meet at an annual summit in what is the most powerful and intimate meeting of global leaders anywhere in the world. Unlike other multilateral meetings, leaders at the G8 Summit meet privately behind closed doors; there are no aides or intermediaries and there are few scripts of protocols. For some, the G8 is a concert of powers operating the most relevant centre for global governance with its flexibility and dynamism, making it far more effective than the post-1945 institutions, namely the UN. For others, the G8 is the unelected "committee" that runs the world," an epicentre of global capitalism and neo-colonialism.

While there are disagreements over its intentions, few deny the reach and scope of the G8's influence and control. While originally conceived as an economic gathering, the G8 Summit has now become the major arena for international action on HIV/AIDS, weapons of mass destruction (WMD), terrorism and global trade. Past G8 summits have produced such landmark agreements as the 1995 reform of the World Bank and IMF, the 1999 Enhanced HIPC Initiative for debt relief, and the 2001 Global Fund for AIDS, Tuberculosis, and Malaria.

But with increased prestige comes increased scrutiny. Since the 2001 Summit in Genoa, alternative-globalization advocates have made the G8 Summit a central focus in the debates of economic and environmental responsibilities from the North to the South. Their concerns have raised bold new questions over issues of accountability and transparency in globalization and have succeeded in shifting the G8's attention towards global poverty, the Millennium Development Goals and the African continent. The agenda for the 2005 Gleneagles Summit, dominated by African Development and Climate Change, would have been highly improbable even ten years ago and is evidence of the G8's responsiveness to critiques over its legitimacy and policy-focus.

Unlike the UN or NATO, there is no permanent secretariat, staff or headquarters for the G8. Instead, the Group of Eight is maintained by cooperation and coordination of national bureaucrats primarily in the foreign affairs and finance ministries of member-states. The Presidency of the G8 rotates on an annual basis. This year the UK holds the G8 Presidency, followed by the Russian Federation in 2006 and Germany in 2007.

## Introduction

In 2005, African development has come to the forefront of the international policy agenda as wealthy nations begin discussions on a strategy for generating economic growth and poverty reduction throughout the continent. 2005 will provide ample impetus for this renewed focus with the United Nations convening its first summit to review progress on the Millennium Development Goals (MDG) in September and the World Trade Organization (WTO) convening its final Ministerial on the Doha Development Round in Hong Kong this December. This year also marks the 20th anniversary of the Live Aid Concert for Africa, and the 25th anniversary of the Brandt Institute's seminal report *North-South: A Programme for Survival (1980)*. To take advantage of this momentum, Prime Minister (PM) Tony Blair chose to make African Development and Climate Change the centre-pieces of the United Kingdom's agenda when it assumed the annual Presidency of the G8 on 1 January 2005 and the semi-annual Presidency of European Council on 1 July 2005.

To identify the key crisis issues impeding Africa's development and to develop practical proposals for how the G8, European Union (EU) and African states can remedy them, PM Blair convened the *Commission for Africa*. The Commission brought together experts from government, business and civil society to examine the pitfalls and promises of African development over a period of a year before releasing its final report on March 11, 2005. The report, *Our Common Interest*, outlines a bold strategy for a renewed commitment on the part of wealthy states to the African continent involving massive increases in international aid levels and the restructuring of trade and debt regimes.

While Blair says this document will form the basis of negotiations at the G8 Summit in Gleneagles, Scotland in July, it remains uncertain whether or not the G8 is ready for such radical and long-term action. Will the rhetoric of the report be translated into applicable policy or will it remain simply that, rhetoric? Will the G8 make sweeping pledges on which they then fail to follow through with or retreat? Will Africa really be given a fresh chance at development or just more empty promises? While Africa has become a standard on the G8 policy agenda since the 2001 Summit in Genoa, the Russian Federation, which assumes the G8 Presidency for the first time in 2006, has already indicated that it will not figure prominently in its Summit priorities. As such, there is a gathering impression that Gleneagles may in fact mark the last chance for the G8 to commit itself in a substantial manner to African development for a considerable time. In light of this, the questions outlined above over whether the 2005 Summit will truly represent a turning point in the development of the continent and its relationship to the world's wealthiest democracies take on a pressing and immediate concern.

It is the opinion of this report that the best way to predict the future actions of the G8 is to examine its past behavior. The following report provides an analytical and historical overview of the Group of Eight's involvement in Africa, particularly since 2001 and the 2002 Kananaskis Summit that resulted in the creation of a formal set of comprehensive

<sup>&</sup>lt;sup>1</sup> "House of Commons Debate," March 14 2005. Date of Access: 3 June 2005. <a href="https://www.theyworkforyou.com/debates/?id=2005-03-14.21.0&m=750">www.theyworkforyou.com/debates/?id=2005-03-14.21.0&m=750></a>

commitments specific to Africa: the *Africa Action Plan* (AAP). It is intended to provide the reader with a sufficient background of the relationship between the G8 and Africa as the two prepare to redefine their relationship at the Gleneagles Summit in July. It aims to highlight some of the major achievements and shortcomings of the G8 commitments toward Africa thus far and to allow for an understanding of the issues that will likely prove crucial at the upcoming summit. In the pursuit of this latter goal, the report will also provide predictions and projections on what policy actions the G8 are expected to take with respects to specific issue areas, as well as what controversies exist amongst G8 states over which course of action is the most beneficial and feasible to adopt. It is our belief that this wedding of past actions of the G8 regarding Africa with future projections of its intentions at Gleneagles will provide the most accurate response to the question of whether 2005 will truly mark a milestone in African development.

While the eleven issue areas examined in this report are by no means an exhaustive list of all of the issues covered under the AAP, they do represent a set of priority commitments that are considered to be the most salient and have attracted the majority attention from the G8, African governments, and civil society actors. Their selection was made after due consideration and was based on a number of specific factors including: the issue's consistent appearance on the agenda of the G8 at previous summits, its inclusion among the factors influencing the developmental needs of Africa as listed by UK Prime Minister and 2005 G8 Chair Tony Blair<sup>2</sup> and, lastly, the fact that each issue was directly related to at least one of the six 'thematic areas' of study under the Commission for Africa.<sup>3</sup> Even though commitments have been made by the G8 in other areas pertaining to Africa, it is these eleven that continue to remain at the forefront of the G8's African initiatives and, moreover, are of paramount importance to the sustainable development of the continent.

While certain initiatives, such as the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative (established in 1999), were adopted by the G8 prior to the new millennium, it was in 2001 that the G8's focus on the myriad of difficulties facing the African continent began to increase. In 2001, five African leaders invited to attend the G8 summit in Genoa unveiled the *New Partnership for Africa's Development* (NEPAD), which they claimed was "anchored on the determination of Africans to extricate themselves and the continent from the malaise of underdevelopment and exclusion in a globalizing world." In response, at the Kananaskis Summit in 2002, the G8 created its own action plan: the *Africa Action Plan* (AAP). Its aim was to establish "a new partnership between the countries of Africa and our own, based on mutual responsibility and respect." The ambitious plan focused on how G8 member states could collectively and individually aid

<sup>&</sup>lt;sup>2</sup> "Prime Minister's Speech on Africa," 2005 G8 Gleneagles Summit Official Website (London), 7 October 2004. Date of Access: 19 March 2005. <a href="https://www.g8.gov.uk">www.g8.gov.uk</a>.

<sup>&</sup>lt;sup>3</sup> The themes are Culture and Participation, Economy, Governance, Human Development, Natural Resources, and Peace and Security. In addition, another three cross-cutting issues were identified: HIV/AIDS, Migration, and Gender and Youth. See: "About the Commission: Themes," Commission for Africa Official Website (London), 11 March 2005. Date of Access: 19 March 2005.

<sup>&</sup>lt;213.225.140.43/english/about/themes-summary.html>.

<sup>&</sup>lt;sup>4</sup> "NEPAD Framework Document," NEPAD, October 2001. Date of Access: 31 January 2005. <a href="https://www.nepad.org/documents/nepad">www.nepad.org/documents/nepad</a> english version.pdf>.

<sup>&</sup>lt;sup>5</sup> "G8 Africa Action Plan," Kananaskis, 27 June 2002. Date of Access: 15 January 2005. <a href="https://www.g8.utoronto.ca/summit/2002kananaskis/africaplan.html">www.g8.utoronto.ca/summit/2002kananaskis/africaplan.html</a>>.

Africa in areas of trade, development, governance, health, and conflict management.<sup>6</sup> Following this, the G8 also committed to the Global Fund to Fight AIDS, Tuberculosis, and Malaria, in conjunction with the UN Secretary-General, and pledged US\$ 1.3 billion toward the cause.<sup>7</sup>

Despite the increased acknowledgment by G8 member states of the seriousness of the challenges facing Africa and their heightened willingness to collaborate with African countries to meet these challenges, the G8's efforts have often been criticized and remain controversial. This is due in part to the vagueness of the G8's commitments on Africa, which are often berated for giving little direction on how to practically implement policy changes in and outside of the continent. Nevertheless, as is evident in the following report, the G8's increased focus on Africa is a positive development in G8 policymaking, and the increased dialogue between the G8 and African leaders will likely be of benefit to Africa in many of the eleven major issue areas.

While at the 2004 Sea Island Summit Africa was largely overshadowed by discussions on the Middle East and Iraq, Blair has promised to make Africa one of the two primary foci at the forthcoming G8 Summit in Gleneagles, Scotland. The report of the *Commission for Africa* is an important beginning to renewing and expanding the commitment made at Genoa in 2001 but whether it will be followed through on remains to be seen. The following report is intended to provide an assessment of the G8's consistency and capacity in implementing its last grand partnership between it and African states. While it is acknowledged that there are considerable differences in the context and conditions in Africa between the released the G8's *Africa Action Plan* in 2002 and when the G8 sits down in July 2005, the assumption is that past actions will reflect future behavior. The AAP is therefore a reasonable place to begin to examine where the G8 has been most effective in aiding African development, when and how it has failed to follow through, and what the commitment expectations will be following Gleneagles. This report aims to do exactly that.

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<sup>6</sup> Ibid

<sup>&</sup>lt;sup>7</sup> "2001 Genoa Compliance Report: Fighting the Spread of HIV/AIDS and other Infectious Diseases," G8 Research Group, University of Toronto. Date of Access: 15 January 2005.

<sup>&</sup>lt;www.g8.utoronto.ca/evaluations/2002compliance/2002reportCompDiseases.pdf>.

## The Commission for Africa

Launched in London by UK Prime Minister Tony Blair in February 2004, the Commission for Africa was to serve as a pre-cursor to the UK's G8 Presidency which began on January 1, 2005. The Commission was convened in response the United Kingdom's concerted policy push to place African development at the forefront of the international agenda (along with Climate Change) as it assumes the Presidency of not only the G8 in 2005, but also of the European Council in July 2005. To add to the momentum generated by London, 2005 will also see the United Nations convene its first major summit to review progress made on the UN Millennium Development Goals — of which Africa is a principal focus — and mark the 20<sup>th</sup> anniversary of the landmark Live Aid Concert for Africa. Such a renewed focus could not come at a more auspicious time for the African continent which saw its best economic performance in eight years in 2004 with a GDP growth rate of over 5 per cent, inflation rates at their lowest in over two decades, and many countries enjoying favorable external accounts as a result of higher commodity prices.<sup>8</sup> The Commission's 17 members were tapped with a mandate to develop a practical set of recommendations for how the G8, EU and other wealthy states could pair with their African counterparts to foster long-term development and povertyreduction on the continent. The body sat for three sessions, on 4 May 2004 (London), 7-8 October 2004 (Addis Ababa), and 24 February 2005 (London), and engaged in an extensive consultation programme with stakeholders including the African Union (AU) and the New Partnership for African Development (NEPAD). On 11 March 2005, the Commission for Africa released its Final Report, the recommendations from which will form the core of the G8's Plan of Action to be agreed to at the G8 Summit in Gleneagles, Scotland on 6-9 July 2005.

## Mandate of the Commission for Africa

The mandate for the Commission was always both an immediate and practical one: to present a set of impartial and informed policy recommendations to the G8 identifying the critical crises points in African development, and proposing realistic steps for G8 and African states to adopt in addressing them. Within this framework, however, there was considerable flexibility, with the Commission itself largely interpreting what this mandate would entail. At its first meeting on 4 May 2004 in London, the commissioners came to a consensus on five main objectives:

- 1. To generate new ideas and action for a strong and prosperous Africa, using the 2005 British presidencies of the G8 and the European Union as a platform;
- 2. To support the best of existing work on Africa, in particular the New Partnership for African Development (NEPAD) and the African Union, and help ensure this work achieves its goals;

<sup>&</sup>lt;sup>8</sup> "ADB President Welcomes Report of the Commission for Africa, Stressing Its Visionary And Practical Recommendations," AllAfrica.com (Johannesburg) 18 March 2005. Date of Access: 19 March 2005. <allafrica.com/stories/200503180761.html>.

- 3. To help deliver implementation of existing international commitments towards Africa;
- 4. To offer a fresh and positive perspective for Africa and its diverse culture in the 21st century, which challenges unfair perceptions and helps deliver changes; and
- 5. To understand and help fulfill African aspirations for the future by listening to Africans.

In addition, they agreed to organize and approach these objectives through six main themes that encompassed African Development: Culture and Participation, Economy, Governance, Human Development, Natural Resources, and Peace and Security. In addition, another three cross-cutting issues were identified: HIV/AIDS, Migration, and Gender and Youth.

## **Composition of the Commission**

The Commission's 17 commissioners — selected by UK Prime Minister Blair were drawn from a wide-variety of backgrounds, including government, private, and civil society sectors. The majority of commissioners are Africans themselves. While the Commission does boast top politicians from countries including the UK, Canada, South Africa and Tanzania, all commissioners participated in the Commission in a personal capacity and were not official representatives of their own states.

- Rt. Hon. Tony Blair, Prime Minister, United Kingdom (Chair)
- Fola Adeola, Chairman of FATE Foundation, Nigeria
- K. Y. Amoako, Executive Secretary, Economic Commission for Africa, United Nations Under-Secretary-General, Ghana
- Senator Nancy Landon Kassebaum Baker, United States
- Rt. Hon. Hilary Benn MP, Secretary of State for International Development, United Kingdom
- Rt. Hon. Gordon Brown MP, Chancellor of the Exchequer, United Kingdom
- Michel Camdessus, Africa Personal Representative, France
- Bob Geldof, Musician and founder of Live Aid, Ireland
- Hon Ralph Goodale P.C., MP, Minister of Finance, Canada
- Ji Peiding, NPC Standing Committee Member and Vice Chairman of the Foreign Affairs Committee, China
- Dr. William S. Kalema, Chairman of the Board of the Uganda Investment Authority
- Trevor Manuel, Minister of Finance, South Africa
- His Excellency Mr. Benjamin William Mkapa, President of the United Republic of Tanzania
- Linah K Mohohlo, Governor, Bank of Botswana
- Tidjane Thiam, Group Strategy and Development Director Aviva PLC, Côte D'Ivoire
- Dr. Anna Kajumulo Tibaijuka, Under-Secretary-General & Executive Director of UN HABITAT, Tanzania
- Meles Zenawi, Prime Minister of Ethiopia

## **Final Report and Recommendations**

On 11 March 2005, the Commission for Africa released its Final Report in London entitled *Our Common Interest*. The Report is divided into two main sections. The first lays out the principled argument for why African development is both an immediate and worthy cause for wealthy nations to respond to, and invest in. Secondly, the Report details it recommendations for how sustainable development and poverty-reduction can be fostered on the African continent, followed by lengthy-issue area specific discussions on how and why these can be realized. The major recommendations of the Commission for Africa Report include:

- A US\$25-billion increase in international aid flows to Africa by donor governments by 2010 and an additional US\$25-billion per annum by 2015.
- The raising of a further US\$25-billion in development funds within Africa itself.
- Proposal to cancel 100% of the debt of sub-Saharan African states.
- The commencement of the negotiations on an International Arms Trade Treaty under the auspices of the UN by 2006.
- A renewed focus on conflict prevention and management within Africa by aid donors with a commitment by wealthy governments to fund 50% of the African Union's (AU) Peace Fund from 2005 onwards.
- An US\$10-billion increase per year in international funding for the prevention, treatment and caring for people with HIV/AIDS and the harmonization of wealthy countries' HIV/AIDS development policies by the end of 2005. This will be matched by a commitment by African states to spend 15% of their national budget on healthcare.
- Proposal to change WTO and bilateral trade regimes to allow for increase market access for African nations in industrialized markets, and to foster increased amounts of intra-Africa trade.

These recommendations are far from novel and have been featured pervasively in similar reports on African development. Nevertheless, what makes the Commission for Africa Report's so promising is that these recommendations, for the first time, are being made by government officials in the G8/EU and Africa who wield both the means and the finances to see them through. In addition, the fact that the Commission's bold recommendations will form the basis of G8 discussions on African development at Gleneagles also increases the likelihood that the Report will merely end up on the shelf like so many of its predecessors. To date, the report has been widely praised by government officials in the G8, EU, and Africa as well as receiving a warm response from many still-skeptical civil society actors. The real challenge now remains to convince wealthy nations to turn the recommendations of the report into their official government policies — a task which will fall to PM Tony Blair as he assumes the helm of the G8 and the EU in 2005.

## **Further Information**

For more information on the Commission for Africa, please visit their website (available in both English and French) at <<u>www.commissionforafrica.org</u>>.

The full text of *Our Common Interest: Report of the Commission for Africa* is available in English at the G8 Information Centre at <<u>www.g8.utoronto.ca/meetings-official.html#cfa</u>>. The executive summary and first part are also available in French.

Compiled by Anthony Navaneelan G8RG Policy Analyst

## **Good Governance**

Most of the challenges facing African societies—war, subsistence deprivation, disease, poor education, and human rights abuse—can be linked to a weak, oppressive or corrupt governing regimes. 'Good governance' refers to the ability of a government to maintain social peace, guarantee law and order, promote or create conditions needed for economic growth and ensure a minimum level of social security. It also describes the process by which these things are achieved: through democratic elections, transparent fiscal processes, a strong judiciary and a commitment to the rule of law in the face of corruption and violence. Good governance is a pre-requisite for most aspects of human development on the African continent including strategies to fight HIV/AIDS, to promote economic development and secure long lasting peace. In recent years, countries like Ethiopia, Tanzania, and Senegal have proven this relationship true as their recent concerted focus on good governance has been twinned with the resolution of the long-standing conflicts and decline in HIV/AIDS infections. In the inverse, countries like the Democratic Republic of the Congo and Zimbabwe have been rendered ominous warnings of the social unraveling and political uprisings that can occur when states fail to govern in just and effective ways.

## **History of the G8 Contribution to Good Governance**

The subject of good governance has been on the G8 agenda since the 2002 Summit in Kananaskis, Alberta when the Africa Action Plan—the G8's commitment to the tenets of the African Union (AU) initiated New Partnership on African Development or NEPAD—was created. The commitment to good governance it articulates is as follows:

Expanding capacity building programmes related to political governance in Africa focusing on Nepad propriety areas of: improving administrative and civil services, strengthening parliamentary oversight, promoting participatory decision-making, and judicial reform.<sup>9</sup>

This commitment has translated into a variety of initiatives.

At the 2004 Summit in Sea Island, Georgia the G8 created the 'Compact to Promote Transparency and Combat Corruption' in cooperation with Nigeria. The anti-corruption strategy is based on a set of structural reforms for economic growth and development designed by Nigeria and includes reforms of public expenditures and the budget; the public sector; improved transparency and maintenance of macro-economic stability. Also, in conjunction with the Africa Action Plan, the G8 members have committed to become parties to the UN Convention Against Corruption and to translate and circulate the document to developing countries who have yet to sign it. At Sea Island the G8 further committed to launch a partnership to detect, recover and return, "illicitly acquired

<sup>&</sup>lt;sup>9</sup> "G8 Africa Action Plan," Kananaskis, 27 June 2002. Date of Access: 15 January 2005. <a href="https://www.g8.utoronto.ca/summit/2002kananaskis/africaplan.html">www.g8.utoronto.ca/summit/2002kananaskis/africaplan.html</a>...

<sup>&</sup>lt;sup>10</sup> "Compact to Promote Transparency and Combat Corruption: A New Partnership between the G8 and Nigeria," The White House Office of the Press Secretary. Sea Island Georgia, 10 June 2005. Date of Access: 3 June 2005. <a href="www.state.gov/e/eb/rls/fs/33567.htm">www.state.gov/e/eb/rls/fs/33567.htm</a>.

proceeds of corruption". <sup>11</sup> The US and the US-lead World Bank, have taken a strong stance against corruption.

## **Contribution by Country**

#### Canada

Canada has taken a lead on issues of governance on the African continent. At the 2002 Kananaskis Summit, the Canadian government launched the \$500 million Canada Fund for Africa (CFA) in an effort to complement development initiatives for Africa expected to total more than \$6 billion over the next few years. Fifteen percent of this funding is directed toward the *Governance, Peace, and Security* initiative. Included in this programme are specific initiatives such as the Africa-Canada Parliamentary Strengthening Programme which aims to enhance the capacity of African parliaments through increasing transparency in decision making, improve accountability, encourage gender equality in political participation. Consultations have thus far been held in Ghana and Ethiopia.

A second project supported by the Canada Fund for Africa is the 'Africa Local Governance Program'. Working in partnership with the 'Municipal Development Partnership' in Harare, and the 'Municipal Development Partnership' in Cotonou, and other regional organizations, the 'African Local Governance Program' contributes to local capacity building. The aims of the program are to increase the effectiveness of decentralization policies and provide better provincial and municipal services to minimize reliance on what are frequently distant and detached central governments.

## **United States**

The US Agency for International Development (USAID) funds a variety of programs that address governance in Africa ranging from technical assistance, to training, to financial support. The 'Democracy and Human Rights Fund' provides small grants to distinct, short term and high impact activities that promote the rule of law and respect for international human rights law. The US\$ 36 million 'Anti-Corruption Initiative in Africa', in contrast, is a large-budget project that aims to eradicate corruption from Africa at the local, national, regional and international levels. Programs include: tax and fiscal

<sup>11</sup> Ibid.

<sup>&</sup>lt;sup>12</sup> "Freedom, Prosperity and Security. The G8 Partnership with Africa: Sea Island and Beyond," A Council on Foreign Relations Special Report. May 2004. Date Access: 6 January 2005. <a href="https://www.g7.utoronto.ca/scholar/cfr0405.pdf">www.g7.utoronto.ca/scholar/cfr0405.pdf</a>>

<sup>13 &</sup>quot;Canada Fund For Africa," CIDA, 22 October 2004. Date Access: 6 January 2005. <www.acdi-cida.gc.ca/canadafundforafrica.>

14 "Canada Fund for Africa: Initiatives of the Fund: Governance, peace and security," CID, 22 October

<sup>&</sup>lt;sup>14</sup> Canada Fund for Africa: Initiatives of the Fund: Governance, peace and security," CID, 22 October 2004. Date of Access: 3 June 2005. <<u>www.acdi-</u>

 $<sup>\</sup>underline{cida.gc.ca/cida\_ind.nsf/0/6A18333A0872BE4F85256D17005F6884?OpenDocument}{>}.$ 

<sup>15 &</sup>quot;Human Rights and Democracy Fund (HRDF)," US Department of State, Date of Access: 3June 2005. <a href="https://www.state.gov/g/drl/c7607.htm">www.state.gov/g/drl/c7607.htm</a>>.

reform projects; civil society programs; reform to the financial sector; financial management programs and support for the rule of law.<sup>16</sup>

In Rwanda for example, USAID assisted the National Judicial Council and the Ministry of Justice in the aftermath of the 1994 genocide. Since 1999, USAID has trained 15, 000 newly electing official who work in small local government office and has trained local people in the voter education. In Senegal, USAID helped to found a human rights NGO that helped guide and oversee the presidential elections in 2000, bringing about the fist change in party in Senegal's 40 years of independence. 17 In Kenya, USAID has focused on funding civil society organizations oriented towards constitutional reform and democratic elections. USAID supported technical assistance as used to assistant the drafting of the 1999 Parliamentary Services Commission Bill (PSC), which reduced the President's power but going the PSC a greater freedom from the executive branch of the government.<sup>18</sup>

## **United Kingdom**

The United Kingdom's contributions to good governance in Africa have mainly taken the form of international development assistance directed towards local governance strengthening bodies. For example, the UK department for International Development (DFID) has given financial support to such regional institutions on the continent as the UN Economic Commission for Africa (ECA) which assesses the status of governance in African countries. 19 The ECA provides significant technical and analytical support to the NEPAD process and publishes the Africa Governance Report. Britain's 'Campaign for Good Governance' is a dimension of its bilateral assistance to Africa through the 'Poverty Reduction Framework Agreement'.<sup>20</sup>

### France

France directs some of its development assistance toward issues of governance, including the promotion of democracy and judicial reform. The French Development Agency hosted a conference in March 2003 to discuss the importance of infrastructure building as a key aspect of the NEPAD goals.<sup>21</sup> Additionally, in partnership with Britain, France has

<sup>&</sup>lt;sup>16</sup> "USAID: Africa: Anti-Corruption." Date of Access: 7 January 2005. <www.usaid.gov/locations/sub-<u>saharan\_africa/initiatives/anti\_corruption.html</u>>.
<sup>17</sup> Ibid.

<sup>&</sup>lt;sup>19</sup> "Freedom, Prosperity and Security. The G8 Partnership with Africa: Sea Island and Beyond," A Council on Foreign Relations Special Report, May 2004. Date of Access: 6 January 2004. <www.g7.utoronto.ca/scholar/cfr0405.pdf>.

<sup>&</sup>lt;sup>20</sup> "Press Release: Britain Commits to Partnership for Reconstruction with Sierras Leone," 13 November 2002. Date of Access: 3 June 2005. <www.dfid.gov.uk>.

<sup>&</sup>lt;sup>21</sup> "For a Constitutional Infrastructure Policy," NEPAD Initiative Support Conference, 6-7 March 2003, Ministry Foreign Affairs Date of Access: 3 June 2005 < <a href="https://www.afd.fr/english/pdf/nepad/on-nepad.pdf">www.afd.fr/english/pdf/nepad/on-nepad.pdf</a>>.

committed to the Africa Action Plan and in particular, has committed to fighting international organized crime.<sup>22</sup>

## Germany

Germany has directed a significant amount of its international development assistance for Africa towards governance related initiatives. It has cited human rights, democracy and freedom as its top priorities in the region.<sup>23</sup> On 23 May 2005, the German government pledged N\$160 million towards a reconciliation program in Namibia that is designed to address some of the injustices of German colonial rule more than 100 years ago.<sup>24</sup>

## Italy

Despite strong verbal endorsements of the importance of good governance in Africa, aside from Russia, Italy had done the least among G8 countries to contribute to the issue.<sup>25</sup> Rome does, however, fund the triennial Conference of the Chairmen of African Parliaments, the first of which took place in Rome in May 2003.<sup>26</sup>

## **European Union**

The European Union (EU) supports African governance mainly through the 'European Initiative for Democracy and Human Rights' (EIDHR), which funds projects related to democracy and human rights in the developing world. The EIDHR recently released a draft of its *Handbook on Promoting Good Governance in EC Development and Cooperation*, which aims to show how good governance can be promoted through all European Commission actions in Africa.<sup>27</sup>

## Japan

Like Germany, Japan's support for good governance in Africa mainly takes the form of ODA directed towards democratization, human rights and freedoms. Japan's Third Tokyo

<sup>&</sup>lt;sup>22</sup> "Joint Document on Franco-British Cooperation in Africa," Embassy of France, Washington D.C., 4 February 2003. Date of Access: 3 June 2005. <<u>www.info-france-usa.org/news/statements/2003/letouquet0403.asp</u>>.

usa.org/news/statements/2003/letouquet0403.asp>.

23 "Regierungserklarung zur Entwicklungspolitik 'Zukunft sichern: globale Armut bekampfen' am 8 Mai 2003 in der entwicklungspolitischen Debatte im Deutschen Bundestag anlasslich der REgierungserklarung am 8 Mai 2003 in Berlin," Uschi Eid, 8 May 2003. Date of Access: 3 June 2005.

<a href="https://www.bmz.de/presse/redeeid/rede08052003.html">www.bmz.de/presse/redeeid/rede08052003.html</a>>.

<sup>&</sup>lt;sup>24</sup> "Germany to Pay N\$160 Million for Reconciliation," *The Namibian*, 27 May 2005.

<sup>&</sup>lt;sup>25</sup> Undersecretary of State Ministry of Foreign Affairs, Alfredo Luigi Matica, stated Italy's commitment to NEPAD at a 2004 Rome conference titled "The future of Africa: the commitment of the Italian Society". 4-5 October 2004 Rome, Grand Hotel de la Minerve. Date of Access: 3 June 2005.

<sup>&</sup>lt;a href="mailto:swww.commissionforafrica.org/english/consultation/bob\_geldofs\_seminars/italy/essay\_mantica\_ing.pdf">mantica\_ing.pdf</a>>. 

26 "Freedom, Prosperity and Security. The G8 Partnership with Africa: Sea Island and Beyond," A Council on Foreign Relations Special Report. May 2004. Date of Access: 6 January 2005. 

<a href="https://www.g7.utoronto.ca/scholar/cfr0405.pdf">www.g7.utoronto.ca/scholar/cfr0405.pdf</a>>.

<sup>&</sup>lt;sup>27</sup> "Handbook on Promoting Good Governance in EC Development and Co-operation. Draft," 3 December 2004. Date of Acess: 6 January 2005. <<u>europa.eu.int/comm/europeaid/projects/eidhr/pdf/themes-gg-handbook\_en.pdf</u>>.

International Conference on African Development (TICAD III) had a strong mandate based on establishing peace in the region.<sup>28</sup>

#### Russia

Due to the Russian Federation's current budgetary restrictions, Moscow's ODA assistance for Africa, towards good governance as well as other projects, is extremely limited vis-à-vis other G8 states. As such, as will be common throughout this report, there is little expectation for the Russian Federation to contribute significant funds to this matter.<sup>29</sup>

## Pending Issues in Good Governance in Africa

Improvements in the area of good governance have been focused in four areas: growing transition to democracy; attempts to widen political participation; better systems of accountability and improvements in the level of economic management.<sup>30</sup> The greatest change is evident in countries such as Namibia, Zambia, and Sierra Leone.<sup>31</sup> There is, however, significant variation across countries.

#### Africa Peer Review Mechanism

Better governance practices have been encouraged within the African Union through an initiative called the African Peer Review Mechanism (APRM), a program where states are assessed and reviewed by another state participating state, on a voluntary basis. The idea is that assessment from a neighboring country is ore relevant and more accepted by a state in need of governance reform than would be the advice directly from a G8 country, and that regional encouragement for reform will have a bigger impact.

The APRM was introduced at Kananaskis as part of the African Action Plan, at which time the G8 countries pledged to give technical and educational support to the mechanism by way of NEPAD. Since then, however, it has been difficult to measure the G8's continued dedication to the partnership. <sup>32</sup> Britain and Canada are the only G8 countries to fund the review to date, despite the fact that the APRM has been criticized by the G8 for being understaffed and under-funded. <sup>33</sup> The Commission for Africa Report estimated that to be successful, the APRM would need to secure US\$15 million to cover expenses or the next two ears. <sup>34</sup>

<sup>&</sup>lt;sup>28</sup> "Highlights of the Summary by the Chair of TICAD III," Government of Japan, October 2003. Date of Access: 17 May 2004. <a href="https://www.mofa.go.jp/region/africa/ticad3/chair-2.html">www.mofa.go.jp/region/africa/ticad3/chair-2.html</a>

<sup>&</sup>lt;sup>29</sup> "G8 Summit: Divisions Deepen Over Route to Africa," Inter Press Service (Johannesburg), 20 May 20 2005. Date of Access: 3 June 2005. <a href="mailto:sallafrica.com/stories/200505230086.html">allafrica.com/stories/200505230086.html</a>.

<sup>&</sup>lt;sup>30</sup> "Our Common Interest". Report of the Commission for Africa p. 134.

<sup>&</sup>lt;sup>31</sup> "Promoting more transparent and accountable Government institutions".

<sup>&</sup>lt;sup>32</sup> Vanessa Corlazzoli, "APRM" in the G8 and Africa Interim Report. G8 Research Group, Ed Vanessa Corlazzoli and Janel Smith, March 2005.

<sup>&</sup>lt;sup>33</sup> "Our Common Interest". *Report of the Commission for Africa* p. 137.

<sup>&</sup>lt;sup>34</sup> Ibid.

The success of the Peer review mechanism has been mixed. The positive side is that 24 of 53 African Union member states have volunteered to take part in the review. Even Further, Country support missions have been established in Ghana, Kenya, Rwanda, and Mauritius. Each country under review has created a program of action that identifies its priorities, against which the assessment is made.

Despite these achievements, a major setback for the legitimacy of the APRM has resulted from failure on the part of NEPAD to meet deadlines, publish results of the review and for a general lack of transparency in its actions related to the APRM. This has sparked a backlash within civil society, some of whom claim the APRM is simply a media ploy by NEPAD to secure more foreign direct investment (FDI).<sup>35</sup>

The African union has also failed to convince the remaining twenty-nine African states to join the initiative. Countries such as Zimbabwe have openly flouted the project and refuse to comply with any of NEPAD governance standards. In short, the well intended APRM, has a ways to come before it can be claimed a smashing success.

On 19 June 2005, the presidents of Nigeria, Rwanda, Ghana and South Africa convened in Abuja, Nigeria for a one-day summit to stake out a common policy position ahead of the upcoming G8 Summit in Gleneagles. At the meeting, leaders reviewed the first country assessments published under the APRM, which scrutinized governance in both Rwanda and Ghana. Aware that any increases in G8 aid funds will be tied to demands for greater accountability and good governance in Africa, Nigerian President Olusegun Obasanjo told the opening ceremony that the APRM was "living proof of our determination and commitment to change the status quo for the better." Overall, the APRM's first reports detailed corruption in Ghana's public service and issued a warning that HIV infection is growing at an alarming rate in Rwanda. The four African leaders welcomed the APRM's findings and pledged reform and assistance to address them.<sup>36</sup>

## Corruption

Corrupt governments, both dictatorial and democratic, are one of the greatest threats to progress on African peace and development. Twenty-one African nations score below 3 out of ten on Transparency International's (TI) 2004 corruption index.<sup>37</sup> Levels of corruption impact the way development aid funds are spent and consequently impacts donor's decisions about how much money to donate and to whom it should be allocated. World Bank and IMF policy, and the trend within unilateral donations, is to give money

<sup>&</sup>lt;sup>35</sup> Vanessa Corlazzoli, "APRM" in the G8 and Africa Interim Report. G8 Research Group, Ed Vanessa Corlazzoli and Janel Smith, March 2005.

<sup>&</sup>lt;sup>36</sup> "African leaders prepare G8 Summit [sic]," *BBC World News* (London) 19 June 2005. Date of Access: 19 June 2005 [news.bbc.co.uk/2/hi/africa/4109074.stm].

<sup>&</sup>lt;sup>37</sup> 'Transparency International Corruption' Perceptions Index 2004," Transparency International: The coalition against corruption, London, 20 October 2004. Date of Access: 3 June 2005. <a href="https://www.transparency.org/pressreleases">www.transparency.org/pressreleases</a> archive/2004/2004.10.20.cpi.en.html>.

where it will be used responsibly, or at the very least, accounted for.<sup>38</sup> This policy, while rational, means that the citizens of countries with rampant corruption are denied fair levels of ODA and other forms of assistance, suffering as a result of corrupt governance. Levels of corruption tend to be higher in oil and resource rich countries such as Sudan and Libya.<sup>39</sup>

To combat corruption, TI President Peter Eigen urges industrialized countries to oblige their oil companies to publish what they pay in fees, royalties and other payments to host governments and state oil companies. "Access to this vital information will minimize opportunities for hiding the payment of kickbacks to secure oil tenders, a practice that has blighted the oil industry in transition and post-war economies," says Eigen.

## **Legislative Strengthening**

Flawed elections plague a large percent of African countries. In 2003/04, flawed elections took place in Lesotho, Sierra Leone, Liberia, Cote D'Ivoire, Congo Brazzaville, Togo and Guinea Bissau. <sup>40</sup> Important elections scheduled for 2005 include: Cote D'Ivoire, Liberia and the Democratic Republic of Congo. <sup>41</sup> Intimidation, non-transparent counting of ballots and monopolies over election education is commonly practiced.

The small West African state of Togo has spent 2005 in the throws of violent political turmoil. One of the least democratic countries in the world, Togo spent the last 38 years under the autocratic rule of the longest ruling leader in Africa, President Gnassingbe Eyadema. His unexpected death on 5 February has created a test case scenario for the African Union (AU) and the rest of the world for how to handle corrupt and rogue regimes who appear to be on the brink of transition to democracy. The hijacking of the presidency by one of Eyadema's sons, Faure Gnassingbe and his subsequent win of 60% of the votes in an allegedly fair election called by opposition forces, has created tremendous tension between those who oppose another predictably corrupt reign by a Eyadema and those who claim that democracy is indeed underway in Togo, most notably France. At least 30 people have been killed in violent clashes in the last three months and an estimated 20 000 Togolese are refugees in Ghana and Benin. As

The AU and the international community, including the G8 countries, need to encourage Faure Eyadema to make changes to the constitution that will solidify Togo's commitment to democratic reform and prevent what the opposition fears most: the return of autocracy.<sup>44</sup>

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<sup>&</sup>lt;sup>38</sup> Anticorruption,' The World Bank Group, Date of Access: 3 June 2005. < www.transparency.org/pressreleases\_archive/2004/2004.10.20.cpi.en.html < www1.worldbank.org/publicsector/anticorrupt/index.cfm>.

<sup>&</sup>lt;sup>39</sup> TI Corruption' Perceptions Index 2004.

<sup>&</sup>lt;sup>40</sup> "Elections: 13 Dimension of Unfairness" 'Africa Files. < www.africafiles.org/article.asp?ID=8792>.

<sup>&</sup>lt;sup>41</sup> "Africa Policy Outlook 2005". 26 January 2005. <www.africafiles.org/article.asp?ID=7800>.

<sup>&</sup>lt;sup>42</sup> Jonathan Clayton. "African Forces Unite to Force out Togo's President," The Times. 23 February 2005.

<sup>&</sup>lt;sup>43</sup> Ebow Godwin, "Togo opposition must enter government of national unity," Ghanaian Chronicle. 16 May 2005.

<sup>44</sup> Ibid.

Mugabe's Zimbabwe is one of the most corrupt and oppressive regimes in the world. The increasing clamp down on all civil liberties, racially motivated violence and the continued drain of the economy pose a threat to peace and stability in Zimbabwe and the whole central African region. Ayasha Kajee, a researcher with the South African Institute of International Affairs and a consultant on NEPAD issues reports in the Zimbabwe Independent: "The situation in Zimbabwe can escalate into a civil war...and that would have an effect on the region because it increases the risk of regional instability and would keep investors away from the SADC [Southern African Development Community] region". 45 The 31 March 2005 election, in which Mugabe's Zanu Patriotic Front won majority leadership was branded corrupt by the international community. Human Rights Watch reported that voter education was inadequate—civil society groups wishing to conduct voter education required permission of the government; intimidation persisted in the weeks leading up to the election into threats of cutting off food aid; freedom of movement was suppressed on election day; counting of the votes was not transparent—international observers were denied; and virtually all media is state controlled.46

## 2005 Gleneagles Summit

It is likely the UK's Commission for Africa Report<sup>47</sup> will inform the terms used to discuss issues related to African governance at Gleneagles. This will mean that the focus of the talks will likely be on capacity building and accountability, the Commission's two priorities in the area of governance. In practical terms this will include:

- Providing political and financial support for the pan-African and regional organizations, particularly the African Union, NEPAD and the Africa Peer Review Mechanism:
- Building up professional skills and knowledge, particularly amongst the civil service, the police, the legal profession as well as NGO;
- Strengthening a broad range of local governance structures such as the media, local justice systems and parliaments;
- Increasing transparency of budgets, revenues especially in countries wealthy with oil and other natural resources, most notably minerals (DRC) and diamonds (Sierra Leone);
- Tackling corruption especially in the delivery and utilization of ODA, which will be a chief concern of the G8 as it prepares to increase its aid levels.<sup>48</sup>

It is likely also that good governance practices will be discussed in the context of policies regarding Overseas Development Assistance (ODA). This is acceptable: ODA is

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<sup>&</sup>lt;sup>45</sup> "Zimbabwe Endangers Nepad Initiative." Zimbabwe Independent. 20 May 2005.

<sup>&</sup>lt;sup>46</sup> Human Rights Watch. "Zimbabwe: Obstacles to Free and Fair Elections Documented." 21 March 2005. Date of Access: 3 June 2005. <a href="https://docs/2005/03/21/zimbab10340.htm">https://docs/2005/03/21/zimbab10340.htm</a>.

<sup>&</sup>lt;sup>47</sup> "Our Common Interest". Report of the Commission for Africa.

<sup>&</sup>lt;sup>48</sup> "Our Common Interest." *Report of the Commission for Africa*. p 133.

critically needed in most African countries and donor countries and agencies need to find a way to bypass poor governance in the allocation of aid. It is important, however, that higher profile issues such as HIV/AIDS and the situation in Darfur do not eclipse 'background' issues such as good governance.

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## Official Development Assistance To Africa

Despite the fact the G8 made sweeping commitments to radically increase its national levels of Official Development Assistance (ODA) for African countries at the Kananaskis Summit in 2002, the realization of these increases has largely been inadequate. In 2004 ODA from OECD countries was increased to US\$ 78.6 billion, the highest amount ever reached, however, even these levels of aid remain dwarfed by the scale of the problems they are intended to address. Indeed, the UN Secretary General Kofi Annan has warned that levels of aid from wealthy nations are currently insufficient to ensure Africa meets the Millennium Development Goals by 2015. For instance none of the G8 countries have reached the goal of increasing their net ODA to 0.7% of Gross National Income (GNI), and several countries have not yet named a timeline in which they plan to do so.

#### **ODA** and the Commission for Africa

The Commission for Africa Report insists that all G8 countries must dramatically increase their ODA; that the developed world has a moral duty to assist Africa; and that now is the time when external assistance can have the greatest impact.<sup>50</sup> In specific, the report calls for wealthy countries to increase their levels of ODA by US\$25-billion per annum by 2010. After this point, if African managerial and administrative capabilities are shown to have improved, the report calls for wealthy to increase their ODA-levels even further, by another US\$25 -billion per annum by 2015 — the end-date of the MDGs.<sup>51</sup> During the same period, an additional US\$ 25 billion per annum in development funds will be raised within Africa itself through increased transparency and accountability in aid delivery. While the report insists that these levels of funds are already available within the industrialized world, it does set out a mechanism in which wealthy states would be able to more practically afford such rapid increases in ODA budgets: the International Finance Facility (see below).

In addition, the Commission for Africa's Report calls for poor country debts to the World Bank's International Development Association and the African Development Bank to be paid for by the G7, and outstanding debts to the International Monetary Fund (IMF) to be cancelled through the revaluing or selling of IMF gold.<sup>52</sup> The report supports these assertions with several suggestions of ways in which the G8 countries can improve their policies and practices surrounding development assistance, in order to ensure that Africa sees real, substantive, and sustainable development. These suggestions will be the foundation from which talks surrounding ODA will be based at the Gleneagles summit, and include the following five main points:

<sup>&</sup>lt;sup>49</sup> This statistic takes into account inflation and the depreciation of the U.S. dollar. "Official Development Assistance increases further - but 2006 targets still a challenge,"

<sup>&</sup>lt;sup>50</sup> Executive Summary," Commission for Africa, Date of Access: 11 May 2005.

<sup>&</sup>lt;www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr executive summary.pdf>.

<sup>51&</sup>quot;Africa, the G8, and the Blair Initiative," CRS Report for Congress, Raymond W. Copson, March 17, 2005. Date of Access: 11 May 2005. <a href="mailto:swww.au.af/mil/au/awc/awcgate/crs1r132796.pdf">swww.au.af/mil/au/awc/awcgate/crs1r132796.pdf</a>.
52 Ibid.

- 1. To accelerate African economic expansion to 7% GDP growth per annum and to spur progress towards the Millenium Development Goals (MDGs), the volume and quality of external aid to sub-Saharan Africa must change; to ensure absorption, increases in aid should be strong and measured and should be accompanied by improvements in governance in aid recipient countries, by substantial changes in donor behaviour, and by regular audits and evaluations.
- 2. Aid levels must be doubled over the next three to five years in order to complement rising levels of domestic revenue from economic growth and from better governance.
- 3. The increase in aid can be financed by G8 countries meeting their commitments to ODA by 0.7% of GNI, through the establishment of an International Finance Facility (IFF), and through the development of international levies with the revenues dedicated to development (such as the French proposal for an international levy on commercial airline tickets to fund development).<sup>53</sup>
- 4. There must be 100% debt cancellation for poor sub-Saharan African countries that need it, in particular the Least Developed Countries (LDCs).
- 5. The quality of aid must be improved through the following measures:
  - Allocation to countries where poverty is deepest and aid can be best used.
  - Provide stronger support to advancing governance where conditions for effective use of aid are currently weak.
  - Channel aid through grants, to avoid the build up of debt.
  - Align more closely with country priorities, procedures, systems, and practices.
  - Providing aid more predictably and flexibly over the longer term.
  - Protect countries against unanticipated shocks.<sup>54</sup>

## **International Finance Facility**

The International Finance Facility (IFF) is a concept forwarded most publicly by UK Chancellor of the Exchequer, Gordan Brown as the most effective way to ensure that levels of ODA from wealthy countries can be doubled over the next five to ten years. The concept was originally floated at the 2004 G8 Summit in Sea Island, US but was widely disliked by theG8 countries, in particular US, Canada, and Japan. Nevertheless, not surprisingly, the UK-sponsored Commission for Africa, has one again revived the

<sup>&</sup>lt;sup>53</sup> "World Business: EU Ministers agree to air tax for aid," CNN.com, May 15, 2005. Date of Access: 3 June 2005. <edition.cnn.com/2005/BUSINESS/05/15/eu.airlevy.reut/>.

<sup>&</sup>lt;sup>54</sup> "Chapter 9 – Where Will The Money Come From? – Resources," Commission for Africa. Date of Access: 11 May 2005. <<u>www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr\_chapter\_9.pdf</u>>.

concept as essential in meeting the report's recommendation for an over-all increase in ODA levels of US\$50-billion per annum by 2015.

The IFF proposes fighting global poverty by pooling the money the G8 would have spent on development over the next ten or twenty years, and spending it over a concentrated, short-term period. The premise is that the surge of development funds that would suddenly become available would allow the G8 to fund a massive campaign to wipe out indignant poverty in the present, thus negating the need for the development aid to be spent in the future. In practical terms, the IFF would issue bonds to fund a plethora of development projects that would be guaranteed by the G7 (Russia excluded), essentially being written against the value of future national development budgets.

The concept of an IFF is very controversial for obvious reasons. Certain NGOs have raised the concern that Gordan Brown and the G8 should not be gambling with future development budgets, with the fear that if the current action plan against poverty proves unsuccessful or only partly so, there would be essentially no resources available to launch a second attempt for decades to come. Certain economists are more prudent, arguing that the G8 should not be spending money it does not have. Indeed, many privately concede that the IFF will become a necessary at Gleneagles in order to compel member-states to commit to vast amounts of ODA increases. The result will likely see G8 countries paying for both national development budgets and massive IFF debt in the years to come.

The US has already publicly opposed the IFF, arguing that the President cannot bind the Congress to future budget allocations nor can s/he spend money that does not already have Congressional approval. Japan and Canada have echoed similar concerns over the economics of the scheme. The most likely outcome of the Gleneagles Summit will see a smaller-IFF created, limited to development budgets for infectious disease immunization, or perhaps even more narrowly to research on the HIV vaccine in which the G8 is already involved.

## ODA, African Development, and the G8

At the Kananaskis summit the G8 countries agreed that half or more of new development assistance commitments announced at the International Conference on Financing for Development, held in Monterrey, Mexico, March 2002, would be divided amongst African states. There was an emphasis placed on countries that governed justly, invested in their own people, and promoted economic freedom.<sup>55</sup> It was agreed that by 2006 ODA should have increased by US\$ 12 billion per year.<sup>56</sup> Each G8 country was given the mandate to determine how to allocate the additional money they had pledged.

In addition, in 1970 the UN issued the Pearson Report which recommended that all wealthy states commit 0.7% of their Gross National Income to ODA — on other words, it called for 70-cents of every \$100 of national wealth to be transferred to the South. All

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<sup>&</sup>lt;sup>55</sup> "The Kananaskis Summit Chair's Summary," Canada's G8 Website,2002. Date of Access: 5 January 2005. <a href="www.g8.gc.ca/2002kananaskis/chairsummary-en.asp">www.g8.gc.ca/2002kananaskis/chairsummary-en.asp</a>>.

<sup>&</sup>lt;sup>56</sup> "G8 Africa Action Plan," Canada's G8 Website, 2002. Date of Access: 5 January 2005.

<sup>&</sup>lt;www.g8.gc.ca/2002kananaskis/afraction-en.asp>.

wealthy states committed to the goal but very few followed through on it. Today, only certain Scandinavian and Benelux countries in Europe have succeeded in attaining the Pearson Criteria — Norway's ODA levels amount to 1% of GNI. Nevertheless, in 2000 the Millennium Development Goals, once again committed to by all wealthy states, revived the 0.7% ODA/GNI formula. The MDG's set a timetable for all wealthy states to boost their ODA levels to this amount by 2015.

## G8 Countries with Committed Timelines to Reach ODA/GNI of 0.7%

## **United Kingdom**

In 2004, Great Britain increased their budget for the Department for International Development(DFID) from \_3.8 billion in 2004/2005 to \_ 5.3 billion in 2007/2008 of which \_ 1 billion is annually spent in bilateral program for Africa.57 The UK government is committed to increasing their ODA by 0.47% of GNI by 2007.58 They are planning to reach the MDG goal of 0.7% of GNI by the year 2013.59

When the performance of the UK is measured for 2004, their ODA is estimated at \_4.3billion, or 0.36% of their \_1.2 trillion GNI.60 This is an increase of 11% in ODA in cash terms over their 2003 level.61 The UK maintains its commitment for its ODA to rise by \_1.5 billion, to 0.4% of GNI, in 2005-2006.62 These pledges will contribute towards the EU Development Ministers' recent promise on 24 May 2005 to double its aid levels to poorer countries, reaching an EU-wide level of 0.56% ODA/GNI by 2010. At the EU Development Ministers Meeting, the UK, along with the richer Euro-15 countries, also collectively committed to reach 0.7% ODA/GNI by 2015.63

#### France

In 2004, France increased its ODA by 4.3% in real terms. 64 In recent years, France has substantially increased its ODA as a percentage of their GDP from 0.32% in 2001 to 0.38% in 2002 to 0.44% in 2004. 65 At this rate France is expected to reach the MDG goal of 0.7% of GNI by the year 2012.66 France is the most generous G8 country in

 $<sup>^{57}</sup>$  "HM Treasury – UK AID Budget," Date of Access: 5 January 2005. <  $\underline{www.hm-treasury.gov.uk/documents/international\_issues/international\_development/development\_aid\_budget.cfm}$ 

<sup>58</sup> Ibid.

<sup>&</sup>lt;sup>59</sup> Ibid.

<sup>&</sup>lt;sup>60</sup> "Provisional UK ODA/GNI Ratio 2004," Statistical Release, 24 March 2005, DFID, Date of Access: 11 May 2005. <a href="https://www.dfid.gov.uk/news/files/pressreleases/pr-uktargetaidstats24mar05.pdf">www.dfid.gov.uk/news/files/pressreleases/pr-uktargetaidstats24mar05.pdf</a>.

<sup>61</sup> *Ibid*.

a IDia.

<sup>62</sup> Ibid.

<sup>&</sup>lt;sup>63</sup> "Gordon Brown welcomes EU doubling of aid by 2010," UK Embassy to Japan (Tokyo) 24 May 2005. Date of Access: 12 June 2005 [www.uknow.or.jp/be\_e/ukview/speeches/speeches/SP000535\_3\_e.htm].
<sup>64</sup> "Official Development Assistance increases further - but 2006 targets still a challenge," Development Cooperation Directorate OECD, 11 April 2005. Date of Access: 11 May 2005.

<sup>&</sup>lt;www.oecd.org/document/3/0,2340,en 2649 33721 34700611 1 1 1 1,00.html>.

<sup>65 &</sup>quot;Official Development Assistance," OECD.

<sup>&</sup>lt;sup>66</sup> "Aid, Trade, and Debt: Priority to Africa," M. Herve Gaymard, Minster for the Economy, Finance and Industry, 4 February 2005, Embassy of France. Date of Access: 11 May 2005. <a href="www.info-finance-usa.org/news/statmnts/2005/gaymard\_africa\_020405.asp">www.info-finance-usa.org/news/statmnts/2005/gaymard\_africa\_020405.asp</a>.

terms of ODA per GDP, and commits at least half of its development assistance to Africa. The French government also wants to ensure that the priority given to Africa at the Gleneagles summit is also reflected at the WTO, and say that here too, sub-Saharan Africa must be a priority.67

## Germany

Previously Germany has pledged to increase ODA as a percentage of GDP from 0.27% in 2002 to 0.33% in 2006,68 with its focus on African Development. In fact, in 2002 and 2003 almost 30% of all bilateral funding went to Africa,69 and additional pledges were made towards the Global Fund to fight AIDS, Tuberculosis (TB), and Malaria, for the year 2005.70 Germany, along with Italy, has committed itself to reaching 0.51% ODA/GNI in 2010 and 0.7% ODA/GNI in 2015.71 These pledges will contribute towards the EU Development Ministers' recent promise on 24 May 2005 to double its aid levels to poorer countries, reaching an EU-wide level of 0.56% ODA/GNI by 2010. At the EU Development Ministers Meeting, Germany, along with the richer Euro-15 countries, also collectively committed to reach 0.7% ODA/GNI by 2015.72

This year, however, the German ambassador to the UN, Gunter Pleuger, confirmed Germany's ambition to work towards increasing its ODA/GNI ratio of 0.7% by 2014.73 This goal would be met one year ahead of the European Commission's recommendation that all European countries reach this ratio by 2015.74

## Italy

Italy's ODA in 2004 was US\$ 2.4 billion, representing 0.17% of Italy's Gross National Income.75 This represents a decrease in Italy's ODA of -9.7% in real terms, which is

<sup>&</sup>lt;sup>67</sup> Ihid.

<sup>68</sup> Ibid.

<sup>&</sup>lt;sup>69</sup> "2002 Final Compliance Report: Development – Official Development Assistance," G8 Research Group, University of Toronto. Date of Access: 5 January 2005.

<sup>&</sup>lt;www.g8.utoronto.ca/evaluations/2003compliance/compliance%202002%20Development.pdf>

<sup>&</sup>lt;sup>70</sup> "Germany Doubles Global Fund Pledge for 2005," December 5, 2004. Date of Access:6 January 2005. <a href="https://www.allafrica.com/stories/200412060604.htm">www.allafrica.com/stories/200412060604.htm</a>.

<sup>&</sup>lt;sup>71</sup> "G8 Finance Ministers' Conclusions On Development, London, 10-11 June 2005," *G8 Gleneagles* 2005 Official Website (London) 11 June 2005. Date of Access: 12 June 2005 [www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10789959 03270&aid=1115146455234].

<sup>&</sup>lt;sup>72</sup> "Gordon Brown welcomes EU doubling of aid by 2010," UK Embassy to Japan (Tokyo) 24 May 2005. Date of Access: 12 June 2005 [www.uknow.or.jp/be\_e/ukview/speeches/speeches/SP000535\_3\_e.htm].

<sup>&</sup>lt;sup>73</sup> "Fifth Session of the Dialogue Forum on Germany's Programme of Action 2015: "What can Germany do to make the Major Event a Success?" Mark Malloch Brown, 12 April 2005, UNDP. Date of Access: 11 May, 2005. <a href="https://www.undp.org/dpa/statements/administ/2005/april/12apr05.html">www.undp.org/dpa/statements/administ/2005/april/12apr05.html</a>>

<sup>&</sup>lt;sup>74</sup> "Fifth Session of the Dialogue Forum on Germany's Programme of Action 2015: "What can Germany do to make the Major Event a Success?" Mark Malloch Brown, 12 April 2005, UNDP. Date of Access: 11 May, 2005. <a href="https://www.undp.org/dpa/statements/administ/2005/april/12apr05.html">www.undp.org/dpa/statements/administ/2005/april/12apr05.html</a>>.

<sup>75 &</sup>quot;Italy Remains Determined to Double its AID,"29 September 2004. Date of Access: 6 January 2005 <a href="https://www.oecd.org/document/32/0,2340,en-2649-37413">www.oecd.org/document/32/0,2340,en-2649-37413-33747360-1-1-1-37413,00.html</a>>.

mainly the result of a reduction on debt forgiveness of US\$ 400 million.76 Italy committed in 2002 to an ODA of 0.33% of GNI in 2006. Considering Italy's 2003 and 2004 record of official development assistance, in order to meet the 0.33% national goal it is estimated that Italy would have to increase its ODA by 113% in real terms. In other words it would have to commit US\$ 2.7 billion in new pledges.77

Nevertheless, at the EU Development Ministers' Meeting on 24 May 2005, Italy made bold new promises for ODA. At the meeting, the EU committed to doubling its aid levels to poorer countries, reaching an EU-wide level of 0.56% ODA/GNI by 2010. Furthermore, the Development Ministers of the richer Euro-15 countries, including Italy, also collectively committed to reach 0.7% ODA/GNI by 2015.78 To reach this goal Italy has committed itself to reaching 0.51% ODA/GNI in 2010 and 0.7% ODA/GNI in 2015.79

## The European Union

The European Union hosts a number of ODA/GNI commitments that are staggered chronologically leading up to 2015, boosting the Union's already generous levels of aid. In 2005, the pre-expansion Euro-15 countries increased their combined ODA by 2.9% in real terms to USD 42.9 billion — some 55% of OECD ODA. It represented 0.36% of these countries' combined GNI, up from 0.35% in 2003. EU countries maintain a long-term goal of reaching 0.39% ODA/GNI by 2006, which many analysts expect them to meet.80

On 24 May 2005, however, under pressure from the UK government and numerous NGOs such as the multinational 'Make Poverty History' campaign, the EU made a bold new commitment to ODA that dwarves all others. The EU Development Ministers meeting on that day agreed to raise EU-wide foreign aid to 0.56% ODA/GNI by 2010 bringing the Union's donor level to more than US\$80-billion per annum. The 15 pre-expansion member states of the EU will seek to allocate 0.51% of GDP by 2010 while the 10 new member states aim to reach 0.17% of GDP by 2010. This has enabled the collective commitment of 0.56% of GDP for official development assistance by 2010.

<sup>&</sup>lt;sup>76</sup> "Official Development Assistance increases further - but 2006 targets still a challenge," 11 April 2005, OECD. Date of Access: 11 May 2005. <a href="https://www.un.org/special-rep/ohrlls/News">www.un.org/special-rep/ohrlls/News</a> flash2005/11%20Apr%20ODA%20assistance-OECD.htm>

<sup>&</sup>lt;sup>77</sup> "Italy Remains Determined to Double its AID."

<sup>&</sup>lt;sup>78</sup> "Gordon Brown welcomes EU doubling of aid by 2010," UK Embassy to Japan (Tokyo) 24 May 2005. Date of Access: 12 June 2005 [www.uknow.or.jp/be\_e/ukview/speeches/speeches/SP000535\_3\_\_e.htm].

<sup>79 &</sup>quot;G8 Finance Ministers' Conclusions On Development, London, 10-11 June 2005," *G8 Gleneagles* 2005 Official Website (London) 11 June 2005. Date of Access: 12 June 2005 [www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10789959 03270&aid=1115146455234].

<sup>&</sup>lt;sup>80</sup> "Official Development Assistance increases further - but 2006 targets still a challenge," Development Cooperation Directorate, 11 April 2005, OECD, Date of Access: 11 May 2005 <a href="https://www.oecd.org/document/3/0,2340,en-2649-33721">www.oecd.org/document/3/0,2340,en-2649-33721</a> 34700611 1 1 1 1,00.html>.

More ambitiously, the pre-expansion Euro-15 also collectively agreed to reach 0.7% ODA/GNI by 2015 while the Expansion-10 will reach 0.33 ODA/GNI by 2015.81

Currently, Denmark, Luxembourg, and Sweden are the only EU states that meet the 0.7% ODA/GNI benchmark (Norway is the world's only non-EU state that does as well). To date, however, many states have set ambitious schedule to raise their levels of aid to the 0.7% threshold: Belgium (2010), France (2012), UK (2013), and Italy, Finland, Spain and Germany (2015). In addition, in the more short-term, Sweden has announced its goal to reach an ODA/GNI ratio of 1% by 2006 while Spain will attain 0.33% in 2006 and 0.5% in 2008.82

## G8 Countries Lacking Committed Timelines to Reaching ODA/GNI of 0.7% by 2015

#### Canada

Despite pressures from Canadian civil society, Canada still does not have a specific timeline set for reaching the official development aid millennium goal of 0.7% of GNI. Indeed, the International Policy Statement, a comprehensive review of the country's defense, development, international trade and foreign affairs policies issued on 19 April 2005, was widely expected to contain this announcement but, to the surprise of some, did not.83 In a letter from the Interagency Coalition on AIDS and Development (ICAD) and 33 other interested organizations, the Prime Minister was urged to set forth a timeline to meet the 0.7% target, and urged to do it at the G8 summit in Gleneagles.84 Thus far, Canada has committed only to increasing the aid budget by 8% per year until 2010, strategically focusing resources where need is most profound, with particular reference to Africa.85

Presently, Canada does focus a substantial amount of its ODA on African Development. It was the first country to commit a specific sum of money to the Africa Action Plan (AAP), which they did through the creation of the Canada Fund for Africa at the Kananaskis Summit in 2002, worth CAD\$ 500 million. At the same time, in 2005, Canada committed CAD \$6 billion in new and existing resources to African

<sup>81 &</sup>quot;Gordon Brown welcomes EU doubling of aid by 2010," UK Embassy to Japan (Tokyo) 24 May 2005. Date of Access: 12 June 2005 [www.uknow.or.jp/be\_e/ukview/speeches/speeches/SP000535\_3\_e.htm].
82 "Official Development Assistance increases further - but 2006 targets still a challenge," Development Cooperation Directorate, 11 April 2005, OECD, Date of Access: 11 May 2005

<a href="https://www.oecd.org/document/3/0,2340.en">www.oecd.org/document/3/0,2340.en</a> 2649 33721 34700611 1 1 1 1,00.html>.

<sup>&</sup>lt;sup>83</sup> "Canada's International Policy Statement," Department of Foreign Affairs, Government of Canada, 20 April 2005. Date of Access: 3 June 2005. <a href="https://www.dfait-maeci.gc.ca/cip-pic/ips/ips-en.asp">www.dfait-maeci.gc.ca/cip-pic/ips/ips-en.asp</a>.

<sup>84 &</sup>quot;Letter to Prime Minister Paul Martin re: Priorities for Canada & other G8 Leaders in addressing HIV/AIDS & Development," 26 April 2005. Date of Access: 13 May 2005. <a href="www.icad-cisd.com/content/pub">www.icad-cisd.com/content/pub</a> printerfriendly.cfm?PubID=147&CAT=4&lang=e>.

85 "Minister's Message – Part III: Report on Plans and Priorities," M. Aileen Carroll, CIDA Estimates

<sup>\*</sup>S "Minister's Message – Part III: Report on Plans and Priorities," M. Aileen Carroll, CIDA Estimates 2005-2006. Date of Access: 13 May 2005. <a href="www.acdi-cida.gc.ca/INET/IMAGES.NSF/vLUImages/Publications2/\$file/2005-2006RPP-EN-PDF.pdf">www.acdi-cida.gc.ca/INET/IMAGES.NSF/vLUImages/Publications2/\$file/2005-2006RPP-EN-PDF.pdf</a>.

development.86 Canada also pledged increase its funding by CAD\$ 3.4 billion over the next 5 years with the goal to double its assistance by the year 2010 -201187 and to double aid to Africa by 200888 from the 2001-2002 levels.

## Japan

Japan, for the sixth year in a row, plans to cut foreign aid by 3.8% in the 2005 fiscal year.89 With a trend of cutting ODA it is not surprising that Japan has yet to commit to a timeline for meeting the ODA/GNI ration of 0.7%. Furthermore, it focuses the majority of its aid on Asia with only 9% of their bilateral aid going towards Africa. 90

Prime Minister Koizumi has, however, declared that Japan will work towards doubling its aid to Africa over the next 3 years.91 This commitment is coupled with Japan's pledge to study the actions of the other G8 countries in the area of African development. This study will hopefully help to shape Japan's future role in Africa.92

## **United States**

The United States ODA in 2004 was US\$ 19 billion, an increase of 14.1% in real terms from 2003.93 Indeed, US ODA comprised 24.2% of the 22-country OECD aid group in 2004, its highest share since 1986, and nearly double the low point of 12.5% reached in 1995.94This makes the United States the most generous aid donor in the world in terms of absolute dollars (almost twice as generous as the next largest donor), however, its ODA as a percentage of GNI barely increased from 0.15% to 0.16%.95 In other words,

<sup>&</sup>lt;sup>86</sup> "Former Prime Minister's Newsroom Archives (1995-2003): Canada helps Build New Partnerships with Africa," Government of Canada – Privy Council Office (Ottawa, Canada), 27 June 2002. Date of Access: 5 January, 2005. <a href="https://www.pco-bep.gc.ca">www.pco-bep.gc.ca</a>.

<sup>87 &</sup>quot;Canadian Statement – UNGA Debate on NEPAD," 18 October 2004. Date of Access: 5 January 2005. <www.acdi-cida.gc.ca/cida\_ind.nsf/alldocida/7Be40eoe86e1edB885256f33004eoec3?Opendocument> and also see "The Budget in Brief 2005," Canadian Department of Fiance, 2005. Date of Access: 10 June 2005. < www.cbc.ca/news/background/budget2005/documents/budget05/pdf/briefe.pdf>

<sup>88 &</sup>quot;G8 Finance Ministers' Conclusions On Development, London, 10-11 June 2005," G8 Gleneagles 2005 Official Website (London) 11 June 2005. Date of Access: 12 June 2005 [www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10789959 03270&aid=1115146455234].

<sup>&</sup>lt;sup>89</sup> "Futures and Commodity Market News: Kyoto Economic News Summary," Date of Access: 6 January 2005. <<u>news\_tradingcharts.com/futures/413162302734.html</u>>

<sup>&</sup>lt;sup>90</sup> "Speech made by Minister Hiroyuki Kishino at the annual reception of the British-Japanese Parliamentary Group at the House of Commons," Hiroyuki Kishino, May 9, 2005, Embassy of Japan in the UK, Date of Access: 11 May 2005. <a href="https://www.uk.emb-japan.go.jp/en/japanuk/speech/050510">www.uk.emb-japan.go.jp/en/japanuk/speech/050510</a> BJPG.htm>.

<sup>&</sup>lt;sup>91</sup> "Speech made by Minister Hiroyuki Kishino at the annual reception of the British-Japanese Parliamentary Group at the House of Commons," Hiroyuki KishinoEmbassy of Japan in the UK, , 9 May 2005. Date of Access: 11 May 2005. <a href="www.uk.emb-japan.go.jp/en/japanuk/speech/050510\_BJPG.htm">www.uk.emb-japan.go.jp/en/japanuk/speech/050510\_BJPG.htm</a> "Aid to Africa and the UK's '2005 Agenda".

<sup>93 &</sup>quot;Official Development Assistance," OECD

<sup>94.</sup> Official Development Assistance increases further - but 2006 targets still a challenge," Development Cooperation Directorate, 11 April 2005, OECD, Date of Access: 11 May 2005.

<a href="mailto:swww.oecd.org/document/3/0,2340,en">swww.oecd.org/document/3/0,2340,en</a> 2649 33721 34700611 1 1 1 1,00.html>.

<sup>95 &</sup>quot;Official Development Assistance increases further - but 2006 targets still a challenge," Development Cooperation Directorate, 11 April 2005, OECD, Date of Access: 11 May 2005.

<a href="https://www.oecd.org/document/3/0,2340,en">www.oecd.org/document/3/0,2340,en</a> 2649 33721 34700611 1 1 1 1,00.html>.

the US donates less than fifth of a cent of every dollar of its national wealth to development. The increase registered in 2004 was mostly caused by a US \$1.8 billion contribution to the International Development Association and increased aid and debt relief to Afghanistan and Iraq.96 The US has pledged to increase its ODA by 50% from 2000-levels, resulting in an annual increase of US\$ 5 billion, by 2006. In addition, is has committed to tripling aid levels to sub-Saharan Africa in the same period; the US now accounts for 24% of all ODA to sub-Saharan African countries.97 The pledged funds will go into a "Millennium Challenge Account" and eight out of the first 16 countries will be African. Furthermore, At this time the United States has set no timeline for reaching an ODA of 0.7 % of GNI.98

#### Russia

Russia has chosen to provide development assistance to Africa by writing off US\$35 billion of African debts.99 The Russian Federation does not partake in all of the economic meetings of the G7 countries, and due to its own economic situation is limited in the amount of ODA it can offer.

#### Conclusion

In 2004 ODA from OECD countries was increased to US\$ 78.6 billion, the highest amount ever reached. This increment represents a 4.6% rise in real terms from 2003 to 2004, and follows a 4.3% increase from 2002 to 2003.100 Furthermore a substantial rise in ODA is expected in 2005-2006, with the main sources of contribution expected to be allocated to contributions to the World Bank's International Development Association — in February 2005 donors agreed to contribute US\$ 18 billion in order to increase grants and loans by at least 25%; increase in bilateral aid budgets; tsunami aid; and debt relief to Iraq. <sup>101</sup>

Despite the overall increase in official development assistance, Brain Hammond from the OECD has stated that: "there is a long way to go to meet the Monterrey commitments... [and] a large increase [in ODA] needs to come through in the next two years." <sup>102</sup> As of today, no G8 country has yet reached the goal of allocating 0.7% of their GNI towards ODA, and only Germany, Britain and France have set timelines to do so.

<sup>96</sup> Ihid

<sup>97 &</sup>quot;G8 Finance Ministers' Conclusions On Development, London, 10-11 June 2005," *G8 Gleneagles* 2005 Official Website (London) 11 June 2005. Date of Access: 12 June 2005 [www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10789959 03270&aid=1115146455234].

<sup>98</sup>c USUN Press Release #115," United Nations, 29 June 2004. Date of Access: 8 January 2005 <a href="https://www.un.org/esa/coordination/ecosoc/hl2004/usa.pdf">www.un.org/esa/coordination/ecosoc/hl2004/usa.pdf</a>

<sup>&</sup>quot;The White House – The Millennium Challenge Account." Date of Access: 8 January 2005

<sup>&</sup>lt;a href="https://www.whitehouse.gov/infocus/developingnations/millennium.html">www.whitehouse.gov/infocus/developingnations/millennium.html</a>

<sup>99 &</sup>quot;2002 Kananaskis Final Compliance Report: Development – Official Development Assistance."

<sup>&</sup>lt;sup>100</sup> This statistic takes into account inflation and the depreciation of the U.S. dollar. "Official Development Assistance increases further - but 2006 targets still a challenge."

<sup>&</sup>lt;sup>101</sup> "Official Development Assistance," OECD.

<sup>&</sup>lt;sup>102</sup> "More Aid Still Short of Goal," Sanjay Suri, 11 April 2005, Global Policy Forum, Date of Access: 11 May, 2005. <<u>www.globalpolicy.org/socecon/develop/oda/2005/0411moreaid.htm</u>>

As Herve Gaymard, the French Minister for the Economy, Finance and Industry, has stated, it is time for the other countries to follow in their footsteps. 103

Total Flow of ODA from OECD DAC (Not Specific Tto Africa) 104

|               | TOTAL CONTRIBUTION US\$ Million |        |        | ODA as percentage of GNI |      |      |
|---------------|---------------------------------|--------|--------|--------------------------|------|------|
|               | 2002                            | 2003   | 2004   | 2002                     | 2003 | 2004 |
| Canada        | 2 004                           | 2 031  | 2 540  | 0.28                     | 0.24 | 0.26 |
| France        | 5 486                           | 7 253  | 8 470  | 0.38                     | 0.41 | 0.42 |
| Germany       | 5 324                           | 6 784  | 7 500  | 0.27                     | 0.28 | 0.28 |
| Japan         | 9 283                           | 8 880  | 8 860  | 0.23                     | 0.20 | 0.19 |
| UK            | 4 924                           | 6 282  | 7 840  | 0.31                     | 0.34 | 0.38 |
| United States | 13 290                          | 16 254 | 19 000 | 0.13                     | 0.15 | 0.16 |
| Italy         | 2 332                           | 2 433  | 2 480  | 0.20                     | 0.17 | 0.15 |

Compiled by Sharon Peake G8RG Policy Analyst

<sup>&</sup>lt;sup>103</sup> "Aid, Trade, and Debt: Priority to Africa."

<sup>&</sup>quot;Net Official Development Assistance by DAC Country." Date of Access: 7 January 2005 < <a href="https://www.oecd.org/dataoecd/52/9/1893143.xls">www.oecd.org/dataoecd/52/9/1893143.xls</a>>. and "Net Development Assistance in 2004," 11 April 2005, OECD. Date of Access 11 May, 2005. <a href="https://www.un.org/special-rep/ohrlls/News\_flash2005/OECD%200DA%202004%20general.pdf">www.un.org/special-rep/ohrlls/News\_flash2005/OECD%200DA%202004%20general.pdf</a>>

## Debt Relief

## **Heavily Indebted Poor Countries**

The International Monetary Fund (IMF) and the World Bank introduced the Heavily Indebted Poor Country (HIPC) Initiative in order to assist the world's most impoverished countries to reduce their debt burdens in 1996. The 1999 G8 Summit in Cologne, Germany led to enhancements in HIPC, 106 including the establishment of the Poverty Reduction and Growth Facility. As 32 of the 38 countries potentially eligible for debt relief under the HIPC initiative are in sub-Saharan Africa, 107 this program is particularly significant to the African continent.

Not surprisingly, the HIPC Initiative, and debt relief more generally, have figured centrally into the increased attention that the G8 has paid to Africa since the formation of the G8 Africa Action Plan at Kananaskis in 2002. This action plan listed the implementation of debt relief among the chief engagements that the G8 was prepared to undertake in order to show its support for the New Partnership for Africa's Development (NEPAD). 108 Significantly, however, this expression of solidarity with the objectives of NEPAD did not include a commitment to extend multilateral debt relief beyond HIPC.

Despite the role that the HIPC Initiative has played in reducing the debt load of some African countries, 109 there is reason to believe that it does not provide sufficient debt relief if these countries are to meet the developmental goals set by the United Nations Millennium Declaration. Not only do the payments that must be made to service the remaining debt divert funds from important social expenditures, 110 some of the postcompletion point countries have ended up with debt loads that are still unsustainable. 111 The IMF and the World Bank have responded to the shortcomings of HIPC by

<sup>&</sup>lt;sup>105</sup> "The Enhanced HIPC Initiative, The World Bank Group," (Washington), 2004. Date of Access: 9

<sup>&</sup>lt;web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTDEBTDEPT/0,,contentMDK:20260411~menuP</p> K:528655~pagePK:64166689~piPK:64166646~theSitePK:469043,00.html>.

106 "Report of G7 Finance Ministers on the Köln Debt Initiative to the Köln Economic Summit," (Cologne),

<sup>18-20</sup> June 1999. Date Accessed: 5 January 2005 <www.g8.utoronto.ca/finance/fm061899.htm>.

<sup>107 &</sup>quot;Heavily Indebted Poor Countries (38 Countries)," The World Bank Group, (Washington), 2004. Date of Access: 5 January 2005.

<sup>&</sup>lt;web,worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTDEBTDEPT/0,.contentMDK:20260049~menuP</p>

K:528655~pagePK:64166689~piPK:64166646~theSitePK:469043,00.html>.

108 "G8 Africa Action Plan," Canada's G8 Website (Kananaskis/ Ottawa), 2002. Date of Access: 3 January 2005 <www.g8.gc.ca/2002Kananaskis/afraction-en.pdf>.

<sup>109 &</sup>quot;Debt Sustainability for the Poorest," The White House Office of the Press Secretary, (Sea Island/ Washington), 10 June 2004. Date of Access: 3 January 2005 < www.g8.usa.gov/061004b.htm>.

<sup>&</sup>quot;Canada Cancels all debt owed by three African nations," Department of Finance Canada (Ottawa), 22 September 2004. Date of Access: 5 January 2005 < <a href="https://www.fin.gc.ca/news04/04-055e.html">www.fin.gc.ca/news04/04-055e.html</a>>.

Christopher Swann, "G8 fails to cancel debt of poorest countries," Jubilee Research (London), 11 June 2004. Date of Access: 9 January 2005 < www.jubilee2000uk.org >.

implementing a new Operational Framework for Debt Sustainability in Low-Income Countries.<sup>112</sup>

#### The Commission for Africa

The Commission for Africa's report emphasizes the importance of further debt relief for Africa. In *Our Common Interest: Report of the Commission for Africa*, the Commission recommends 100% debt cancellation for poor countries in sub-Saharan Africa in order to assist African countries in reaching the MDGs. 113 Although the Commission advocates the cancellation of both bilateral and multilateral debt service obligations as well as debt stock, it stresses the urgency of an immediate cancellation of 100% of multilateral debt service obligations. 114 Notably, the Commission also recommends that a new debt compact include low-income sub-Saharan African countries that are excluded from current arrangements. 115

#### The 2004 Sea Island Summit

In the near past, however, HIPC has continued to be the overriding framework for debt reduction for the world's poorest countries. At the Sea Island Summit in June 2004, the G8 leaders reaffirmed their commitment to debt relief for the world's most impoverished countries through the HIPC initiative and hailed the accomplishments of the initiative up to that point. 116

However, the summit also revealed signs of openness on the part of G8 leaders to contemplate debt relief that extends beyond HIPC. In their statement *Debt Sustainability for the Poorest,* the G8 leaders not only pledged to extend the sunset clause of the HIPC initiative until 31 December 2006, but also charged their Finance Ministers to consider further measures to address the debt sustainability of the poorest countries. As boards of the International Monetary Fund and the World Bank extended the sunset clause last September, the challenge of recent months has been to reach an agreement about what further measures of debt relief ought to entail.

<sup>112 &</sup>quot;Operational Framework for Debt Sustainability Assessments in Low-Income Countries – Further Considerations," The World Bank Group, (Washington), 28 March 2005. Date of Access: 28 March 2005. <a href="mailto:siteresources.worldbank.org/INTDEBTDEPT/Resources/032805.pdf">siteresources.worldbank.org/INTDEBTDEPT/Resources/032805.pdf</a>>.

<sup>113 &</sup>quot;Our Common Interest: Report of the Commission for Africa," March 2005. Date of Access: 14 May 2005. <a href="https://www.g8.utoronto.ca/meeting-official/cfa2005">www.g8.utoronto.ca/meeting-official/cfa2005</a> en.pdf>.

<sup>&</sup>lt;sup>114</sup> Ibid.

<sup>115</sup> Ibid.

<sup>116 &</sup>quot;Debt Sustainability for the Poorest," The White House Office of the Press Secretary (Sea Island/Washington), 10 June 2004. Date of Access: 3 January 2005 <a href="https://www.g8.usa.gov/061004b.htm">www.g8.usa.gov/061004b.htm</a>.

<sup>117 &</sup>quot;Debt Sustainability for the Poorest," The White House Office of the Press Secretary (Sea Island/Washington), 10 June 2004. Date of Access: 3 January 2005. <a href="https://www.g8.usa.gov/061004b.htm">www.g8.usa.gov/061004b.htm</a>.

<sup>&</sup>lt;sup>118</sup>"Heavily Indebted Poor Country (HIPC) Initiative – Statistical Update," The International Monetary Fund, (Washington), 30 September 2004. Date of Access: 14 May 2005.

<sup>&</sup>lt;www.imf.org/external/np/hipc/2005/040405.pdf>.

#### Bilateral Debt Relief

Since the Sea Island Summit, many African countries have been provided with additional bilateral debt relief. The United Kingdom has cancelled £127 million of Zambia's bilateral debt. 119 France wrote off €152.6 million of Ghana's bilateral 220 and commercial debt as well as €217 million of Senegalese debt. 121 In addition to the bilateral debt relief that Canada has provided to Senegal, Ghana, Ethiopia<sup>122</sup> and Madagascar<sup>123</sup> through the Canadian Debt Initiative, Canada has also recently extended CAD \$39.2 million in bilateral debt relief to Zambia, and CAD\$ 3.2 million to Rwanda. 124

All G8 countries have participated in Paris Club negotiations (the meeting of government debt financiers), which have led to recommendations of bilateral debt relief for postcompletion point HIPCs since the 2004 Sea Island Summit as shown in the table below.

## Paris Club Bilateral Debt Relief Recommendations for Post-Completion Point HIPCs (Nominal amounts in millions of U.S. dollars, June 9, 2004-May 11, 2005)

| Country                 | Bilateral Debt Relief <sup>125</sup> |
|-------------------------|--------------------------------------|
| Zambia                  | 393                                  |
| Rwanda <sup>a</sup>     | 7.7                                  |
| Madagascar              | 699                                  |
| Senegal <sup>a, b</sup> | 336                                  |
| Ghana <sup>a</sup>      | 823                                  |

<sup>&</sup>lt;sup>a</sup>The Russian Federation did not participate in this Paris Club debt reorganization.

Paris Club creditors also recommended that Ethiopia receive US\$176 million (net present value of July 2003) after reaching its completion point in the Enhanced HIPC Initiative. 126 Notably, these numbers are not disaggregated to reveal the individual contributions of each country to bilateral debt relief and donor countries outside of the G8 also participated in these negotiations. 127 However, most creditor countries that participate in

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<sup>&</sup>lt;sup>b</sup> Japan and Germany did not participate in this Paris Club debt reorganization.

<sup>119 &</sup>quot;UK to Cancel Bilateral Debt and Provide New Aid Package for Zambia," London, 8 February 2005. Date of Access: May 15, 2005. <a href="https://www.dfid.gov.uk/news/files/pressreleases/pr-zamdebt8feb05.asp">www.dfid.gov.uk/news/files/pressreleases/pr-zamdebt8feb05.asp</a>.

<sup>&</sup>lt;sup>120</sup> "France writes off Ghana's 156.2m-dollar debt," BBC Monitoring Africa (London), 1 December 2004.

<sup>&</sup>lt;sup>121</sup> Libération. "Le Chiffre: 217 millions d'eueo" 29 November 2004.

<sup>122 &</sup>quot;Canada Cancels all debt owed by three African nations," Department of Finance Canada (Ottawa), 22 September 2004. Date Accessed: 5 January 2005 < www.fin.gc.ca/news04/04-055e.html>.

<sup>&</sup>lt;sup>123</sup> "Canada Cancels All Debt Owed by Madagascar," Department of Finance (Ottawa), 17 January 2005. Date of Access: 15 May 2005. <www.fin.gc.ca/news05/05-005e.html>...

<sup>124 &</sup>quot;Canada Cancels All Debt Owed by Zambia, Honduras and Rwanda," Department of Finance (Ottawa), 13 April 2005. Date of Access: 15 May 2005. < <u>www.fin.gc.ca/news05/05-026e.html</u>>.

<sup>&</sup>lt;sup>125</sup> "Press Releases," Paris Club (Paris)," 9 June 2004 – 11 May 2005. Date of Access: 16 May 2005. <a href="mailto:swww.clubdeparis.org/en/press\_release/page\_commupresse.php">multiple:swww.clubdeparis.org/en/press\_release/page\_commupresse.php</a>.

126 "Ethiopia," Paris Club (Paris), 15 October 2004. Date of Access: 16 May 2005.

<sup>&</sup>lt;www.clubdeparis.org/en/press\_release/page\_detail\_commupresse.php?FICHIER=com10978473200>

<sup>&</sup>quot;Press Releases," Paris Club (Paris), 9 June 2004 – 11 May 2005. Date of Access: 16 May 2005.

<sup>&</sup>lt;www.clubdeparis.org/en/press release/page commupresse.php>.

Paris Club debt renegotiations make arrangements for bilateral debt relief, <sup>128</sup> as has been the practice of many donor countries with respect to the world's poorest countries upon their completion of HIPC. <sup>129</sup> Although all G8 countries have yet to agree to provide 100% bilateral debt relief to the world's poorest countries as advocated by United Kingdom and Canada, <sup>130</sup> until recently a far more intractable issue has been finding an agreement on multilateral debt relief that extends beyond the HIPC Initiative.

#### The Discussion of Further Multilateral Debt Relief

On February 5, 2005, discussion of further measures promised in June of last year turned into a "willingness to provide as much as 100 per cent multilateral debt relief" subject to case-by-case analysis of HIPC countries. However, the statements following the April G7 Finance Ministers meetings (Russia currently does not participate in these meetings) actually suggested a contraction in the scope of multilateral debt relief to which the G7 could agree. This time the G7 Finance Ministers expressed a willingness to provide up to a 100% reduction in the debt that HIPC countries owe to the International Development Association and the African Development Fund. Mention of reducing the HIPC countries' IMF debt was notably missing.

The omission of the IMF debt from the multilateral debt that the G7 indicated they might be prepared to forgive was not in accord with the United Kingdom's highly publicized plan for debt relief. The United Kingdom has proposed 100% multilateral debt relief for Africa's poorest countries. This plan involves not only commitments by the G7 countries to replenish the World Bank's and the African Development Bank's funds but also the revaluation of IMF gold in order to forgive the debt owed to the IMF. In support of its plan, the United Kingdom has announced that it will unilaterally write off the multilateral debt owed to it by the world's poorest nations through the World Bank and the African Development Bank.

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<sup>&</sup>lt;sup>128</sup> "Press Releases," Paris Club (Paris), 9 June 2004 – 11 May 2005. Date of Access: 16 May 2005. <a href="https://www.clubdeparis.org/en/press-release/page-commupresse.php">www.clubdeparis.org/en/press-release/page-commupresse.php</a>>.

<sup>&</sup>lt;sup>129</sup> "UK to Provide Deeper and Wider Relief for Poor Countries," HM Treasury (London), 2005. Date of Access: 15 May 2005 <a href="https://www.hm-

treasury.gov.uk/documents/international issues/international development/uk relief poor countries.cfm>. 

130 "Canada Proposes 100 Per Cent Debt Relief for World's Poorest Countries," Department of Finance Canada (Ottawa), 2 February 2005. Date of Access: 15 May 2005. <a href="www.fin.gc.ca/news05/05-008e.html#return2">www.fin.gc.ca/news05/05-008e.html#return2</a>>. See also Gordon Brown, Speech by the Rt. Hon Gordon Brown MP, Chancellor of the Exchequer at the National Gallery of Scotland (London), 6 January 2005. Date of Access: 9 January 2005. <a href="www.hm-treasury.gov.uk/newsroom">www.hm-treasury.gov.uk/newsroom</a> and speeches/press/2005/press 03 05.cfm>.

<sup>131 &</sup>quot;G7 Finance Ministers Conclusions on Development," London, 5 February 2005. Date of Access: 15 May 2005. <a href="https://www.g8.utoronto.ca/finance/fm050205">www.g8.utoronto.ca/finance/fm050205</a> dev.htm>.

<sup>&</sup>lt;sup>132</sup> "Statement by G7 Finance Ministers and Central Bank Governors," Washington, 16 April 2005. Date of Access: 15 May 2005. <<u>www.g8.utoronto.ca/finance/fm050416.htm</u>>.

<sup>&</sup>lt;sup>133</sup> "Gordon Brown, Speech by the Rt. Hon Gordon Brown MP, Chancellor of the Exchequer at the National Gallery of Scotland," Her Majesty's Treasury (London), 6 January 2005. Date of Access: 9 January 2005. <a href="www.hm-treasury.gov.uk/newsroom\_and\_speeches/press/2005/press\_03\_05.cfm">www.hm-treasury.gov.uk/newsroom\_and\_speeches/press/2005/press\_03\_05.cfm</a>. <sup>134</sup> Ibid.

<sup>&</sup>lt;sup>135</sup> James Blitz. "Brown Spells Out Principles on Debt Relief," The Financial Times, 9 December 2004.

Conversely, the agreement of the other G7 countries, necessary in order to revalue IMF gold, has not been as forthcoming over the last year as various proposals set forth failed to fully eliminate debt owed to the IMF. In their statements to the International Monetary and Financial Committee on April 16, 2005, John Snow, Thierry Breton, and Aleksei Kudrin, Economy Ministers of the United States, France, and the Russian Federation respectively all spoke out against providing HIPC countries with further relief from debt owed to the IMF. Apart from Gordon Brown of the United Kingdom, Ralph Goodale of Canada was the only other G7 Finance Minister at this forum to speak in favor of further measures to reduce the IMF debt load of poor countries, calling such a reduction "critical". The countries is a reduction "critical".

In accordance with Mr. Goodale's statements, Canada proposed 100% multilateral debt service relief until 2015. By the Canadian plan, the IMF would be among the international financial institutions from which post-Completion point HIPC countries as well as other low-income countries (International Development Association (IDA) only) would receive debt service relief. <sup>138</sup> This plan, however, did not actually reduce the debt principal owed by poor countries and did not commit to debt relief beyond 2015.

Alternatively, the American plan while excluding IMF debt relief, and not necessarily including other low-income countries, did offer the possibility of providing HIPC countries with significantly deeper multilateral debt relief than the Canadian plan in the long run. The United States proposed up to 100% cancellation of the debt stock, as opposed to just debt service obligations, that HIPC countries owe to the IDA and the African Development Bank. Furthermore, the Secretary of the Treasury for the United States, John W. Snow, emphasized grant financing through IDA and the African Development Fund as a means of preventing the accumulation of unsustainable debt in the future. What was most troublingly, however, was that the US insisted that the cost of debt relief should be deducted from aid budgets since debt relief is itself a form of aid. This approach has been heavily criticized by NGO's who have argued that such a strategy would not amount to any new funds and would be a case of 'robbing Peter to pay Paul.'

Likewise, the other G7 governments showed little promise of endorsing multilateral debt relief proposals as extensive as the plan proposed by the United Kingdom.. Mr. Breton stated that France would "consider additional relief for HIPC country debt to IDA and the African Development Fund." Domenico Siniscalco and Hans Eichel, the Italian and German Ministers of the Economy, expressed support for additional debt relief that

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<sup>&</sup>lt;sup>136</sup> "Statements Given on the Occasion of the International Monetary and Financial Committee (IMFC) Meeting," The International Monetary Fund (Washington), 16 April 2005. Date of Access: 14 May 2005. <a href="https://www.imf.org/external/spring/2005/imfc/index.asp">www.imf.org/external/spring/2005/imfc/index.asp</a>. <sup>137</sup> Ibid

<sup>&</sup>quot;Canada Proposes 100 Per Cent Debt Relief for World's Poorest Countries," Ottawa, 2 February 2005. Date of Access: 15 May 2005. <a href="https://www.fin.gc.ca/news05/05-008e.html#return2">www.fin.gc.ca/news05/05-008e.html#return2</a>.

<sup>&</sup>lt;sup>139</sup> "U.S. Treasury Secretary John W. Snow World Bank Development Committee Statement," Washington, 17 April 2005. Date of Access: 15 May 2005. < <a href="https://www.treas.gov/press/releases/js2387.htm">www.treas.gov/press/releases/js2387.htm</a>>. Ibid.

<sup>&</sup>lt;sup>141</sup> Ibid.

would be provided on a case-by-case basis<sup>142</sup>; they also stressed the importance of a debt relief plan that would preserve the financial integrity of the IMF.<sup>143</sup> Although German support for additional multilateral debt relief was highly qualified and subject to several conditions,<sup>144</sup> Japan appeared to have the most reservations about the conceptions of debt relief that seem to be taking shape in the governments of the United Kingdom, Canada and the United States. The Minister of Finance for Japan, Sadakazu Tanigaki, has said that he "firmly oppose[s] a uniform 100% debt reduction."<sup>145</sup>

# The June 10 G8 Multilateral Debt Relief Package

On 10 June 2005, however, a historic agreement was reached by the G8 Finance Ministers at a two-day summit in London, England: the cancelling of at least US\$40 billion worth of debt owed by some of the world's poorest nations. Regardless of the failure for success of the 2005 Summit in Gleneagles, the G8 can now at least boast of agreeing to the largest single cancellation of debt in recorded history.

According to Britain's Treasury chief, Gordon Brown, 18 HIPC countries which have reached the completion point, all but four of which are located in sub-Saharan Africa, will benefit immediately from the deal to scrap 100% of the multilateral debt they owe to the World Bank, the IMF and the African Development Bank. These countries include Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Tanzania, Uganda, and Zambia; Bolivia, Guyana, Nicaragua and Honduras were the only non-African states to qualify. Another nine countries are likely to reach the HIPC completion point by the year's end and qualify for the G8 multilateral debt relief scheme, raising the total value of the package to \$51-billion. Herthermore, another eleven countries could be eligible if they can meet strict targets of good governance and reduced corruption, leading to a potential total debt relief package of more than US\$ 55 billion. Herthermore, another eleven countries could be eligible if they can meet strict targets of good governance and reduced corruption, leading to a potential total debt relief package of more than US\$ 55 billion.

In addition, President Bush agreed that future aid packages would not be affected by the current plan for debt cancellation, a reversal of the US's earlier insistence that debt relief be subtracted from future aid budgets. <sup>150</sup> Instead, the deal is to be funded by the G8

<sup>&</sup>lt;sup>142</sup> "Statements Given on the Occasion of the International Monetary and Financial Committee (IMFC) Meeting," Washington, 16 April 2005. Date of Access: 14 May 2005.

<sup>&</sup>lt;www.imf.org/external/spring/2005/imfc/index.asp>.

<sup>143</sup> Ibid.

<sup>&</sup>lt;sup>144</sup> "Statement by Hans Eichel," Washington, 16 April 2005. Date of access: 14 May 2005. www.imf.org/External/spring/2005/imfc/stmt/eng/deu.pdf.

<sup>&</sup>lt;sup>145</sup> "Statement by HH.E. Sadakazu Tanigaki," Washington, 16 April 2005. Date of Access: 14 May 2005. www.imf.org/External/spring/2005/imfc/stmt/eng/jpn.pdf.

<sup>&</sup>lt;sup>146</sup> Brian Love, and Sumeet Desai, "G8 edges closer to African debt deal," The Globe and Mail, 11 June 2005: A14.

<sup>&</sup>lt;sup>147</sup> Ibid.

<sup>&</sup>lt;sup>148</sup> "G8 Deal Slashes African Debt," <u>Agencia de Informacao de Mocambique</u> (Maputo) 12 June 2005. Date of Access: 14 June 2005 [allafrica.com/stories/200506130629.html].

<sup>&</sup>lt;sup>149</sup> "G8 Agrees to Historic Debt-Relief Plan," *The Associated Press*, 11 June 2005. Date of Access: 12 June 2005. <a href="https://www.nytimes.com/aponline/international/AP-Britain-G8.html">www.nytimes.com/aponline/international/AP-Britain-G8.html</a>.

<sup>&</sup>lt;sup>150</sup> "G8 Agrees to Historic Debt-Relief Plan," *The Associated Press*, 11 June 2005. Date of Access: 12 June 2005. <a href="www.nytimes.com/aponline/international/AP-Britain-G8.html">www.nytimes.com/aponline/international/AP-Britain-G8.html</a>>.

member-states themselves in the form of payments to the World Bank and the IMF for the amount of debt service the HIPC countries were likely to have delivered until 2015, rather than the amount actually owed. Thus while the deal is valued at US\$ 40 billion, the cost of the initiative for the G8 will be far less. Britain will spend up to US\$ 960 million over the next decade on such payments to the multilateral institutions, while the United States will provide up to US\$1.75 billion and Germany up to US\$1.2 billion. This compromise appears to be a *quid pro quo* concession from the UK to the US, the former of which has previously pushed for the sale or revaluation of IMF gold reserves to fund the debt relief plan — a plan to which Washington has strenuously objected. The sale of the sale o

# Countries which currently qualify for HIPC relief. Countries which are eligible for HIPC relief but have not yet met the necessary conditions. Countries which debt campaigners wish to see added to HIPC list.

Countries Qualifying for the June 10 G8 Multilateral Debt Cancellation Package

SOURCE: BBC World News (London) 12 June 2005 [news.bbc.co.uk/1/hi/business/4084574.stm]

Despite the positive response to the deal from African leaders and many NGOs, there are some lingering concerns about the deal. Namely, many are quick to note that the impressive some of US\$ 55 billion in debt cancellation amounts to only one-sixth of Africa's current US\$ 300 billion external debt. In addition, despite the promise of extending the deal to other HIPC-countries, the current deal only covers 18 African states, many of which are comparatively small and none of which can be described as economic engines on the continent. To make matters more unsettling, many major African states for which debt relief could spurn economic growth across the region are not even candidates for the G8 relief package — these include Kenya and Nigeria, the

<sup>&</sup>lt;sup>151</sup> "G8 Deal Slashes African Debt," <u>Agencia de Informacao de Mocambique</u> (Maputo) 12 June 2005. Date of Access: 14 June 2005 [allafrica.com/stories/200506130629.html].

<sup>&</sup>lt;sup>152</sup> "G8 Agrees to Historic Debt-Relief Plan," *The Associated Press*, 11 June 2005. Date of Access: 12 June 2005. <a href="www.nytimes.com/aponline/international/AP-Britain-G8.html">www.nytimes.com/aponline/international/AP-Britain-G8.html</a>.

latter of which shoulders a debt of US\$ 36 billion, amounting to more than half of the total possible value of the G8's entire June 10 Initiative. 153

#### Civil Society Groups

Civil society groups such as Jubilee Research, African Forum and Network on Debt and Development (AFRODAD) and Oxfam International have long advocated this sort of 100% debt relief, 154 and have, therefore, welcomed the multilateral debt initiative of the G8 nations as a positive development. 155 Prior to the announcement of the G8's debt relief plan, though, activists reacted negatively to the idea that a new initiative might not include the cancellation of IMF debt. 156 The Canadian and the British proposals were both criticized for the fact that after 2015 the HIPC countries would have to resume payments on their multilateral debts unless an assessment at that time led to an extension of the program. 157

There have also been concerns raised over the new proposal from the NGO community. Jubilee Debt Campaign has called for further action, stating that at least 62 countries needed 100 percent of their debts canceled to meet the UN Millennium Development Goals by 2015. Romilly Greenhill, of ActionAid, has also echoed these concerns stating that, "we certainly see it as a step forward, but according to our analysis it still would provide 10 per cent of the debt relief that is needed to significantly reduce poverty by 2015."

#### Conclusions

While the June 10 package represents an historic and firm commitment by the G8 to relieve the debts of HIPC countries, this does not necessarily mean that debt relief is now a resolved issue and will not figure at Gleneagles. Indeed, a number of very contentious matters remain still open for debate following the Finance Ministerial in London which the G8 will have to reach consensus over before or at Gleneagles. Firstly, the funding for the June 10 initiative is still being negotiated with only the US, the UK and Germany so

<sup>&</sup>lt;sup>153</sup> "Cautious Welcome for G8 Debt Deal," *BBC World News* (London) 12 June 2005. Date of Access: 14 June 2005 [news.bbc.co.uk/1/hi/business/4084574.stm]

<sup>&</sup>lt;sup>154</sup> "Civil Society Groups Decry Failure of G7 to Act on Debt at IMF/World Bank Meetings," Jubilee USA Network (Washington), 5 October 2004. Date of Access: 9 January 2005.

<sup>&</sup>lt;www.jubileeusa.org/jubilee.cgi?path=/press room&page=release100504.html>.

<sup>&</sup>lt;sup>155</sup> "Africa Debt Deal Moves Welcomed," *BBC World News* (London) 8 June 2005. Date of Access: 24 June 2005 <news.bbc.co.uk/2/hi/americas/4072140.stm>

<sup>&</sup>lt;sup>156</sup> "Activists press US for G7 relief of poor nation's debt," Jubilee USA Network (Washington), 1 February 2005. Date of Access: 17 May 2005.

<sup>&</sup>lt;www.jubileeusa.org/jubilee.cgi?path=/press room&page=AFP020205.html>.

<sup>157 &</sup>quot;Coalition of Canadian CSOs Highlight the Weaknesses of Canadian Debt Proposal," Halifax Initiative, 2 February 2005. Date of Access: 4 May 2005. <a href="https://www.halifaxinitiative.org/index.php/PR">www.halifaxinitiative.org/index.php/PR</a> HI Debt/595>.

<sup>&</sup>lt;sup>158</sup> "G8 Agrees to Historic Debt-Relief Plan," The Associated Press, 11 June 2005. Date of Access: 12 June 2005. <a href="https://www.nytimes.com/aponline/international/AP-Britain-G8.html">www.nytimes.com/aponline/international/AP-Britain-G8.html</a>>.

<sup>&</sup>lt;sup>159</sup>Brian Love, and Sumeet Desai, "G8 edges closer to African debt deal," The Globe and Mail, 11 June 2005 : A14

far committing to ceilings but not basements for their levels of debt relief funding. <sup>160</sup> At the 2005 Summit, it is almost certain that competing G8 proposals for financing aid and debt relief which once again be rehashed and re-debated (including the UK's proposition for an International Finance Facility and the Franco-German proposal for an global development levy on international airline tickets) <sup>161</sup> with US opposition to such schemes constant throughout. Secondly, extending debt relief to non-HIPC countries, namely Nigeria, has become the new push for many debt-related NGOs and the G8 Finance Ministers have already given indications in their communiqué that they are pleased with the pace of reform and economic growth in that West African country. <sup>162</sup> Lastly, leaders will also be pre-occupied with further unresolved issues such as the conditionalities and eligibility criteria attached to June 10 package and whether further debt relief should be decided on a case-by-case basis – all points for which the UK is looking for consensus even as G8 countries reach the point of policy exhaustion with the debt relief portfolio.

This year's summit in Gleneagles, Scotland seems a likely locale for some agreement on these issues as the United Kingdom intends to make debt relief a G8 priority. <sup>163</sup> Due the relative vagueness of the Finance Ministers' statement on the June 10 package concerning some of the issues detailed above, speculation is that either the G8 remains divided over these very key matters or that the leaders are holding back additional agreements for release at the Summit. One thing is certain: with much more contentious debates waiting over trade and aid, the leaders will, at the least, be trumpeting the debt relief package as one concrete follow-through from all their ample rhetoric and promises for Africa.

Compiled by Aba Stevens and Michael Erdman G8RG Policy Analysts

<sup>&</sup>lt;sup>160</sup> "G8 Deal Slashes African Debt," <u>Agencia de Informacao de Mocambique</u> (Maputo) 12 June 2005. Date of Access: 14 June 2005 [http://allafrica.com/stories/200506130629.html].

<sup>&</sup>lt;sup>161</sup> G8 Finance Ministers' Conclusions on Development, London, 10-11 June 2005. Date of Access: June 17, 2005. Accessed Online:

<sup>[</sup>http://www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1078995 903270&aid=1115146455234].

<sup>&</sup>lt;sup>162</sup> G8 Finance Ministers' Conclusions on Development, London, 10-11 June 2005. Date of Access: June 17, 2005. Accessed Online:

<sup>[</sup>http://www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1078995 903270&aid=1115146455234].

<sup>&</sup>lt;sup>163</sup> Gordon Brown, "Speech by the Rt. Hon Gordon Brown MP, Chancellor of the Exchequer at the National Gallery of Scotland," (London), 6 January 2005. Date of Access: 9 January 2005. <a href="https://www.hm-treasury.gov.uk/newsroom\_and\_speeches/press/2005/press\_03\_05.cfm">https://www.hm-treasury.gov.uk/newsroom\_and\_speeches/press/2005/press\_03\_05.cfm</a>>.

# Trade: Free Trade

Increasing Africa's share of global trade, including increasing intra-African trade, must be a critical component of any development scheme for the continent. Unlike ODA and debt relief, which tend toward one-time solutions, increased trade exchange is the only way to generate economic growth and promote industry and employment on the continent in a manner that is both sustainable and long-term. However, as far as trade is concerned, Africa is moving backwards. In 1980, Africa accounted for a disturbingly low 6% of global exports; in 2002 that share had dropped to less than 2%. What is more disturbing is that while large regions of the developing world have moved progressively from deflating agricultural commodities to more lucrative manufacturing exports, Africa has not. In 2000, the continent accounted for only 1% of total manufactured exports originating from the Global South. 165

Realizing this critical dearth in development, many previous initiatives have committed to raising Africa's trade levels. Most notably, the UN Millennium Development Goals (MDGs) call on states to "develop further an open trading and financial system [and] to address the least developed countries' special needs. This includes tariff- and quota-free access for their exports." In addition, numerous G8 Summits have produced documents promising to end discriminatory trade measures that impede African trade. The most recent, released at the 2004 G8 Summit in Sea Island, states that "substantially reducing trade-distorting agricultural subsidies and barriers to access to markets;.... and advancing the development of all countries, especially the poorest, within the WTO system" are all G8 priorities. The 2004 G8 Statement on Trade also includes an unqualified endorsement of the initiative increasingly being billed as finally leveling the playing field in global trade: the WTO's Doha Development Agenda (DDA) (discussed below).

Nevertheless, the G8 and other industrialized nations have proven particularly recalcitrant over the issue of trade in the past, namely because concessions on this matter require direct sacrifices to national interest. While some countries such as Australia and Canada boast marginally improved trade policies, particularly in the arena of agriculture, the US and EU have consistently clung to the path of protectionism and subsidies. Compelling the G8 to dismantle this entrenched trade architecture, as the World Bank/IMF made many developing countries do during the era of the Washington Consensus, has been a slow and inconsistent project. Nevertheless, with the WTO's Hong Kong Ministerial on

<sup>&</sup>lt;sup>164</sup> "Africa Trade Performance Bleak, Says Unctad Report," *Third World Network*, 28 October 2003. Date of Access: 3 June 2005. <a href="https://www.twnside.org.sg/title/twninfo86.htm">www.twnside.org.sg/title/twninfo86.htm</a>>.

<sup>&</sup>lt;sup>165</sup> "Africa Trade Performance Bleak, Says Unctad Report," *Third World Network*, 28 October 2003. Date of Access: 3 June 2005. <a href="https://www.twnside.org.sg/title/twninfo86.htm">www.twnside.org.sg/title/twninfo86.htm</a>>.

<sup>166 &</sup>quot;UN Millennium Development Goals (MDG)," United Nations. Date of Access: 03 June 2005. <a href="https://www.un.org/millenniumgoals/">www.un.org/millenniumgoals/</a>.

<sup>&</sup>lt;sup>167</sup> "G8 Leaders Statement on Trade," 2004 Sea Island Summit, 9 June 2004. Date of Access: 03 June 2005. <a href="https://www.g8.utoronto.ca/summit/2004seaisland/trade.htm">www.g8.utoronto.ca/summit/2004seaisland/trade.htm</a>.

<sup>&</sup>lt;sup>168</sup> Agricultural Policies in OECD Countries: At a Glance - 2004 Edition, Organization for Economic Cooperation and Development (OECD) (Paris) 2004. Date of Access: 1 May 2005 [www.oecd.org/document/47/0,2340,en 2649 33775 32019951 1 1 1 1,00.html].

the DDA in December, the UN Summit on the MDGs in September, and the G8 Summit's focus on Africa in July, 2005 may be the year in which real progress on this issue is finally attained.

#### The Commission for Africa

The issue of trade is awarded its own separate chapter in the Commission for Africa's final report, *Our Common Interest*. Entitled "More Trade and Fairer Trade," this section of the Commission's report begins with the assertion that "Africa will not be able to achieve the Millennium Development Goals, nor set itself on a sustainable path to growth and poverty reduction, without increased trade." In response to this, the Commision details three main strategies which the G8 and Africa must pursue to promote trade and, thus, development on the poorest of continents.

Firstly, on the supply end of the equation, the Commission calls for Africa to increase its trade capacity. Namely, the Commission identifies the high prevalence of intra-African trade barriers and quotas that suffocate trade on the continent; whereas in East Asia and the Pacific intra-regional trade accounts for 26.5% of GDP, in Sub-Saharan Africa that number stands at only 5.3% as of 2002. As such, the bulk of the recommendations involve: removing intra-African tariffs and quota systems; boosting regional free trade arrangements; and harmonizing customs and duties regulations. In addition, the Commission also called for investments in basic trade infrastructure such as ports, roads and highways, customs officials, border control and other matters.

Secondly, the Commission focused on the demand end of the equation, calling for an improvement in Africa's access to rich markets by the G8 countries. Speaking quite boldly, the Commission called for the completion of the WTO's Doha Development Agenda no later than the end of 2006. In addition, it recommended that "rich countries agree to eliminate immediately trade-distorting support to cotton and sugar, and commit by 2010 to end all export subsidies and all trade-distorting support in agriculture when they meet in Hong Kong." As of 2015, wealthy economies should "reduce progressively all tariffs to zero...and reduce non-tariff barriers." 171

Lastly, the Commission recommended that Africa be afforded special lead-way to build its trade capacity and adjust to new global trade regimes. In this spirit, the final report states that rich nations should "remove all barriers to all exports from low-income sub-

Saharan countries, by extending quota and duty-free access to all of them." It also recommends that rules-of-origin requirements be waived for African exports and to allow

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 <sup>169 &</sup>quot;Our Common Interest: Report on the Commission for Africa," G8 Information Centre (Toronto) March 2005. Date of Access: 1 May 2005 [www.g8.utoronto.ca/meetings-official/cfa2005\_en.pdf], pp. 248.
 170 "Our Common Interest: Report on the Commission for Africa," G8 Information Centre (Toronto) March 2005. Date of Access: 1 May 2005 [www.g8.utoronto.ca/meetings-official/cfa2005\_en.pdf], pp. 254

<sup>&</sup>lt;sup>171</sup> "Our Common Interest: Report on the Commission for Africa," G8 Information Centre (Toronto) March 2005. Date of Access: 1 May 2005 [www.g8.utoronto.ca/meetings-official/cfa2005\_en.pdf], pp 290.

"Africa to source inputs from anywhere in the world, and requiring only that they add a minimum of 10 per cent of value in their processing." 172

#### **Africa Action Plan**

At the 2002 G8 Summit in Kananaskis, G8 leaders agreed to the Africa Action Plan to promote development of the continent that included a strong commitment with regards to trade. <sup>173</sup> Nevertheless, many of these measures have not come to fruition or were detailed in a manner that urged action from the G8 but did not establish benchmarks or schedules for implementation.

Firstly, not foreseeing the breakdown of WTO negotiation in Cancun in 2003, the G8 AAP calls for the Doha Development Round to be completed no later than 1 January 2005 — the current expected completion date is now end-2006. The AAP also details plans for the G8 "working toward the objective of duty-free and quota-free access for all products originating from the Least Developed Countries (LDCs), including African LDCs, and, to this end, each examining how to facilitate the fuller and more effective use of existing market access arrangements." To date many G8 countries have implemented these schemes, however, there has been no coordinated action and each national programme includes its own list of detailed restrictions and loopholes and criteria for eligible countries. 175 Lastly, the AAP also calls for increased trade-related technical assistance by wealthy states and efforts to promote intra-African trade, mainly through customs harmonization and a lowering of national tariffs. Both of these measures are long-term projects which are still in the process of completion and likely to be revived at the Gleneagles Summit. In terms of trade-related technical assistance, all G8 states have boosted their funding levels in recent years with the UK and the US both making it a central component of their development regimes. As for intra-Africa trade, while the levels of trade between African states have not significantly improved since 2002, the 19member Common Market for Eastern and Southern Africa (COMESA) has been created and has aimed to establish a customs union within the next five years. 176 As a positive sign, wavering members such as Kenya and Uganda have decided to stay inside the tradebloc after earlier warnings they may withdraw. 177

<sup>&</sup>quot;Our Common Interest: Report on the Commission for Africa," G8 Information Centre (Toronto) March 2005. Date of Access: 1 May 2005 [www.g8.utoronto.ca/meetings-official/cfa2005\_en.pdf], pp 291. www.g8.gc.ca/2002Kananaskis/afraction-en.asp

<sup>&</sup>lt;sup>174</sup> 2002 G8 Kananaskis Summit: Africa Action Plan, Canada's Official G8 Website (Ottawa) June 2002. Date of Access: 14 June 2005 [www.g8.gc.ca/2002Kananaskis/afraction-en.asp].

<sup>&</sup>lt;sup>175</sup> See country-by-country profiles of free trade below.

David Mageria, "Africa trading bloc sees customs union in five years", *Reuters* (Nairobi), 13 March 2005. Date of Access:14 May 2005

<sup>[</sup>www.reuters.co.za/locales/c\_newsArticle.jsp;:428481f6:ac779a12dea7c4f?type=topNews&localeKey=en\_ZA&storyID=8483910]

<sup>177 &</sup>quot;Kenya Won't Quit Comesa", *The Nation* (Nairobi), 10 May 2005 Date of Access: 14 May 2005 [allafrica.com/stories/200505091679.html]

# **Doha Development Agenda**

The Doha Development Agenda (DDA) was launched in late-2001 with the intention of tackling some of the most entrenched trade-issues; agricultural subsidies, trade in service, industrial tariffs, and the Singapore Issues (competition, foreign investment, government procurement, and trade facilitiation). In September 2003, the WTO's Fifth Ministerial in Cancun, Mexico collapsed after the US, EU and Japan, failed to reach a consensus with a large bloc of developing countries over scope and depth of agricultural subsidy reductions. Of great significance from the Cancun Ministerial was the emergence of the G-20 trade bloc, a group of middle-income developing countries whose collective trade position (especially on agriculture) was successful in bringing WTO negotiations to a stand-still. The G-20 is led by Brazil but its membership includes South Africa, Nigeria, Zimbabwe, Tanzania and Eygpt from the African continent. <sup>178</sup> This group compliments the G-90, the other major developing world trade bloc, that brings together the Least Developed Countries (LDCs which are dominated by African states) bloc, the Africa Group, and the Africa-Caribbean-Pacific (ACP) Group. 179 In a sign of the growing power of developing states, it is now generally acknowledged that further DDA negotiations will be essentially negotiated between the US, EU, Japan, and representative countries from the G20, G90 and the Cairns Group (a group of agricultural exporters that oppose subsidies including Australia, Brazil and Canada). 180

The success of the G20 and the G90 has already been demonstrated in the negotiation of the WTO's July 2004 Package which established a framework for placing the DDA back on track for completion by 2006. The package was negotiated by the US, EU, Australia (from the Cairns Group), Brazil and India (from the G20). Under the package, industrialized countries agreed to major concessions that they had previously resisted in Cancun: wealthy states, in particular the EU, agreed to place all agricultural subsidies on the table for discussion and committed to making significant cuts; wealthy countries agreed to a 'down payment' on this deal in the form of an immediate 20% reduction in total current agricultural subsidies; LDCs (including approximately 25 African states) received an agreement in principle to receive increased market access while maintaining the right to shelter their domestic industries; and three Singapore Issues (foreign investment, competition policy, and government procurement) were dropped from the DDA with the fourth (trade facilitation) kept on in the understanding it would only result in a clarification and simplifying of current agreements. In exchange, developing countries agreed to further open their markets to manufactured imports and agreed to continue negotiations on a deal in trade in services. 181

<sup>&</sup>lt;sup>178</sup> *Members*, G-20 Official Website (Brasilia) 2005. Date of Access: 1 May 2005 [www.g-20.mre.gov.br/index.asp].

Aileen Kaw, "G90 and G20: Band Together!" *Focus on the Global South* (Bangkok) 11 June 2004. Date of Access: 25 My 2005 [www.focusweb.org/main/html/Article315.html].

<sup>&</sup>lt;sup>180</sup> Cairns Group Statement: Cairns Group "Vision" for the WTO Agriculture Negotiations, The Cairns Group Official Website (Canberra) 3 April 1998. Date of AccessL 1 June 2005 [www.cairnsgroup.org/vision statement.html].

Anup Shah, "WTO July Package of Framework Agreements," *Global Issues* (New York) 2 August 2004. Date of Access: 1 June 2005 [www.globalissues.org/TradeRelated/FreeTrade/July2004Package.asp]

For more information on the WTO's 'July 2004 Package' see: <a href="https://www.globalissues.org/TradeRelated/FreeTrade/July2004Package.asp">www.globalissues.org/TradeRelated/FreeTrade/July2004Package.asp</a>

The WTO has scheduled its Sixth Ministerial in Hong Kong in December 2005 with the intention of concluding the DDA by 2006. While membership in the G20 has been shifting (Peru has left the Group) it is expected to maintain its collective bargaining position. The Gleneagles Summit, which will bring together not only the leaders of the G8 but also those of China, India. Brazil and several African states, will be an occasion mainly for pre-cursor negotiations and discussions, however, any major announcement on trade concessions will likely wait until Hong Kong.

# **G8 Member-States National Policies on Trade and Africa**

#### **United Kingdom**

Gordon Brown, Chancellor of Exchequer, said recently, that "for every dollar given to poor countries in aid, two dollars are lost because of unfair trade," which reflects the United Kingdom's (UK) increasingly progressive rhetoric regarding trade. Even Hilary Benn, Secretary of State for International Development has states that the UK's Presidency of the G8 and EU will be used to put "trade high up on the international agenda." On 7 July 2004, the UK began this process with the Department of Trade and Industry's (DTI) release of its White Paper: *Making Globalization a Force for Good.* He DTI White Paper maintains a strong link between more free trade and greater poverty reduction in the Global South, and repeatedly commits the UK to promote greater intra-African trade and access to wealthy industrialized markets. The UK hopes to bring this strategy to its dual presidencies of the G8 and the EU in the latter half of 2005. According to Secretary Benn, the UK wants "to reach agreement in the EU and G8 on simplifying rules of origin, getting a good development outcome from reform of the EU's Sugar Regime and ensuring the EU negotiations with the ACP on Economic Partnership Agreements help make a tangible difference to trade working for the poor."

Nevertheless, as a member of the European Common Market, the UK government has little national power to alter its trade policies which are largely decided by the EU. As such, while Brussels tries to improve the demand end of the trade equation, London has focused on the supply end, namely in improving African trade capacity. Indeed, the UK has increasingly adopted the approach that improving developing countries' trade access and capacity is a more effective poverty-reduction strategy than aid, and will look to

<sup>&</sup>lt;sup>182</sup> "Speech by The Rt Hon Gordon Brown MP," Chancellor of The Exchequer at The BBC World Service Trust

Conference," Government News Network, 24 November 2004.

<sup>&</sup>lt;sup>183</sup> The Department for International Development "Living up to our promises: Helping developing countries to

capture the gains from trade" 21 July 2004 < <u>www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp</u>>
<sup>184</sup> *Trade and Investment White Paper 2004.* Department of Trade and Industry (London) 2004. Date of Access: 1 June 2005 [www.dti.gov.uk/ewt/whitepaper.htm].

<sup>&</sup>lt;sup>185</sup> Speech by Hilary Benn, Minister of International Development: Living up to our promises: Helping developing countries to capture the gains from trade, Department of International Development (London) 21 July 2004. Date of Access: 30 May 2005 [www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp].

forward this approach at the G8 Summit in Gleneagles in July. 186 As of July 2004, the UK has committed £1.25 million to the Advisory Centre on WTO Law in Geneva — an independent centre assisting developing, least developed and transition countries by providing low-cost legal support to members pursuing cases in the Dispute Settlement Mechanism. Also, the UK is providing £1 million to support the United Nations Conference on Trade and Development's (UNCTAD) Accession Trust Fund project that supports least developed countries to accede to the WTO on terms which are consistent with their specific development needs; the fund provides technical assistance at each stage of the accession process. 187 In March 2005, the UK awarded £750,000 to the Fairtrade Foundation over a period of three years to support the foundation's work to promote products that guarantee developing farmers a fair price. 188

#### **European Union**

With the creation of the European Single Market, external trade policies for all 25 European Union member-states are now the exclusive competence of the European Commission. Thus, trade policies discussed in the following section can be construed as relating to those of France, Germany, Italy, and the United Kingdom, as well as the other 21 non-G8 EU member-states.

Since 1975, the African-Caribbean-Pacific (ACP) have enjoyed privileged, near duty-free access to the markets of the European Union, primarily in relation to the commodities of sugar, beef, veal and bananas, through an agreement known as the Lomé Convention. Nevertheless, despite being renewed three times (1980, 1985, 1990), the WTO's trade law waiver for the Lomé Convention expired on 28 February 2000. 189 Under the new Cotonou Agreement, signed on 23 June 2000, the Lomé Convention's terms were extended until 2002. Nevertheless, from 2002-2008, ACP countries are to enter a preparatory phase in which the EU will begin to negotiate WTO-compatible and reciprocal trade agreements with each of the ACP countries. These will then be implemented over a period of twelve years from 2008-2020. While these new arrangements, known as Economic Partnership Agreements (EPA), will require many trade concessions and losses from the ACP Group, they are being billed by the EU as a

<sup>&</sup>lt;sup>186</sup> Speech by Hilary Benn, Minister of International Development: Living up to our promises: Helping developing countries to capture the gains from trade, Department of International Development (London) 21 July 2004. Date of Access: 30 May 2005 [www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp].

<sup>187</sup> Trade and Investment White Paper 2004: Part III: The Role of Trade and Investment in Global Poverty Reduction,. Department of Trade and Industry (London) 2004. Date of Access: 1 June 2005 [www.dti.gov.uk/ewt/part3.pdf], pp. 94. [188] Eleanor Wason, "UK gives Fairtrade 750,000 pounds," *Reuters* (London) 2 March 2005. Date of

Access: 15 May 2005

<sup>[</sup>www.tiscali.co.uk/news/newswire.php/news/reuters/2005/03/02/topnews/ukgivesfairtrade750000pounds.h tml1.

<sup>189</sup> European Commission: Development: Lome Convention, Europa: Official Portal of the European Union (Brussels) 2004. Date of Access: 12 May 2005 [europa.eu.int/comm/development/body/cotonou/lome history en.htm].

more healthy long-term strategy that will break cycles of dependency and promote more sustainable trade. 190

ACP countries which are classified as Least Developed Countries (LDCs) are exempted from this transition and are allowed to keep their non-reciprocal trade relationship with the EU if they decline to negotiate an EPA. Nevertheless, 12 African states such as Nigeria, Senegal Zimbabwe, Congo, Cameroon and Ghana all stand to lose their lucrative, non-reciprocal trade-relationships with the EU from 2008 onwards when the EPAs come into effect. 191 These are relationships on which many ACP countries have come to depend and there are concerns the change could devastate local producers. While the EU has budgeted €13.5-billion in ODA to the ACP to help with the transition, many critics are not impressed. 192 NGOs like Oxfam argue the that EPAs pry open developing markets through what are essentially free-trade agreements and that they represent a reversal of the EU's progressive development policies. In May 2005, UK publicly echoed these concerns that the EPAs may be considerably flawed. London's remarks, however, was harshly refuted by the European Commission which described them as unduly influenced by "celebrities and NGOs who are now pressing for action." EU officials say the EPAs are not set out for the EU to take advantage of ACP countries and they believed that the latter are more likely to benefit than the former. The EU had also planned to negotiate with the WTO to extend exemptions to specific key industries in non-LDC ACP countries, such as Zambia's sugar industry, to ensure they will compete favourably in the global market. 194

ACP countries that are classified as Least Developed Countries (41 in total; 35 in Africa alone) stand to benefit, however, under recent EU trade law reforms. Not only entitled to keep their non-reciprocal trade relationships under the Lomé Convention, these countries will now see their preferences expanded under the EU's 'Everything But Arms' (EBA) Regulation' (Regulation (EC) 416/2001). Agreed to February 2001, the EBA awards all LDCs duty-free and quota-free access for all their exports to the EU with the exceptions of arms and munitions. Only imports of fresh bananas, rice and sugar are not fully liberalized immediately. Duties on those products will be gradually reduced until duty free access will be granted for bananas in January 2006, for sugar in July 2009 and for rice in September 2009. In the meantime, there will be duty free tariff quotas for rice and sugar. Unlike the rest of the EU's General System of Preferences (its external trade

<sup>&</sup>lt;sup>190</sup>The ACP-EU Agreement, Europa: Official Portal of the European Union (Brussels) 2004. Date of Access: 12 May 2005 [europa.eu.int/comm/development/body/cotonou/index\_en.htm].

<sup>&</sup>lt;sup>191</sup> EU-ACP Trade Relations (EPAs), APRODEV (Brussels) 2004. Date of Access: 20 May 2005

<sup>[</sup>www.aprodev.net/trade/relations.htm] and [www.aprodev.net/devpol/cotonou.htm].

192 ACP, EU Sign 'Cotonu Agreement' on Trade, Aid, and Sustainable Development to Replace Lome,
Danish United Nations Association (Copenhagen) 27 June 2000. Date of Access: 1 June 2005

[www.una.dk/ffd/Godk S reg/Group 77/ACP EU Sign Agreement.htm]

193 Larry Elliott, "EU Move to Block Trade Aid for Poor," Guardian Unlimited (London) 19 May 2005.

<sup>&</sup>lt;sup>193</sup> Larry Elliott, "EU Move to Block Trade Aid for Poor," *Guardian Unlimited* (London) 19 May 2005. Date of Access: 28 May 2005 [www.una.dk/ffd/Godk\_S\_reg/Group\_77/ACP\_EU\_Sign\_Agreement.htm]. <sup>194</sup> Mwila Nkong, "EU Seeks to Protect Weaker Sugar Producers", *The Post* (Lusaka), 28 April 2005. Date of Access: 14 May 2005 [allafrica.com/stories/200504280434.html]

policy), the EBA Regulation was not given an expiry date — indicating the EU foresees it as a long-term initiative. <sup>195</sup>

For an outline of the European Union's trade and development policies see: < <a href="mailto:europa.eu.int/comm/trade/issues/global/development/index\_en.htm">europa.eu.int/comm/trade/issues/global/development/index\_en.htm</a>

EU White Paper on Market Access for Developing Countries (22 May 2005): <trade-info.cec.eu.int/doclib/html/123297.htm>

#### **United States**

President Bush has recently appointed a new US Trade Representative on 29 April 2005, Robert Portman, often identified as one of the 'free traders' in the Congress. Portman takes on the unenviable task of negotiating the WTO's Doha Development Agenda (DDA) — one in which the US will be forced to make painful concessions on agricultural subsidies — while the country is shouldering its largest trade deficit in history and the WTO has fallen from favour within the Beltway. Portman promised to pursue "an aggressive agenda" which will involve striking a deal with the EU, Japan and other industrialized countries to reduce farm subsidies in exchange for greater access for manufactured exports to developing markets (the WTO's 'July 2004 Package').

On 18 May 2000, the African Growth and Opportunity Act (AGOA) was officially signed into law under the Clinton Administration in the United States, affording a majority of sub-Saharan African sweeping new access American markets. Under the AGOA, qualifying states in Africa receive duty-free and quota-free access for all of their exports to the United States with the exception of a few key industries, such as textiles and garments which maintain some residual import restrictions. Overall, AGOA afforded duty-free access to over 1800 tariff lines including almost all agricultural products until 2008 to a list of 34 sub-Saharan African countries. <sup>197</sup> In 2002, AGOA-II signed into law by the Bush Administration greatly expanded duty-free and duty-reduced access to American markets for textile and garment exports from sub-Saharan Africa — a policy which is constantly under debate and review. The law also designated Namibia and Botswana 'Lesser Developed Countries' for the purposes of AGOA-II providing them with even greater uninhibited access to US markets. <sup>198</sup> On 12 July 2004, President Bush signed into law AGOA-III which extends both the AGOA-regime as a whole until 30

<sup>&</sup>lt;sup>195</sup> European Commission: Trade Issues: Generalised System of Preferences: "EBA" - Everything But Arms Initiative, Europa: Official Portal of the European Union (Brussels) 2001. Date of Access: 12 May 2005 [europa.eu.int/comm/trade/issues/global/gsp/eba/index en.htm].

<sup>[</sup>europa.eu.int/comm/trade/issues/global/gsp/eba/index\_en.htm].

196 Emad Mekay, "New U.S. Trade Czar Faces Tests at Home and Abroad," *Inter Press Service News Agency* (Rome) 10 May 2005. Date of Access: 11 May 2005

[www.ipsnews.org/new\_nota.asp?idnews=28619].

197 Summany of ACCA I. Africa Communication of Access in the communication of

<sup>&</sup>lt;sup>197</sup> Summary of AGOA I, African Growth and Opportunity Act Official US Website – US Department of Commerce (Washington D.C.) 2004. Date of Access: 19 May 2005 [www.agoa.gov/agoa\_legislation/agoa\_legislation.html].

Summary of AGOA II, African Growth and Opportunity Act Official US Website – US Department of Commerce (Washington D.C.) 2004. Date of Access: 19 May 2005

[www.agoa.gov/agoa\_legislation/agoa\_legislation2.html]

September 2015 and the provisional concessions made around textile and garment imports until September 2007. 199

Most regional experts agree that the AGOA was a policy success and can be credited with substantially boosting trade between the US and Africa — it has been suggested that it served as the impetus for the EU's similar trade policy called 'Everything But Arms (EBA).' Exports from the 37 African countries eligible for duty-free exports to the US under AGOA jumped 88% to US \$26.6 billion between 2003-2004 while US exports to sub-Saharan Africa rose a quarter to US \$8.6 billion.<sup>200</sup> In addition, foreign direct investment from the US into sub-Saharan Africa was estimated to have increased to US\$10.6 billion in 2003 from US\$ 8.9 billion in 2002. The bulk of the increase in sub-Saharan exports came from oil, although non-oil exports also rose a solid 22% to \$3.5-billion.<sup>201</sup> On 21 December 2004, President Bush officially removed Ivory Coast from the AGOA regime on the grounds that it lacked an "effective visa system and related procedures to prevent unlawful trans-shipment and the use of counterfeit documents."<sup>202</sup>

For more information on the African Growth and Opportunity Act, see: <a href="https://www.agoa.gov">www.agoa.gov</a> and <a href="https://www.agoa.info">www.agoa.info</a>>

The US has a strong focus, much like the United Kingdom, on boosting the trade capacity of developing nations — a strategy allows increased global trade and development without cumbersome WTO negotiations. Critics would highlight, however, it also allows the US to maintain its system of protectionist subsidies and tariffs while showing evidence of their commitment to more fair trade. Nevertheless, in 2002 developing countries received US\$ 50 billion a year in aid while foreign investment inflows totaled almost US\$ 200 billion and annual earnings from exports exceeded US\$ 2.4 trillion. As such, the US Agency for International Aid (USAID) has committed considerable funds to boosting the trade capacity of the Global South. In 2003, USAID awarded over US\$ 540.2 million is trade capacity building assistance while the United States Government as a whole awarded US\$ 751.7 million in that year; these numbers are expected to have increased in 2004 and 2005 as part of a seven-year upward trend. Of these funds, US\$ 133 million went to Sub-Saharan Africa and US\$ 174 million to the Middle East and

Summary of AGOA III, African Growth and Opportunity Act Official US Website – US Department of Commerce (Washington D.C.) 2004. Date of Access: 19 May 2005
 [www.agoa.gov/agoa\_legislation/agoa\_legislation3.html].
 AGOA Lights a Fire Under Africa's Exports, African Growth and Opportunity Act Official Website –

<sup>&</sup>lt;sup>200</sup> AGOA Lights a Fire Under Africa's Exports, African Growth and Opportunity Act Official Website – Trade Law Centre for Southern Africa (Stellenbosch, South Africa) 24 May 2005. Date of Access: 1 June 2005 [www.agoa.info/index.php?view=.&story=news&subtext=522].

<sup>&</sup>lt;sup>201</sup> AGOA Lights a Fire Under Africa's Exports, African Growth and Opportunity Act Official Website – Trade Law Centre for Southern Africa (Stellenbosch, South Africa) 24 May 2005. Date of Access: 1 June 2005 [www.agoa.info/index.php?view=.&story=news&subtext=522].

To Take Certain Actions Under the African Growth and Opportunity Act: A Proclamation by the President of the United States of America, White House (Washington D.C.) 21 December 2004. Date of Access: 2 May 2005 [www.whitehouse.gov/news/releases/2004/12/20041221-9.html].

<sup>&</sup>lt;sup>203</sup> USAID Strategy: Building Trade Capacity in the Developing World. US Agency for International Development (Washington D.C.) March 2003. Date of Access: 15 May 2005 [www.dec.org/pdf\_docs/PDABX241.pdf], pp. 5.

North Africa.<sup>204</sup> Activities financed with these funds include: helping developing countries negotiate more favourable terms for WTO ascension; interpreting and incorporating complex trade law into domestic legislation; and "helping governments create a competitive and enabling environment to supporting local enterprises."<sup>205</sup>

See USAID'S Report "Building Trade Capacity in the Developing World" (2003) at: <www.dec.org/pdf docs/PDABX241.pdf>

#### Canada

Canada recently has boasted one of the more progressive trade policies in terms of free and fair trade, owing largely to the fact that Canada, unlike many other G8 states, does not produce domestically many of the developing world's key exports: fruits, rice, sugar, cotton, rubber, and coffee. This is not true, however, of all commodities with Canada maintaining fairly strong trade barriers to protect domestic fishing, lumber, dairy, oil and beef industries from more competitive imports from the Global South. Furthermore, Canada has consistently posted annual trade surpluses for the last several years and the most recent data shows a trade surplus of CAD\$ 4.2 billion for the month of February, 2005 alone. 206 With this breathing room, Canada is in a far better position than the US or Japan to arrive at Gleneagles with the ability to offer concessions to Africa in terms of trade. Indeed, since Ottawa took the lead on African development with the hosting of the 2002 G8 Kananaskis Summit on African Development and its launch of the Africa Action Plan, several progressive trade measures have been introduced to level in international playing field in trade.

On 24 February 2004, the Canadian government extended the sunset clause on two key trade policies intended to benefit developing nations, pushing their expiry dates back ten years until 30 June 2014. 207 The first is the General Preferential Tariff (GPT) established in 1974, which lowers Canadian tariffs on a wide range of goods from more than 180 developing countries — including all sub-Saharan African countries with the exception of Zimbabwe. The Least Developed Country Tariff, introduced in 1983, benefits 48 of the world's poorest nations by providing duty-free access to the Canadian market for all of their exports, except certain agricultural goods (dairy, poultry and eggs). 208 The logic of the latter restriction considering the fact agricultural goods are one of Africa's largest exports, after oil and minerals, brings into question the efficacy of this program.

<sup>&</sup>lt;sup>204</sup> Trade and Investment - Trade Capacity Building Activities - U.S. Government Trade Capacity Building, US Agency for International Development (Washington D.C.) 10 September 2003. Date of Access: 10 June 2005 [www.usaid.gov/our work/economic growth and trade/eg/trade/tcb activites.htm].

<sup>&</sup>lt;sup>205</sup> Trade and Investment, US Agency for International Development (Washington D.C.) 11 September 2003. Date of Access: 10 June 2005

<sup>[</sup>www.usaid.gov/our\_work/economic\_growth\_and\_trade/eg/trade.html].

206 Jennifer Coogan, "Canada's Dollars Falls as Trade Surplus is Short of Forecasts, *Bloomberg.com* (New York) 11 May 2005. Date of Access: 12 May 2005

<sup>&</sup>lt;www.bloomberg.com/apps/news?pid=10000082&sid=a5c7MnPTNTfA&refer=Canada>.

<sup>&</sup>lt;sup>207</sup> Minister of State Announces Extension of Tariff Programs Benefiting Developing Nations, Ministry of Finance (Ottawa) 24 February 2004. Date of Access: 13 May 2005 <www.fin.gc.ca/news04/04-013e.html>. <sup>208</sup> Minister of State Announces Extension of Tariff Programs Benefiting Developing Nations, Ministry of Finance (Ottawa) 24 February 2004. Date of Access: 13 May 2005 <www.fin.gc.ca/news04/04-013e.html>.

Nevertheless, the LDCT countries includes 33 sub-Saharan Africa all of which are afforded non-reciprocal and near-open access to Canada's lucrative market — where there is frequently almost no domestic production base to compete with their imports. Implementing the extension of the LDCT, which is essentially synonymous with the Market Access for LDCs Initiative launced 1 January 2003,<sup>209</sup> was a component of Canada's commitment under the Africa Action Plan.<sup>210</sup> While Canada joins the EU and New Zealand in creating these no-quota/no-duty trade regimes for LDCs, the total value of all Canadian imports from LDCs in 2000 only amounted CAD \$200 million — thus its effectiveness as a development strategy remains questionable.<sup>211</sup>

#### Japan

Japan, like most other G8 states, maintains a General System of Preferences (GSP) that allows developing countries to gain reduced-tariff and reduced-quota access to its lucrative. Japan's GSP was established on 1 August, 1971 and is to remain in effect until 31 March 2011, at which point it will likely be renewed.<sup>212</sup> The trade regime covers 140 developing countries, encompassing all of sub-Saharan Africa (including Zimbabwe). Under the GSP, these countries are afforded duty-reduced (including duty-free in some cases) access to Japanese markets for 339 agricultural and duty-free access for all industrial products with the exception of a certain basket of industrial goods; in both cases there are no quota ceilings on imports under the GSP. For all other goods exported by GSP countries, quota ceilings are in place and are calculated on an annual basis. This latter 'basket' of industrial goods is reserved for a grouping of Least Developed Countries (LDCs) who receive exclusive zero-tariff and zero-quota market access on these items in order to give them a greater competitive advantage over other GSP countries. As for all other products covered under the GSP, LDCs are granted full tariff-free and quota-free market access. Africa account for 31 of the approximately 40 LDC countries on Japan's trade listings. 213 Nevertheless, the largest issue with Japan-Africa Trade is most certainly agricultural subsidies. Regardless of how many tariffs Japan waives on African goods. exports from the continent continue to be undercut by Japanese farm goods which are heavily supported by Tokyo.

For more information on Japan's GSP Trade Regime, see: <a href="https://www.mofa.go.jp/policy/economy/gsp/explain.html#01">www.mofa.go.jp/policy/economy/gsp/explain.html#01</a>>

<sup>&</sup>lt;sup>209</sup> Development and Society: Market Access for the Least Developed Countries, Department of International Trade (Ottawa) 27 June 2002. Date of Access: 1 June 2005 < <a href="www.dfait-maeci.gc.ca/tna-nac/ldc-en.asp">www.dfait-maeci.gc.ca/tna-nac/ldc-en.asp</a>>. <sup>210</sup> 2002 G8 Kananaskis Summit: Africa Action Plan, Canada's Official G8 Website (Ottawa) June 2002.

<sup>&</sup>lt;sup>210</sup> 2002 G8 Kananaskis Summit: Africa Action Plan, Canada's Official G8 Website (Ottawa) June 2002 Date of Access: 14 June 2005 <a href="https://www.g8.gc.ca/2002Kananaskis/afraction-en.asp">www.g8.gc.ca/2002Kananaskis/afraction-en.asp</a>.

<sup>&</sup>lt;sup>211</sup> Development and Society: Market Access for the Least Developed Countries, Department of International Trade (Ottawa) 27 June 2002. Date of Access: 1 June 2005 < <a href="www.dfait-maeci.gc.ca/tna-nac/ldc-en.asp">www.dfait-maeci.gc.ca/tna-nac/ldc-en.asp</a>>.
<a href="mailto:212">212</a> Explanatory Notes for Japan's Scheme, Ministry of Foreign Affairs (Tokyo) 2004. Date of Access: 14

Explanatory Notes for Japan's Scheme, Ministry of Foreign Affairs (Tokyo) 2004. Date of Access: 14 May 2005 < <a href="https://www.mofa.go.jp/policy/economy/gsp/explain.html#01">www.mofa.go.jp/policy/economy/gsp/explain.html#01</a>>.

Explanatory Notes for Japan's Scheme, Ministry of Foreign Affairs (Tokyo) 2004. Date of Access:14 May 2005 <a href="https://www.mofa.go.jp/policy/economy/gsp/explain.html#01">www.mofa.go.jp/policy/economy/gsp/explain.html#01</a>>.

The Asia-Africa Trade and Investment Conference (AATIC) was convened in November 2004, however, the reaction to its outcome was mostly mixed. Most are pleased that Tokyo has begun to take a serious approach to trade as it has previously with aid (most notably through the Tokyo International Conference on African Development — TICAD) and applaud its commitment and support for NEPAD. Nevertheless, many expressed the desire that more concrete proposals could have been agreed to instead of restating the obvious importance of access to markets, infrastructure and good governance.<sup>214</sup> Moreover, even though Japanese investment and expertise are desirable some felt that the conference could have involved more participants from other Asian countries — in particular a greater role for China as a donor.

# **Conclusion and Prospective for Gleneagles**

'Trade as Aid' will be one of the major themes to emerge from the G8 Gleneagles Summit's package for Africa reflecting a growing policy consensus that increasing levels of trade is one of the most effective anti-poverty strategies. Indeed, while China and India have proven this axiom true in the past two decades, so too has Africa, yet only in the inverse; as the continent that is the least connected to the global economy and boasts the lowest levels of international trade, Africa is also the continent with the highest rate of poverty. And Africa's share of global trade is only decreasing, slipping from 6% in 1980 to less than 2% in 2002. 215

The G8 will attempt to reverse this pattern at Gleneagles through addressing both ends of the trade equation: supply and demand. On the supply end, the G8 is likely to focus on boosting Africa's trade capacity both in terms of global trade as well as intra-continental trade. It is expected that the G8 will establish an investment fund for the basic physical infrastructure of trade within Africa, namely to update or rebuild crucial road networks, railway tracks, ports, and customs offices. Considering the degree of money the US, UK, Japan and Canada have already committed to such programs, expect also a major G8 contribution in the area of technical assistance and training in the area of trade. These activities will likely involve assistance in implementing current trade regimes, improving the negotiating power of LDCs in WTO rounds, and training customs and duties officials.

On the demand end of the equation, the G8 is unlikely to make any large-scale concessions on the issue of agricultural subsidies with negotiations for the WTO Hong Kong Ministerial still underway. Instead, expect the G8 to issue an agreement in principle for wealthy states to cut agricultural subsidies in exchange for greater access for manufactured goods in developing markets. The G8 will also likely endorse the July 2004 Package and to call for a speedy conclusion to the Doha Development Round by end-2006. The positive break-through may see the G8 agree to provide duty-free and quota-free access for LDC exports to their markets considering the fact most G8 countries have national policies which conform to this. Also, the G8 is likely to attempt to boost intra-

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<sup>&</sup>lt;sup>214</sup> *Chair's Summary*, TICAD Asia-Africa Trade and Investment Conference (Tokyo) 1-2 November 2004. Date of Access: 12 June 2005 <a href="https://www.ticad.net/chairsummary.pdf">www.ticad.net/chairsummary.pdf</a>>.

<sup>&</sup>lt;sup>215</sup> "Africa Trade Performance Bleak, Says Unctad Report," *Third World Network*, 28 October 2003. Date of Access: 3 June 2005 <a href="https://www.twnside.org.sg/title/twninfo86.htm">www.twnside.org.sg/title/twninfo86.htm</a>>.

Africa trade by endorsing regional free trade zones on the continent (ECOWAS, SADC, COMESA) and perhaps calling for the creation an a Africa-wide free trade agreement. While leveling the international playing field in trade has long been a stated goal of the G8 and the WTO, 2005 may be a year in which progress on this issue is finally made. The G8 Summit's focus on Africa, combined with the UN Summit on the Millennium Development Goals and the WTO Ministerial all in this year, have raised the profile and demand for action on this issue like never before. Furthermore, with the UK holding the EU Presidency at the time of the WTO Ministerial and the fact developing nations have finally organized into influential trade blocs (G20, G90), the odds of progressive movement to more free and fair trade in the WTO and between the Global North and South have never seemed more favourable

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# Trade: **Agricultural Subsidies**

Trade has been recognized by both the G8 and a range of developmental nongovernmental organizations (NGOs) as the primary engine of economic growth for Africa and as an integral component of meeting the Millennium Development Goals. Consequently, the industrialized nations should increase market access for African products and liberalize trade in order to facilitate the integration of the continent into the international economy.

Today, Africa's share of world trade comprises approximately a meager 2% as a result of low production, institutional incapacity and the protectionist measures of the developed countries that have hampered the ability of Africa's exports to compete in the international market. 216 In particular, agricultural subsidies in the world's wealthiest countries have constituted a major barrier to the possibility of Africa trading its way out of poverty.

# African Agricultural Sector and Western Agri-Subsidies

The agricultural sector is the economic backbone for the majority of African economies. It generates up to 70% of employment and provides the main source of foreign exchange revenue in the region. 217 Nonetheless, agricultural and export subsidies in rich countries, which currently total US\$ 350 billion a year, encourage their farmers to expand production inefficiently, leading to oversupply and dumping of agricultural produce on world markets at artificially low prices. 218 As a result, African farmers must face the burden of lost market share, unfair competition, and decreasing income gains from trade. For example, OXFAM estimates that US support for cotton farmers reduced West Africa's annual income from cotton exports by US\$ 400 million between 2001 and 2003.<sup>219</sup> This is extremely significant for a region that ranks among the lowest-cost producers of cotton in the world and where more that 10 million people depend on cotton production for their livelihoods and food security.<sup>220</sup> Similarly, the European Union's (EU) Common Agricultural Policy (CAP) support for sugar beet farmers dumps 4.1 million tonnes of subsidized sugar on the world market, depressing world prices by 17%

<sup>&</sup>lt;sup>216</sup> "Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005. p. 255, p.266

<sup>&</sup>lt; www.commissionforafrica.org/english/report/introduction.html>

<sup>&</sup>lt;sup>217</sup> Goodale, Ralph. "Commission for Africa: Addis Ababa Meeting, October 7-8 2004." Department of Finance (Ottawa). Date of Access: 28 December 2004.

<sup>&</sup>lt;www.fin.gc.ca/activty/consult/af ovr e.html>.

<sup>&</sup>lt;sup>218</sup> "Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005. p. 280

<sup>&</sup>lt;a href="mailto:swww.commissionforafrica.org/english/report/introduction.html">www.commissionforafrica.org/english/report/introduction.html</a>>.

219 "US Cotton Subsidies Declared Illegal by WTO...again," OXFAM, 3 March 2005. Date of Access: 12 May 2005. <www.oxfam.org.uk/press/releases/cotton030305.htm>

<sup>&</sup>lt;sup>220</sup> "The State of Agricultural Commodity Markets 2004," Food and Agriculture Organization of the United Nations, 2004. Date Accessed: 13 May 2005, p.27

<sup>&</sup>lt;www.fao.org/documents/show\_cdr.asp?url\_file=/docrep/007/y5419e/y5419e00.htm>

and hurting natural producers of sugar such as Mozambique.<sup>221</sup> Unfair competition from EU sugar is a contributing factor to Africa's poverty. What is more, the drop in world prices caused by dumping makes it difficult for sugar farmers in developing countries to invest in better environmental practices that prevent soil erosion and pollution.<sup>222</sup>

#### **G8** Initiatives

The G8 has deliberated the issue of agricultural subsidies ever since the 2002 Kananaskis Summit where a collective commitment to ensuring the development of Africa was undertaken through the implementation of the NEPAD initiative in the African Action Plan (AAP). The plan sought to achieve adequate trade-based growth for the region by integrating the African countries into the world trading system. This vision of Africa's progress, inspired by the framework of the Doha Developmental Agenda (DDA) formulated at the 2001 World Trade Organization (WTO) negotiations, challenged the G8 and the EU to provide "substantial improvements in market access, reductions of all forms of export subsidies with a view to their being phased out, and substantial reduction in trade distorting domestic support."<sup>224</sup>

During the subsequent G8 summits in Evian, France in 2003 and Sea Island, USA in 2004 the G8 countries once again pledged their efforts towards "greater and effective trade liberalization." This commitment was to be advanced by pursuing stronger rules for global trade within the context of the WTO system and the implementation of the Doha Development Agenda. 226

The injustice of agricultural subsidies and the lack of action of developed countries have been recognized by numerous NGOs such as Oxfam, ActionAid, and the European Network on Debt and Development (EURODAD). These organizations are currently pressuring the G8 nations to significantly reduce trade-distorting subsidies that "damage the livelihood of poor communities around the world." Similarly, prominent African figures such as the Archbishop Desmond Tutu and former South African leader Nelson Mandela have called on world leaders to use the G8 Summit in Gleneagles to specifically

<sup>&</sup>lt;sup>221</sup> "Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005, p. 282

<sup>&</sup>lt; www.commissionforafrica.org/english/report/introduction.html>.

<sup>&</sup>lt;sup>222</sup> "WTO Ruling on EU Sugar Subsidies Must Trigger Serious Reform, Says OXFAM and WWF," OXFAM, 28 April 2005. Date Accessed: 14 May 2005.

<sup>&</sup>lt; www.oxfam.org.uk/press/releases/sugar280405.htm>

<sup>&</sup>lt;sup>223</sup> "G8 Africa Action Plan," G8 Summit (Kananaskis) 27 June 2002. Date of Access: 30 December 2004. <a href="https://www.g8.utoronto.ca/summit/2002kananaskis/afraction-e.pdf">www.g8.utoronto.ca/summit/2002kananaskis/afraction-e.pdf</a>.

<sup>&</sup>lt;sup>224</sup> "G8 Africa Action Plan," G8 Summit (Kananaskis) 27 June 2002. Date of Access: 30 December 2004. <a href="https://www.g8.utoronto.ca/summit/2002kananaskis/afraction-e.pdf">www.g8.utoronto.ca/summit/2002kananaskis/afraction-e.pdf</a>.

<sup>&</sup>lt;sup>225</sup> "G8 Leaders Statement on Trade," G8 Summit (Sea Island) 9 June 2004. Date of Access: 26 December 2004. <a href="https://www.g8.utoronto.ca/summit/2004seaisland/trade.html">www.g8.utoronto.ca/summit/2004seaisland/trade.html</a>>.

<sup>226</sup> Ibid

<sup>&</sup>lt;sup>227</sup> "US Cotton Subsidies Declared Illegal by WTO…again," OXFAM, 3 March 2005. Date of Access: 12 May 2005. <a href="https://www.oxfam.org.uk/press/releases/cotton030305.htm">www.oxfam.org.uk/press/releases/cotton030305.htm</a>>.

"eradicate subsidies and tariffs from the West that harm the exports of the people of Africa and the developing world."228

#### **New Partnership for African Development**

The importance of reducing agricultural subsidies and improving trade is similarly attended to by NEPAD, the New Economic Development Program of the African Union, in its general framework. The initiative recommends a series of market proposals that attempt to phase out non-tariff barriers in the post-Cancun trade negotiations of the WTO.<sup>229</sup> Unfortunately, NEPAD has yet to deliver on the concessions Africa itself must make to deliver on trade. 230 Namely, NEPAD has been unsuccessful in dismantling protectionist trade barriers and import quotas that exist between intra-African trade and stifle development on the continent. As of 2005, sub-Saharan Africa has the third-lowest rate of internal trade, of which agricultural goods are the chief export, of any region in the world 231

#### The Commission for Africa

The Commission for Africa's report asserts that the region will not be able to achieve the Millennium Development Goals, nor set itself on a sustainable path to growth and poverty reduction, without increasing trade. The report describes the subsidies as "absolutely unacceptable...politically antiquated, economically illiterate, environmentally destructive, and ethically indefensible."<sup>232</sup> According to the report increasing Africa's share of global trade requires a new and fair international market, in which agricultural subsidies are eliminated. The Commission specifically advocates the immediate end to developed countries' support for cotton and sugar, and a commitment to end all such export subsidies by 2010. Despite the loud recommendations, the African leaders have greeted the Commission's recommendations with cautious approval seeing that similar initiatives in the past failed to revive the continent from its debilitating poverty.<sup>234</sup> Furthermore, there are serious doubts that developed nations will be willing to end support for their own farmers in an effort improve the competitiveness of African products. 235

<sup>&</sup>lt;sup>228</sup> "Mandela Asks Wealthy Nations to Double Aid to Developing Countries," TV World News Transcripts, 5 February 2005.
<sup>229</sup> G8 Leaders Statement on Trade, G8 Summit (Sea Island) 9 June 2004. Date of Access: 26 December

<sup>2004. &</sup>lt;www.g8.utoronto.ca/summit/2004seaisland/trade.html>.

<sup>&</sup>lt;sup>230</sup> Anna Borzello. "NEPAD Forum Seeks an End to Poverty," BBC News,28 January 2005.

<sup>&</sup>lt;sup>231</sup> "Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005 < www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr chapter 8.pdf>. pp. 262.

<sup>&</sup>lt;sup>232</sup>"Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005, p. 282

<sup>&</sup>lt; www.commissionforafrica.org/english/report/introduction.html>

<sup>&</sup>lt;sup>234</sup> Gershwin Wanneburg. "Africans Sceptical Over UK-led Anti-poverty Plan." Reuters, 8 March 2005. <sup>235</sup> "Africa's Turn: The Continent's Problems are too big for us to ignore." Newsday, 20 March 2005.

These concerns may be valid considering that there have been numerous statements regarding the issue of agricultural subsidies since the Sea Island Summit, yet little action has been taken to phase out these distortions in world agricultural commodity markets.

# World Trade Organization and Regional Benefits

On 1 August 2004, WTO members adopted a General Council decision on the Doha Work Programme, informally known as the July Package, which set out a framework for future modalities on trade in agriculture. Under the package, wealthy states, in particular the EU, agreed to place all agricultural subsidies on the table for discussion and committed to making significant cuts; wealthy countries agreed to a 'down payment' on this deal in the form of an immediate 20% reduction in total current agricultural subsidies. In exchange, developing countries agreed to further open their markets to manufactured imports and agreed to continue negotiations on a deal in trade in services.<sup>236</sup> Although this decision revived interest in the Doha Development Agenda; cuts to actual subsidies were "small to non-existent" and no date has been set for their elimination.<sup>237</sup>

On the other hand, there has been momentum towards the implementation of regional trade benefit packages such as the US African Growth and Opportunity Act (AGOA) and European Union's Everything But Arms (EBA) initiative that offer significant preferential market access for certain types of African goods such as apparel and footwear, certain motor vehicle components, chemicals and a variety of agricultural products. Indeed, under the EBA which provides LDCs duty-free and quota-free access to EU markets for all exports, including agricultural goods, only imports of fresh bananas, rice and sugar are not fully liberalized immediately. Duties on those products will be gradually reduced until duty free access will be granted for bananas in January 2006, for sugar in July 2009 and for rice in September 2009. In the meantime, there will be duty free tariff quotas for rice and sugar. The 2004 Economic Report on Africa, issued in September by the UN Economic Commission for Africa (UNECA), applauded these initiatives but also emphasized that any gains were muted by the failure to eradicate agricultural subsidies in general.<sup>238</sup> The Commission for Africa has also stated that unlike other OECD countries including the US and Japan which have maintained or increase their subsidy levels, the EU has experienced a slow decline in subsidies. Nevertheless, this sluggish change remains inadequate in advancing the competitiveness of African produce. .<sup>239</sup>

europa.eu.int/comm/trade/issues/newround/doha da/index en.htm

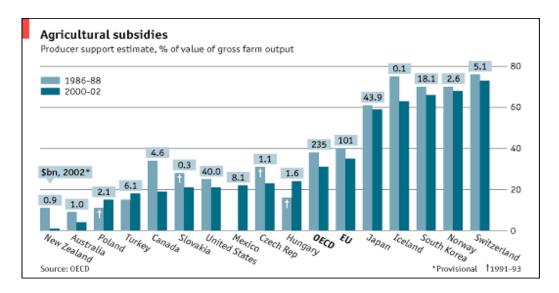
www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr chapter 8.pdf.

<sup>&</sup>lt;sup>236</sup> For More Information On The Wto'S 'July 2004 Package' See: [www.globalissues.org/TradeRelated/FreeTrade/July2004Package.asp]

<sup>&</sup>lt;sup>237</sup> Sophia Murphy. "Another "Truly Historic" Trade Agreement." Institute for Agriculture and Trade Policy, 2 August 2004. Date of Access: 28 December 2004. www.iatp.org/iatp/library/admin/uploadedfiles/Another\_Truly\_Historic\_Trade\_Agreement.pdf.

Marty Logan. "Debt Dooms Development Goals –UN." Inter Press Service, 30 September 2004.

<sup>&</sup>quot;Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of Access: 12 May 2005. p. 279



Fortunately, in the last six months the rulings in two key agricultural dispute settlement cases at the WTO have exerted pressure on the most significant subsidizers in the agricultural commodity market, the EU and the US, to reform their policies. On 3 March 2005 the WTO found that the US\$ 3.2 billion in annual cotton subsidies paid by the US were illegal.<sup>240</sup> In response, the Bush administration has announced that it will comply with the ruling of the organization although no decisions have been made on how it will implement the necessary changes. Oxfam also reports that the US may not even have to implement a new agreement until 2013.<sup>241</sup> At that pace the NGO fears that there will be no African farmers "left to cheer the end of US cotton dumping."<sup>242</sup>

# **United States**

US farm subsidies vary widely over the years, peaking at US\$ 32.3 billion in 2000, falling to US\$ 15.7 billion in 2002 and rising again to US\$ 18.7 billion in 2003 — all well below the EU-norm on US\$ 50 billion in annual subsidies for CAP and rural development. In May 2002, however, the US Senate passed the "US Farm Bill," ushering in one of the largest increases in US agricultural subsidies in American history. The bill proposes increasing state payouts to US farmers by 70% and authorizes the spending of \$180bn (£123bn) in farm subsidies over the next 10 years. While Washington argues its levels of subsidies are still below that of the EU and Japan, NGOs and developing nations blasted the bill, highlighting the hypocrisy of the Bush Administration that claims to trumpet free trade. Despite the fact most of the subsidy spending under the US Farm Bill was be carried out in the first three years, concessions at the WTO Hong Kong Ministerial in December 2005 may reverse some of the bill's long-

<sup>&</sup>lt;sup>240</sup> "US Cotton Subsidies Declared Illegal by WTO…again," OXFAM, 3 March 2005. Date of Access: 12 May 2005. < <a href="https://www.oxfam.org.uk/press/releases/cotton030305.htm">www.oxfam.org.uk/press/releases/cotton030305.htm</a>>. <sup>241</sup> Ibid.

<sup>&</sup>lt;sup>242</sup> Ibid.

<sup>&</sup>lt;sup>243</sup> Jeffrey Sparshott, "Agricultural Subsidies Targeted," The Washington Times. Date of Access: 25 May 2005. <a href="https://www.washtimes.com/business/20031207-114046-8545r.htm">www.washtimes.com/business/20031207-114046-8545r.htm</a>>.

<sup>&</sup>lt;sup>244</sup> "Anger greets US farm aid," BBC News, 10 May 2002. Date of Access: 5 May 2005. <news.bbc.co.uk/1/hi/business/1978525.stm>.

term spending. Furthermore, considering that the Farm Bill is due to expire in 2007 current discussions on measures to reduce farm payments in the 2005 budget offer a window of opportunity for Washington to reform agricultural support. Nevertheless, since new international treaties require the approval of the Senate as prescribed by the US Constitution, any subsequent WTO trade treaties that gut farm subsidies would face fierce resistance from mid-western, Californian, Floridian, and rural Senators.

Indeed, this may be a particularly difficult time for President Bush to furnish any major concessions on agriculture at the Gleneagles G8 Summit owing to US public discontent over the WTO's consistent rulings against farm subsidies. Following defeats against Brazil, Argentina and even the EU at the Geneva-based trade tribunals, farm lobbies (as well as steel and cotton lobbies) have argued that the trade body is not favourable to US business interests and have pressured Washington to withdraw from the WTO. As unthinkable as this may seem, a bill was introduced on to the floor of the US House of Representatives in Spring 2005 proposing this very course of action. Fortunately, the House Ways and Means Committee voted unanimously on 24 May 2005 to recommend the full House reject the bill; a similar resolution was defeated by the House in 2000 in a 363-56 vote. Nevertheless, the fact such a bill was able to make it on to the Congressional agenda is indicative of the US' growing discontent with trade concessions and its escalating US\$ 617 billion trade deficit (2004).

#### **European Union**

On 28 April 2005 the WTO upheld the judgment that EU sugar export subsidies were illegal. The ruling comes at a crucial moment, as the European Commission (EC) is currently reforming its sugar policy and is due to release its legislative proposals in early July 2005. Although campaign groups welcomed the ruling they warned that the proposed reforms fall far short of what is required to bring EU sugar policies into compliance with WTO rules.<sup>246</sup>

The EU also faces considerable pressure to reduce, if not remove, the towering agricultural subsidies it awards its farmers under the Common Agricultural Policy (CAP). These subsidies ensure that developing countries' exports are not priced competitively when they arrive in EU markets and that surplus European production can be 'dumped' into developing markets at far below market value. The WTO's Doha Development Agenda (DDA) was intended to do away with these trade-distorting subsidies. EU negotiators, however, joined by the US, have proven recalcitrant.

According to a joint NGO report, titled "EU Heroes and Villains," France remains a major obstacle to the reform of agricultural trade seeing that it is "the biggest beneficiary of EU largesse to farmers, and the most ardent defender of the EU's current agricultural

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<sup>&</sup>lt;sup>245</sup> Bruce Odessey, "House Committee Backs Continued US Participation in WTO," International Information Program US Info State Gov, 24 May 2005. Date of Access: 25 May 2005. <usinfo.state.gov/ei/Archive/2005/May/25-762968.html>.

<sup>&</sup>lt;sup>246</sup> "US Compliance with Ruling on US Cotton Subsidies," DTN, 20 April 2005.

regime." <sup>247</sup> Spain and Poland have also emerged as major EU players proving recalcitrant to the idea of subsidy reform. Germany and the UK are more inclined towards reforms but they have not committed themselves to the issue at the WTO or elsewhere. Nevertheless, presently several EU member-states are lobbying for the repeal the UK's EU budget rebate, partly implemented in the 1980s to acknowledge the UK's lower allocation of CAP benefits. Should this come to pass, it is far more likely London will become a loud and vocal opponent of continued and costly agricultural subsidies. Nevertheless, the current lack of progress in the EU will mean that the US and Japan will not feel pressure to address this politically difficult area.

Fortunately, there are positive signs. On 9 May 2004, then-EU Trade Representative Pascal Lamy and EU Agriculture Commissioner Franz Fischler co-authored a public letter stating the EU's willingness to "move on export subsidies" in DDA negotiations so long as other industrialized nations did the same. The deal, however, is also predicated on developing nations further opening their markets to EU manufactured exports — a move which many NGOs criticize as unfair and detrimental to development. Nevertheless, this compromise was codified in the 'WTO July 2004 Package' agreed to by WTO members last summer as a basis for terms to put the DDA back on schedule. In May 2005, European Commission's Directorate General for Trade, Karl Falkenberg, assured countries in the Southern African Development Community (SADC) that the EU will have waived its agricultural subsidies by the time EPA negotiations are concluded (scheduled for 2008).

Indeed, while Brussels has made similar promises before, the EU's current trade negotiating platform is showing promising signs that greater access to wealthy markets and fewer agricultural subsidies may become a reality for developing states. The EU's official trade platform going into the WTO's Hong Kong Ministerial in December includes: duty-free and quota-free access for all farm exports from the world's poorest countries (LDCs); rich countries to give access at zero duty to at least 50% of their imports from developing countries; and proposals to eliminate all export restrictions on raw materials and make deeper cuts for tariffs on manufactured products of interest to the Global South, in particular textiles, clothing and footwear.<sup>250</sup>

Lastly, on 1 September 2005, Pascal Lamy, the EU's former Trade Representative and a staunch supportive of CAP subsidies at the time, will take over the new Director-General of the WTO. Opponents of agricultural subsidies largely viewed this as a defeat seeing as Lamy's chief opponent for the job was a Uruguayan who was perceived as being more closely aligned with the G20 developing countries trade bloc. Indeed, Lamy has already

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<sup>&</sup>lt;sup>247</sup> "EU Heroes and Villains: Which countries are living up to their Promises on Aid, Trade, and Debt?," Action Aid International, Eurodad, and Oxfam International, February 2005. Date Accessed: 12 January 2005. p. 12

<sup>&</sup>lt;www.oxfam.org.uk/what we do/issues/debt aid/downloads/eu heroes villains.pdf>.

<sup>&</sup>lt;sup>248</sup> Devider Sharma, "Once again, fooling the world," Indiatogether.org, June 2004. Date of Access: 25 May 2005. <a href="https://www.indiatogether.org/2004/jun/agr-wtoagro.htm">www.indiatogether.org/2004/jun/agr-wtoagro.htm</a>>.

<sup>&</sup>lt;sup>249</sup> Bester Gabotlale, "EU to Forgo Farm Subsidies", *Mmegi/The Reporter* (Gaborone), 3 May 2005. Date of Access:14 May 2005 [allafrica.com/stories/200505040525.html]

<sup>&</sup>lt;sup>250</sup> "Trade Issues: Trade and Development," EUROPA, Date of Access: 25 May 2005.

<sup>&</sup>lt;europa.eu.int/comm/trade/issues/global/development/index\_en.htm>.

made statements ambiguously defending the EU's previous stance on farm goods.<sup>251</sup> Nevertheless, Lamy will have to gain favour with the large bloc of developing nations who will likely control the WTO at the time of his re-election in four years and these are firmly opposed to the EU CAP regime. As such, many analysts predict when Lamy chairs the WTO Hong Kong Ministerial in December 2005 he will walk a more balanced line between his old bosses in the EU and his potential new bosses in the G20

#### Japan

According to OECD estimation, Japan along with the EU and the United States contributed to 90% of the US\$ 360 billion global agricultural subsidies in 1999.<sup>252</sup> More accurately, Japanese farm support amounted to a towering 59% of agricultural production in the country compared to 36.5% in the EU and 17.6% in the US in 2002. Indeed, These numbers only worsen when Japan's smaller land mass is taken into consideration; Japan furnishes its farmers with \$9,709 per hectare of agricultural which dwarfs that of the EU at \$676, and the United States at \$117. In addition while the EU's average agricultural tariff is 30% and the US' average at 12%, African imports are pummeled by Japan's average agricultural tariff of little less than 50 percent which renders most food imports uncompetitive. 253

Tokyo is under pressure to make serious concessions at the upcoming WTO Ministerial in Hong Kong in December 2005 but so far, it has repeatedly demonstrated inflexibility over agriculture in WTO negotiations and has implemented a 10-year plan that focuses on paying subsidies to productive domestic farmers in efforts to raise food selfsufficiency. 254In some policy circles in Japan, high agricultural subsidies are seen as justified when viewed in relation to the government's generous aid and donor policies that frequently target the African continent.

Nevertheless, Japan did endorse the 'WTO's July 2004 Package' will calls for developing states to open their markets to manufactured imports in exchange for industrialized countries dropping their rates of farm subsidy. In addition, Japan will be looking to make concessions to powerful developing countries, in exchange for their support for Tokyo's long-term bid for a permanent seat on the UN Security Council. 255

#### Canada

Conversely, Canada (along with few other developed nations like New Zealand and Australia), boasts some of the lowest agricultural subsidies in the industrialized world and has joined the majority of WTO Members in seeking to use the current negotiations to achieve substantial reductions in trade-distorting domestic support. Specifically, Canada is increasingly concerned with the high and rising levels of US support for its farmers that

<sup>&</sup>lt;sup>251</sup> Paul Blustein. "Freshman Set to Assume WTO Leadership," WashingtonPost.com. May 14 2005. Date of Access: 3 June 2005. www.washingtonpost.com/wpdyn/content/article/2005/05/13/AR2005051301529.html.

252 Cheng Guogiang. "Challenges for Agricultural Trade," China Daily, 26 February 2005.

iapan.usembassy.gov/e/p/tp-20030911b4.html

<sup>&</sup>lt;sup>254</sup> "Japan to Focus Subsidies on Productive Farmers," Xinhua News Agency –CEIS, 9 March 2005.

directly affects the competitiveness of Canadian produce.<sup>256</sup> According to Peter Clark, a long-time Ottawa trade consultant, "agriculture in Canada and in many other parts of the world is in crisis — and an important cause of that crisis is the production and trade distorting effects of U.S. subsidies."<sup>257</sup>

Canada has traditionally enjoyed a disproportionate role in the WTO as a so-called 'QUAD country' along with the EU, US and Japan that generally sets the tone for WTO negotiations. Nevertheless, Canada was not apart of the 'Group of Interested Parties (GIP),' a core group of countries that negotiated the WTO's 'July 2004 Package,' and its influence seems to be declining in the trade body. Regardless, expect Canada at the WTO Hong King Ministerial in December to exercise its lesser influence to push for greater reductions in farm subsidies. Canada's attachment to this position is not only motivated by its low-rates of farm subsidies, but also by its desire to forge closer relations with developing countries such as South Africa, Brazil and India which are increasingly asserting their size and influence.

Nonetheless, the Canadian government has refused to challenge its own extensive system of quotas and price controls, such as the Canadian Wheat Board (CWB), which was declared at the 2004 WTO talks in Geneva as a deliberate barrier to trade. These boards are government corporations that enjoy a monopoly over the respective commodities — they buy all the wheat and dairy goods, respectively, produced in Canada at guaranteed rates which developing countries say is well above market value. Providing evidence that sometimes the Wheat and Dairy Boards are forced to run at a loss because the price they pay farmers is so far above market rates, developing countries argue that this amounts to a direct subsidy of Canada's wheat and dairy farmers which hurts developing farmers and renders their exports uncompetitive when they arrive in market. Ottawa, however, stands firmly behind the boards which are popular with farmers and is unlikely to reform their practices, arguing they are arms-length bodies.

With that being said, Canada, along with Australia, boasts some of the lowest agricultural subsidies in the industrialized world and is equally discontent with the US, EU and Japan's lavish support for their farmers. Canada has traditionally enjoyed a disproportionate role in the WTO as a so-called 'QUAD country' along with the EU, US and Japan that generally set the tone for WTO negotiations. Nevertheless, Canada was not apart of the 'Group of Interested Parties (GIP),' a core group of countries that negotiated the WTO's 'July 2004 Package,' and its influence seems to be declining in the trade body. Regardless, expect Canada at the WTO Hong King Ministerial in December to exercise its lesser influence to push for greater reductions in farm subsidies. Canada's attachment to this position is not only motivated by its low-rates of farm subsidies, but

<sup>&</sup>lt;sup>256</sup> "US Farm Bill and Agricultural Subsidies," Department of Foreign Affairs and Trade. Date of Access: 19 May 2005.<a href="https://www.dfait-maeci.gc.ca/can-am/menu-en.asp?act=v&mid=1&cat=1029&did=1793">www.dfait-maeci.gc.ca/can-am/menu-en.asp?act=v&mid=1&cat=1029&did=1793</a>.

<sup>&</sup>lt;sup>257</sup> Peter, Morton. "Farm subsidies a shell game: No one prepared to move beyond lip service," National Post, 18 April 2005.

<sup>&</sup>lt;sup>258</sup> "WTO agrees on plan to cut farm subsidies: Canadian Wheat Board comes under attack," Edmonton Journal. 1 August 2004.

<sup>&</sup>lt;sup>259</sup> "Trade Deal could allow attack on farm Support," CBC News, 03 Aug 2004. Date of Access: 25 May 2005. <<u>www.cbc.ca/story/canada/national/2004/08/02/wheat040802.html</u>>.

also by its desire to forge closer relations with developing countries such as South Africa, Brazil and India which are increasingly asserting their size and influence.

#### Conclusion

To date the G8 and the EU have made a number of public pronouncements regarding the need to eliminate agricultural subsidies that have skewed global markets against African products. Nonetheless, they have failed to tangibly address the issue. The question now remains whether at the upcoming Gleneagles Summit in July and the WTO Hong Kong Ministerial meeting in December, the industrialized nations will commit to restructure their agricultural policies to ensure the sustainable recovery of Africa. Or rather, will the debate continue to remain dominated by self-interest and intransigence, leading to an outcome where Africa's trade relationship with the North continue to be dominated by protectionism and poverty

Compiled by Joanna Duarte Laudon G8RG Policy Analyst

# Environment: Famine and Food Security

The most dire health challenge confronting the world today is hunger and malnutrition with more people dying from the effects of food insecurity than AIDS, tuberculosis, and malaria combined. Despite the fact that eradicating global hunger and poverty was the first of the Millennium Development Goals agreed upon in 2000, the number of chronically hungry people since then has only been increasing — especially in Africa. Of the 800 million people in developing countries currently suffering from a lack of food, 203.5 million of those are found in Sub-Saharan Africa. In the Darfur region of western Sudan alone, it is estimated that 1.6 million people have become dependent on food aid. Not yet having experienced a 'green revolution', and being dangerously dependent on agriculture, the majority of African nations are resultantly very vulnerable to crises such as droughts or floods. This precarious food situation is only compounded by the myriad of other challenges facing the continent, including everything from a lack of good governance to civil warfare. Africa's food predicament has consequently compelled the G8 to devote a considerable amount of attention to the issue over the past four years.

#### **Background**

The 2001 Genoa Summit marked an important recognition by the G8 that "food security remains elusive." As a result, the G8 countries pledged to make the provision of adequate food supplies and the enhancement of agricultural productivity in Africa a central component of their poverty reduction strategy. At the Kananaskis Summit in 2002, in accordance with the launch of the G8 Africa Action Plan, further attention was devoted to the issue of food insecurity. While such continued interest was encouraging, it was criticized for being "heavier on the rhetoric than on concrete action", and for lacking precise targets. Nevertheless, the developments of Kananaskis were a step in the right direction, which helped to spurn the impressive amount of attention devoted to famine at the Evian 2003 Summit. Not only were there eleven commitments made at Evian specifically regarding food insecurity in Africa, but a G8 action plan entitled Action

<sup>&</sup>lt;sup>260</sup> "20 Facts You May Not Know About Global Hunger," World Food Program, 12 November 2004. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="mailto:sww.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2020&item\_id=1115&section=13">section=13</a>.

261 Ibid

<sup>&</sup>lt;sup>262</sup> "Faces of the Hungry," World Food Program, 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/aboutwfp/introduction/hunger who.asp?section=1&sub section=1>.

<sup>&</sup>lt;sup>263</sup> "20 Facts You May Not Know About Global Hunger," World Food Program, 12 November 2004. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="mailto:sww.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2020&item\_id=1115&section=13">section=13</a>.

<sup>&</sup>lt;sup>264</sup> Jeffrey Sachs. "The end of the world as we know it," The Guardian, 5 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;sup>265</sup> "Communiqué," Genoa, 22 July 2001. Date of Access: 8 January 2005.

<sup>&</sup>lt;a href="mailto:swww.g8.utoronto.ca/summit/2001genoa/finalcommunique.html">www.g8.utoronto.ca/summit/2001genoa/finalcommunique.html</a>>

<sup>&</sup>lt;sup>266</sup> *Ihid* 

<sup>&</sup>lt;sup>267</sup> "Issue Performance Assessment Africa Action Plan," G8 Research Group University of Toronto, June 2002. Date of Access: 8 January 2005.

<sup>&</sup>lt;www.g8.utoronto.ca/evaluations/2002kananaskis/assessment\_africaplan.html>.

Against Famine, Especially in Africa, was unveiled.<sup>268</sup> While the plan was said to "lack bite," G8 leaders nevertheless pledged to meet emergency food needs, improve faminewarning systems, and increase the effectiveness of food aid.<sup>269</sup>

However, the 2004 Sea Island Summit surpassed even Evian with regards to the role that famine had on the meeting's agenda, as can be seen by the 49 commitments reached on the issue. Evian's action plan on food security was further developed at Sea Island through the addition of three initiatives. First, the G8 pledged to break 'the cycle of famine in the Horn of Africa' by helping 5 million food-insecure people attain food security by 2009. Secondly, the G8 countries stated that they would work with UN agencies such as the World Food Program (WFP) and the Food and Agriculture Organization (FAO) to establish food and agricultural information systems that would increase the effectiveness of food aid programs. Lastly, the G8 hopes to raise "agricultural productivity in food insecure countries and promote rural development, especially in Africa." The hope is that a focus on institutional capacity building will increase the potential of "a second green revolution adapted to African conditions." The resultant action plan is comprehensive and ambitious, and one that most G8 countries have pursued in a variety of forms throughout the year.

#### Responses by the G8

#### **United States**

The United States (US) has undoubtedly done the most of the G8 countries to act upon the commitments made in the Sea Island document: *Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries*. With regards to the Horn of Africa, the US, in October 2004, sent the single largest food aid shipment to Eritrea since its independence in 1991.<sup>273</sup> This is representative of the fact that the US currently stands as the world's leading donor in food aid. Thus far, in 2005, it has contributed US\$ 393,967,914 to the WFP.<sup>274</sup>

<sup>&</sup>lt;sup>268</sup> John Kirton and Ella Kokotsis. "Keeping Faith with Africa: Assessing Compliance with the G8's Commitments at Kananaskis and Evian," G8 Research Group University of Toronto, 15 August 2004. <sup>269</sup> "Impressions of the Evian Summit, 1-3 June 2003," G8 Research Group University of Toronto, 2003.

Date of Access: 8 January 2005. <www.g8.utoronto.ca/evaluations/2003evian/assess\_bayne030603.html>.

270 John Kirton and Ella Kokotsis. "Keeping Faith with Africa: Assessing Compliance with the G8's

Commitments at Kananaskis and Evian," G8 Research Group University of Toronto, 15 August 2004.

271 "Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries." Sea Island Documents, 21 October 2004. Date of Access: 8 January 2005. <a href="https://www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf">www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf</a>.

272 "Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting

<sup>&</sup>lt;sup>2/2</sup> "Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries," Sea Island, 21 October 2004. Date of Access: 8 January 2005. <a href="https://www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf">www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf</a>.

<sup>&</sup>lt;sup>273</sup> "Largest Single Food Aid Shipment," World Food Program, 29 October 2004. Date of Access: 8 May 2005. <www.wfp.org/newsroom/subsections/year.asp?section=13&year=2004>.

<sup>&</sup>lt;sup>274</sup> "Fact Sheet: Ending Famine in the Horn of Africa," Sea Island, 10 June 2004. Date of Access: 8 January 2005. <a href="https://www.g8.utoronto.ca/summit/2004seaisland/fact\_famine.html">www.g8.utoronto.ca/summit/2004seaisland/fact\_famine.html</a>>. and "WFP Donors," World Food Program, 25 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/appeals/Wfp\_donors/index.asp?section=3&sub\_section=4>.

Furthermore, the US has recently been working on a plan that would allow the United States' Agency for International Development (USAID) to have enough cash-on-hand to be able to purchase food in acutely insecure countries. This would release USAID from its current reliance on food aid imports, and would allow it to respond more quickly to food emergencies. On 3 May 2005, USAID Administrator, Andrew S. Natsios, described the benefits that such a program would have for Sudan: "if we were able to strategically and carefully buy the surpluses [from the fertile western farming areas of Sudan] to meet food aid needs elsewhere in the same country, we would end up sustaining and improving the lives of both groups."275

Sudan has indeed been a major focus of US food aid efforts. In September 2004, USAID paid for 24 all-terrain trucks to be used for transporting food aid to displaced refugees in Darfur and Chad. 276 More recently, USAID prevented the WFP from having to cut food rations for 2 million people in Darfur, when it redirected 14,000 metric tons of noncereals to Sudan.<sup>277</sup> The WFP's Representative and Country Director in Sudan, Ramiro Lopes da Silva, stated that "we [the WFP] are extremely appreciative of the urgent efforts made by the United States to prevent ration cuts at such a critical period."<sup>278</sup>

In other areas, in 2005, USAID pledges to continue to provide food aid and humanitarian assistance in Somalia, an ongoing project of the USAID's Humanitarian Assistance program in Somalia.<sup>279</sup> In addition, the USAID's food security mission in Ethiopia for 2005 plans to "implement applied agricultural research and extension, natural resources management, environmental rehabilitation, and capacity building activities to enhance food security."<sup>280</sup> In 2004, the USAID's food security mission in Ethiopia boasts of numerous programs geared towards improving agricultural productivity and implementing programs and infrastructure which assisted in providing food security.<sup>281</sup>

However, despite the US' food aid generosity towards Darfur -so far this year US contributions have represented 86% of total Darfur food aid received by the WFP — the US has been reducing its overall contributions to global food aid programs since November 2004. 282 Many suspect that the resultant effect on Africa will be that only those countries with dire emergencies, such as Ethiopia and Sudan, will receive major attention.

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Andrew S Natsios. "USAID Speeches," Kansas City Export Food Aid Conference, 3 May 2005. Date of Access: 8 May 2005. <www.usaid.gov/press/speeches/2005/sp050503.html>.

<sup>&</sup>lt;sup>276</sup> "USAID Funds Delivery of All-Terrain Trucks to Bring Food Relief to the People of Sudan," USAID, 1 September 2004. Date of Access: 8 May 2005. <www.usaid.gov/press/releases/2004/pr040901.html>.

<sup>&</sup>quot;Quick U.S. Response Allows WFP to Cancel Ration Cut in Darfur but Funding Still Critical," World Food Program, 26 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/newsroom/subsections/year.asp?section=13&year=2005>.

<sup>&</sup>lt;sup>279</sup> Data Sheet: USAID Mission: Somalia, USAID Budget (Washington, D.C.) 2005. Date of Access: 27 May 2005 [www.usaid.gov/policy/budget/cbj2005/afr/pdf/649-006.pdf].

Data Sheet; USAID Mission: Somalia, USAID Budget (Washington, D.C.) 2005. Date of Access: 27 May 2005 [www.usaid.gov/policy/budget/cbj2005/afr/pdf/663-007.pdf].

<sup>&</sup>lt;sup>281</sup> Data Sheet: USAID Mission: Somalia, USAID Budget (Washington, D.C.) 2005, Date of Access: 27 May 2005 [www.usaid.gov/policy/budget/cbi2005/afr/pdf/663-007.pdf].

<sup>&</sup>lt;sup>282</sup> "USAID Responds Quickly to Avoid Cut in Food Rations for Over One and a Half Million in Darfur," USAID, 3 May 2005. Date of Access: 8 May 2005. <a href="https://www.usaid.gov/press/releases/2005/pr050505.html">www.usaid.gov/press/releases/2005/pr050505.html</a>.

NGOs, such as Save the Children, have already had to scale back their food programs elsewhere. Spokesman for the US government, Chad Kolton, said that although the administration recognized the need for further resources in food aid, he could not guarantee that more programs would not be cut in the coming year. This should not, however, overshadow the fact that the US is still the leading contributor of food aid in Africa and has largely complied with the food security pledges of Sea Island.

#### Japan

Japan has likewise strongly observed the commitments made at the Sea Island Summit, and currently ranks an impressive second place with regards to WFP contributions for 2005. It has donated funds for food aid programs in numerous African countries, with a particular emphasis on Ethiopia. In September 2004, for example, the Japanese government funded a program under the auspices of the FAO, to help 6,000 rural households in drought-prone regions increase their agricultural productivity. The Japanese government described this initiative as a direct attempt to fulfill the pledges made at Sea Island regarding the Horn of Africa: "this project is expected to enhance the capacity of communities in Ethiopia as well as overcoming chronic food shortage and low family income of poor rural families through stabilizing food productivity." 287

Japan has also been committed to food security for Sudan, as was described in an 11 April 2005 speech by Ichiro Aisawa, the Senior Vice-Minister for Foreign Affairs of Japan, in which he stated that "Japan intends to continuously intensify its support for human security by meeting essential needs in areas such as...food supply."<sup>288</sup> With regard to the African continent as a whole, Japan has attempted to facilitate a 'green revolution' through its promotion of the New Rice for Africa (NERICA) project. <sup>289</sup> The hope is that the dissemination of NERICA rice and improved rice production technologies will allow for greater agricultural productivity. <sup>290</sup> This project has been applied to countries such as

<sup>&</sup>lt;sup>283</sup> Elizabeth Becker. "U.S. Cutting Food Aid That Is Aimed at Self-Sufficiency," The New York Times, 22 December 2004.

<sup>&</sup>lt;sup>284</sup> *Ibid*.

<sup>&</sup>lt;sup>285</sup> "WFP Donors," World Food Program, 25 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/appeals/Wfp\_donors/index.asp?section=3&sub\_section=4>.

<sup>&</sup>lt;sup>286</sup> "Special Program for Food Security expands in Ethiopia," Food and Agriculture Organization, 17 September 2004. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="https://www.fao.org/newsroom/en/news/2004/50515/print\_friendly\_version.html">www.fao.org/newsroom/en/news/2004/50515/print\_friendly\_version.html</a>>.

<sup>&</sup>lt;sup>287</sup> "Assistance for supporting "Extension of the Special Program for Food Security (SPFS)" project in Ethiopia," Ministry of Foreign Affairs, 15 September 2004. Date of Access: 8 May 2005. <a href="https://www.mofa.go.jp/announce/announce/2004/9/0915.html">www.mofa.go.jp/announce/announce/2004/9/0915.html</a>.

<sup>&</sup>lt;sup>288</sup> "Statement by H.E. Mr. Ichiro Aisawa, Senior Vice-Minister for Foreign Affairs of Japan, on the occasion of the Oslo Donors' Conference on Sudan 2005," Ministry of Foreign Affairs, 11 April 2005. Date of Access: 8 May 2005. <a href="https://www.mofa.go.jp/region/africa/sudan/state0504.html">www.mofa.go.jp/region/africa/sudan/state0504.html</a>>.

<sup>&</sup>lt;sup>289</sup> "NERICA is the result of cross-fertilization of high-yield Asian rice and insect and drought-resistant African rice." / "Elaborations on Japanese Prime Minister Koizumi's Speech at the Asian-African Summit," Ministry of Foreign Affairs, 22 April 2005. Date of Access: 8 May 2005. <a href="https://www.mofa.go.jp/region/asia-paci/meet0504/annex.pdf">www.mofa.go.jp/region/asia-paci/meet0504/annex.pdf</a>.

<sup>&</sup>lt;sup>290</sup> "Assistance through the Trust Fund for Human Security for Supporting Poor Farmers in Ghana by the Dissemination of New Rice for Africa (NERICA)," Ministry of Foreign Affairs, 29 October 2004. Date of Access: 8 May 2005. <a href="https://www.mofa.go.jp/announce/announce/2004/10/1029-2.html">www.mofa.go.jp/announce/announce/2004/10/1029-2.html</a>>.

Ghana and Sierra Leone. An additional recent initiative by Japan to provide nutritious meals at African schools in order to promote human security demonstrates just how extensive are the Japanese efforts in the food security realm.<sup>291</sup> As WFP Executive Director James Morris said in March 2005, "Japan's leadership in African development gives real hope for the future of millions of children in Africa suffering from chronic malnutrition "292

#### Canada

Canada has also maintained a strong commitment to the famine and food security pledges of Sea Island, as is demonstrated by its third place ranking for 2005 WFP contributions.<sup>293</sup> Canada has provided consistent support to the WFP's Horn of Africa programs, including CAD\$14 million for Ethiopia's drought crisis in the fall of 2004, and an additional CAD\$20 million in December.<sup>294</sup> Minister of International Cooperation, Aileen Carroll, stated that "the new Canadian contributions to the UN World Food Program will continue to address poverty and chronic food shortages in Ethiopia. They complement other food security investments that Canada is making to accompany Ethiopia's considerable efforts."<sup>295</sup> Prime Minister Paul Martin's November 2004 visit to Sudan spawned a CAD\$ 2.5 million donation to the WFP's Sudanese operations.<sup>296</sup> In April 2005, Carroll announced a further CAD\$ 40 million for humanitarian efforts in the country, of which a substantial amount was to go towards food security.<sup>297</sup>

Also in April, Carroll revealed that CIDA would be providing a further CAD\$ 80 million to the WFP and the Canadian Foodgrains Bank (CFGB). 298 These funds will serve food relief efforts in other African countries such as Somalia, Uganda, and Kenya.<sup>299</sup> In

<sup>&</sup>lt;sup>291</sup> "WFP and Japan Join Forces for School Feeding and Human Security," World Food Program, 4 March 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/newsroom/subsections/year.asp?section=13&year=2005>.

<sup>&</sup>lt;sup>292</sup> "Big New Contribution Proves Japan's Growing Leadership on Africa," World Food Program, 18 March 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/newsroom/subsections/year.asp?section=13&year=2005>.

<sup>&</sup>lt;sup>293</sup> "WFP Donors," World Food Program, 25 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/appeals/Wfp\_donors/index.asp?section=3&sub\_section=4>.

<sup>&</sup>lt;sup>294</sup> "Eastern Africa and Horn of Africa Humanitarian Crisis," CIDA, 7 October 2004. Date of Access: 8 January 2005. <www.acdi-

<sup>&</sup>lt;u>cida.gc.ca/cidaweb/webcountry.nsf/VLUDocEn/58E501DBCD5F41FD85256C920056013E</u>>.

295 "Canada boosts food assistance for Ethiopia," CIDA, 20 December 2004. Date of Access: 8 January 2005. <www.acdi-

cida.gc.ca/cida\_ind.nsf/vLookupNewsEn/45517A45AC74602185256F70005E2A87?OpenDocument>.

<sup>&</sup>lt;sup>296</sup> "Prime Minister announces new initiatives toward increased security in Sudan," Office of the Prime Minister, 25 November 2004. Date of Access: 8 January 2005. <w www.pm.gc.ca/eng/news.asp?id=335>. <sup>297</sup> "Canada announces additional aid for Sudan," CIDA, 11 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.acdi-

cida.gc.ca/cida ind.nsf/0e258f35e6cd1eb28525662d0057b6fe/8e4163124e0ca17985256fe00063cf91?Open Document>

<sup>&</sup>lt;sup>298</sup> "CIDA and Canadian farmers support fight against world hunger," CIDA, 29 April 2005. Date of Access: 8 May 2005. <www.acdi-

cida.gc.ca/cida ind.nsf/852562900065549a85256250006cbb1a/283a79b54ec4703685256ff20067840d?Ope nDocument>.

response to food-aid emergencies, another \$2.5 million will go to Eritrea, \$3 million to Somalia, and \$3.6 million to Ethiopia. Canada has evidently taken the Sea Island pledge to work with leading NGOs and international organizations in the food security field seriously; this is seen not only by its partnerships with the WFP and the CFGB, but also by its cooperation with UNICEF and the Global Alliance for Improved Nutrition.

#### Germany

Germany's commitment to African development, including food security, has been equally strong. Similarly to the previously mentioned countries, Germany has demonstrated considerable concern for the food situations in Ethiopia and Sudan, and has taken positive action in the form of monetary contributions to groups such as the WFP. Its donations to the WFP have given it a ranking of ninth largest donor to the organization (which is low considering Germany boasts the world's third-largest economy), and have led the organization to regard Germany as one of its "most important partners." Furthermore, at an international conference in Berlin in October 2004, where "Policy against Hunger III" was the theme, Germany advocated for a fair international trading system that would help in the fight against food insecurity. As Consumer Protection Minister, Renate Kunast, noted, "the WTO should not act without asking itself first whether its actions will be at the expense of the poor and hungry in the world." This highlights the German belief that Africa needs not only aid, but partnerships and fair alliances with the rest of the world that will help quell problems such as food insecurity.

# **United Kingdom**

The United Kingdom (UK) is another G8 nation committed to the idea of using partnerships to address African food challenges. In compliance with the Sea Island initiative, which declared that defeating famine "will require a global partnership between the governments of affected countries, donors, international institutions, the private sector, and non-governmental organizations," the UK has pledged itself to working with the Ethiopian government and aid agencies to monitor the food needs of impoverished areas of southern Ethiopia. Furthermore, the UK, together with USAID, CIDA, the WFP, and the World Bank, is currently trying to develop a national safety net for Ethiopia. This would "transit approximately five million predictably food insecure people out of annual emergency relief and under the protection of a multi-annual safety net." 304

<sup>&</sup>lt;sup>300</sup> "CIDA and Canadian farmers support fight against world hunger," Canadian International Development Agency (Ottawa) 29 April 2005. Date of Access: 13 May 2005 [www.acdi-

cida.gc.ca/cida\_ind.nsf/vall/283A79B54EC4703685256FF20067840D?OpenDocument].

301 "United Nations World Food Program opens liaison office in Berlin," REGIERUNGonline, 1 December 2004. Date of Access: 8 May 2005. <a href="https://www.bundesregierung.de/en/-,10001.753645/artikel/United-Nations-World-Food-Prog.htm">www.bundesregierung.de/en/-,10001.753645/artikel/United-Nations-World-Food-Prog.htm</a>.

<sup>302 &</sup>quot;Fight against hunger continues to be priority," REGIERUNGonline, 26 October 2004. Date of Access: 8 May 2005. <a href="https://www.bundesregierung.de/News-by-subject/International/News-,10990.735035/artikel/Fight-against-hunger-continues.htm">https://www.bundesregierung.de/News-by-subject/International/News-,10990.735035/artikel/Fight-against-hunger-continues.htm</a>.
303 "Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting

<sup>&</sup>quot;Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries," Sea Island, 21 October 2004. Date of Access: 8 January 2005. <a href="https://www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf">www.fco.gov.uk/Files/KFile/Art%2003%20Famine.pdf</a>>.

<sup>&</sup>lt;sup>304</sup> "Humanitarian situation in Ethiopia," DFID, 17 September 2004. Date of Access: 8 January 2005. <a href="https://www.dfid.gov.uk/news/files/countries/africa/ethiopianfonote17sep04.asp">www.dfid.gov.uk/news/files/countries/africa/ethiopianfonote17sep04.asp</a>.

The UK has also been concerned with making sure that not just Ethiopia and Sudan, but all African states struggling with food situations, receive adequate attention.

Thus, when committing over US\$ 2 million to Somali food security in December 2004, UK Secretary of State for International Development, Hilary Benn, stated that: "it is important that while the international community's attention is focused on the Darfur crisis in Sudan we do not forget the people of Somalia, many of whom rely on livestock as their main source of income." Nevertheless, the UK has still made significant contributions to the Sudanese food crisis, including a US\$ 2.83 million contribution to the WFP's Darfur operation. On the WFP's Darfur operation.

#### France, Italy and Russia

France's compliance with *Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries* has not been as strong as the above-mentioned states. It only places thirteenth with regards to 2005 contributions to the WFP. Moreover, it has not been as active as other G8 countries in additional fields related to the promotion of African food security. However, it must be noted that the French government was one of the core architects of the World Hunger Summit in September 2004, where considerable attention was paid to Sub-Saharan Africa. At the summit, French President Jacques Chirac acknowledged that "poverty and hunger are a prison in which over one billion men, women and children eke out their existence," and that "one of the great scandals of our time is our inability to free them from this plight when we have the means to do so." 309

Italy stands as the sixteenth largest contributor to the WFP so far in 2005.<sup>310</sup> While it has made some efforts to partake in the establishment of food security for various African countries, overall its efforts have been relatively minimal, with a contribution of only US\$ 1.5 million to the WFP's Eritrean operation and US \$636,000 to the Darfur program.<sup>311</sup>

<sup>&</sup>lt;sup>305</sup> "UK provides more funding to Somalia's humanitarian needs," DFID, 3 December 2004. Date of Access: 8 January 2005. <a href="www.dfid.gov.uk/news/files/pressreleases/pr-somalia-full.asp">www.dfid.gov.uk/news/files/pressreleases/pr-somalia-full.asp</a>.

<sup>&</sup>lt;sup>306</sup> "Shortage of Funds Forces WFP to Cut Food Rations for Over One Million in Darfur," World Food Program, 8 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="mailto:<mww.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2362&section=13">mww.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2362&section=13</a>>.

<sup>&</sup>lt;sup>307</sup> "WFP Donors," World Food Program, 25 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/appeals/Wfp\_donors/index.asp?section=3&sub\_section=4>.

<sup>&</sup>lt;sup>308</sup> Carl Bloice. "World Hunger Summit 2004," ZNET, 25 September 2004. Date of Access: 8 January 2005. <www.zmag.org/content/showarticle.cfm?SectionID=13&ItemID=6295>.

<sup>&</sup>lt;sup>309</sup> "Speech by Mr Jacques CHIRAC, President of the French Republic, to the meeting on eradicating hunger and poverty," Presidence de la Republique Française, 20 September 2004. Date of Access: 8 January 2005. <a href="https://www.elysee.fr/magazine/deplacement\_etranger/2004/09/20/159563\_page\_12.htm">https://www.elysee.fr/magazine/deplacement\_etranger/2004/09/20/159563\_page\_12.htm</a>.

<sup>310 &</sup>quot;WFP Donors," World Food Program, 25 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wfp.org/appeals/Wfp\_donors/index.asp?section=3&sub\_section=4>.

<sup>311 &</sup>quot;Acute Water Shortages Put Nearly 250,000 More Eritreans at Risk," World Food Program, 15 April 2005. Date of Access: 8 May 2005. <a href="https://www.wfp.org/newsroom/subsections/year.asp?section=13">www.wfp.org/newsroom/subsections/year.asp?section=13</a>>.

Russia's efforts concerning compliance with the Sea Island pledges have been even more dismal. It placed as the sixty-seventh largest donor to the WFP in 2004.<sup>312</sup>

#### Conclusion

The Sea Island initiative on reducing African food insecurity is perhaps the G8's most specific and targeted plan to tackle African famine to date. It has garnered a fair degree of action from the majority of G8 countries. However, even from those G8 nations with the highest degree of compliance, there remains more to be done. Food aid agencies such as the WFP and the FAO have recently noted that while development assistance from the major donors has been increasing overall, aid specifically for food has been dropping. In response to this, Morris proclaimed that "it's time for a Food First policy. Hungry children don't get any sustenance from the roads, ports and factories we build with the increases in development aid...we have to put ending hunger and malnutrition at the top of our priority list." "313"

Compounding this problem has been the attention that the Asian December tsunami has drawn from G8 states — at the expense of Africa. Mike Sackett of the WFP recently reported to the BBC that "southern Africa is a forgotten crisis. We are not getting contributions for southern Africa since the tsunami struck." The resultant substantial drop in donations to the WFP's African operations comes at a time when it is estimated that 23 African states are in need of external food assistance. The Horn of Africa, to which many commitments were made at Sea Island, is currently in an especially precarious position: inadequate funding has placed three million Ethiopians in jeopardy of starvation, while in nearby Djibouti it is estimated that some 30,000 pastoralists are threatened with famine. The problem of Africa is a forgotten crisis.

Clearly, the challenges faced by the African continent with regards to food security present a compelling call for action by the G8 community. In order to fully meet the commitments of the Sea Island initiative, it is necessary for certain G8 countries such as Italy and Russia to become more active. Furthermore, the remaining G8 states must better maintain the momentum that first generated Sea Island's *Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries*. Finally, although UK Prime Minister Tony Blair has made

<sup>312 &</sup>quot;WFP Donors," World Food Program 2005. Date of Access: 9 January 2005. <a href="https://www.wfp.org/appeals/donors">www.wfp.org/appeals/donors</a> list/index.html>.

<sup>313 &</sup>quot;WFP Sounds Alert as World Food Aid Plummets by 30 Percent in 2004," World Food Program, 4 May 2005. <a href="https://www.wfp.org/newsroom/subsections/year.asp?section=13">www.wfp.org/newsroom/subsections/year.asp?section=13</a>>.

<sup>&</sup>lt;sup>314</sup> "World Food Program warns that aid to tsunami overshadowing Africa's hungry," Associated Press Newswires, 14 February 2005.

<sup>&</sup>lt;sup>315</sup> "Africa loses aid to tsunami victims," BBC, 14 February 2005.

<sup>&</sup>lt;sup>316</sup> "Some 36 countries worldwide face serious food shortages, says FAO report," 28 February 2005. Date of Access: 8 May 2005. < <a href="https://www.fao.org/newsroom/en/news/2005/90082/print\_friendly\_version.html">www.fao.org/newsroom/en/news/2005/90082/print\_friendly\_version.html</a>>.

<sup>317</sup> "Funding Crisis Leaves Three Million Ethiopians at Risk of Hunger," World Food Program, 12 April

<sup>2005.</sup> Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="www.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2374&section=13">www.wfp.org/newsroom/subsections/preview.asp?content\_item\_id=2374&section=13</a>>. and "Around 30 000 pastoralists could face famine in drought-stricken Djibouti," Food and Agriculture Organization, 29 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.fao.org/newsroom/en/news/2005/102076/print friendly version.html>.

Africa one of Gleneagles' two main themes, it remains uncertain how much attention the specific issue of famine and food security will garner at the upcoming summit. Lacking in the Commission for Africa's final report, *Our Common Interest*, is any detailed analysis of famine and food insecurity. Thus, to guarantee that the commitments made at Sea Island do not simply turn obsolete, there will be a need for G8 leaders to go above and beyond what *Our Common Interest* has proposed.

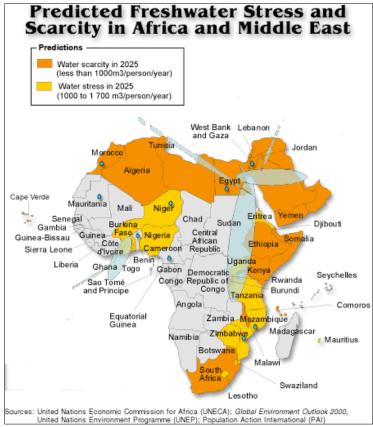
Compiled by Lindsay Scorgie G8RG Policy Analyst

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<sup>&</sup>lt;sup>318</sup> "Our Common Interest," Commission for Africa, 11 March 2005. Date of Access: 8 May 2005. <a href="https://www.commissionforafrica.org/english/report/introduction.html">www.commissionforafrica.org/english/report/introduction.html</a>>.

# Environment: Water

The utilization and management of hydrological resources continues to pose a critical challenge to the stability and development of the African continent. Though Africa's gross renewable annual resources — at 5.400 billion m<sup>3</sup> — are considered abundant, they are characterized by extreme spatial and temporal variability. and consequently only 3.8% are presently exploited for use. 319 Currently around 300 million people do not have access to safe water or sanitation, and this number is only expected to rise as more and more regions fall victim to water stress or scarcity.320 However, while the Millennium Development Goals committed the world to "reduce



by half the proportion of people without sustainable access to safe drinking water" by 2015, so far analysts have been disturbed that donor trends in this area have been moving in the wrong direction. According to the UK Department of International Development, international donor spending for water and sanitation has declined by 14% between 1999-2002, while World Water Aid claims it has halved between 1995-2002. In addition, of all the funds accorded by the World Bank to promote clean water availability around the world, only 20% is awarded to Africa where the crisis of most acute. It is in this context that the subject of water first appeared on the G8 agenda at the 2002 Kananaskis Summit. Member-states have since made numerous commitments towards improving water resources and sanitation in Africa.

<sup>319 &</sup>quot;Water Initiatives," Water Supply and Sanitation, African Development Bank Group (Abidjan ) 2005. Date of Access: 8 May 2005. <a href="https://www.afdb.org/">www.afdb.org/</a>...

<sup>&</sup>lt;sup>321</sup> "UK to double funding for African water sanitation," Press Release, DFID (London) 22 March 2005. Date of Access: 8 May 2005 < <a href="https://www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf">www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf</a>.

322 "Summary of Key Statistics," Getting to the Boiling Point, WaterAid (London) 22 March 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="www.wateraid.org.uk/in\_depth/in\_depth-publications/getting\_to\_boiling\_point/6230.asp">www.wateraid.org.uk/in\_depth/in\_depth\_publications/getting\_to\_boiling\_point/6230.asp</a>.

<sup>&</sup>lt;sup>323</sup>"UK to double funding for African water sanitation," Press Release, DFID (London) 22 March 2005. Date of Access: 8 May 2005 <a href="https://www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf">www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf</a>>.

#### The Commission for Africa

"Our Common Interest," the much-anticipated report of the Commission for Africa, was released on 11 March 2005. Recommendations on water and sanitation issues are contained in Chapter 6 ("Leaving No-One Out: Investing in People"), and are prefaced by the reminder from United Nations Educational, Scientific and Cultural Organization (UNESCO) that "the human right to water is indispensable for leading life in human dignity."<sup>324</sup>. The report notes that although water received substantial emphasis at the 2003 Evian Summit, the Millennium Development Goals for water and sanitation will not be met until at least 2050 and 2100, respectively, because it remains a relatively neglected sector.<sup>325</sup> Though the report does mention the importance of comprehensive. cooperative and non-competitive initiatives, it is correct in saying that "the G8 already has a comprehensive water plan for Africa [2003 Evian Summits G8 Water Action Plan];" what is needed now are actions towards meeting these commitments.<sup>326</sup> The Commission recommends that donors "reverse the decline in aid for water supply and sanitation, to enable African governments to achieve the Africa Water Vision commitment to reduce by 75% the proportion of people without access to safe water and sanitation by 2015."<sup>327</sup> The funding to accomplish this task forms part of the US\$ 10 billion per annum recommended by the Commission to be invested in infrastructure. 328

The report also draws attention to the need for a proper political framework — good governance and transparency — if resource-rich African countries are to turn their natural endowments into a source of prosperity. For example, the Democratic Republic of Congo has the potential to be the third largest hydropower in the world (after China and Russia), but has only managed to develop 2% of its resources.<sup>329</sup>

# **G8 Initiatives Regarding Water**

#### Canada

Canada continues to make progress towards addressing the water crisis in Africa through the ongoing activities of the Canada Fund for Africa, established in 2002. Canadian investments in water are informed by the belief that "new funding facilities and partnerships will help governments to improve water resources management and make safe water and sanitation accessible to the poor," and are channelled through partner institutions. Their labors have already begun to bear fruit, with early initiatives

<sup>&</sup>lt;sup>324</sup> "Our Common Interest," Commission for Africa, 11 March 2005, 199. Date of Access: 8 May 2005.<a href="https://www.commissionforafrica.org/english/report/introduction.html">www.commissionforafrica.org/english/report/introduction.html</a>>.

<sup>&</sup>lt;sup>325</sup> Ibid, 199.

<sup>&</sup>lt;sup>326</sup> Ibid, 45.

<sup>&</sup>lt;sup>327</sup> Ibid, 200.

<sup>&</sup>lt;sup>328</sup> Our Common Interest: Report of the Commission for Africa," Commission for Africa (London) 11 March 2005, 234. Date of Access: 8 May 2005.

<sup>&</sup>lt;a href="mailto:swww.commissionforafrica.org/english/report/thereport/english/11-03-05">www.commissionforafrica.org/english/report/thereport/english/11-03-05</a> cr\_report.pdf>. Ibid, 234. 329 Ibid. 225.

<sup>&</sup>lt;sup>330</sup> "Sustaining the Life Support Systems: Agriculture, Environment, and Water," Canada Fund for Africa, Canadian International Development Agency (Ottawa) 28 February 2005. Date of access: 8 May 2005

showing promising results. The Global Water Partnership, to which the Fund contributed CAD\$ 10 million, is currently engaged in the creation of integrated water resource management plans for Kenya, Malawi, Mali, Senegal and Zambia. Canada has also already made half of its CAD\$20 million pledge available to the Africa Development Bank's African Water Facility, and holds the distinction of being the first country to sign onto the project.<sup>331</sup>

UN- Habitat has since used CAD\$100,000 (out of Canada's CAD\$ 15 million contribution) to implement the Lake Victoria water basin project in Kenya, Uganda and Tanzania, designed to improve the water and sanitation systems of secondary urban centres in Eastern Africa. 332 This latter project was recently hailed by delegates attending the twentieth session of the Governing Council of UN-Habitat, who noted that the critical importance of the initiative stems from clean drinking water and sanitation's role in facilitating sustainable growth.333 Canada's Minister for Labour and Housing, Mr. Joe Fontana, was on hand to re-affirm his country's commitment to "addressing the increasing demand for reliable water and sanitation services, brought about by the rapid rate of urbanization in Africa" through UN-Habitat's Water and Sanitation Trust Fund. 334

# Japan

Japan also continues to be quite active in working towards improving the supply and quality of water in Africa. Over the past year, more than JPY 2.18 billion has been provided in grant money towards the development of rural water supply initiatives in Gambia, Kenya, Senegal, Tanzania and Uganda. Furthermore, JPY 2.84 billion was granted for the Egyptian "Project for Water Supply Development in Northwestern Part of Sharqiya Governorate," and JPY 491 million was allocated to the Zambian "Project for Groundwater Development."336 Following Japan's hosting of both the Third World Water Forum and the Tokyo International Conference on African Development in 2003, water issues have become firmly ensconced as a priority agenda in Japanese foreign relations, and one in which a collaborative and cooperative approach is privileged.

In 2001, Japan launched the "Clean Water for People" partnership with the United States (US), which supported local currency investment and provided grant, loan and technical support to improve the sustainable management of freshwater resources.<sup>337</sup> In 2003, Japan

<u>cida.gc.ca/cida\_ind.nsf/AllDocIds/45CF019D7AD3CDEF85256FB2004C6C95?OpenDocument#3</u>>. 331 *Ibid.* 

<sup>&</sup>lt;www.acdi-

<sup>&</sup>lt;sup>332</sup> *Ibid*.

<sup>333 &</sup>quot;Delegates express satisfaction with Lake Victoria Project," UN-HABITAT United Nations Human Settlements Programme (Nairobi) 5 April 2005. Date of access: 8 May 2005.

<sup>&</sup>lt;www.unhabitat.org/gc/gc20/lake victoria project.asp>.

<sup>&</sup>lt;sup>334</sup> *Ibid*.

<sup>335 &</sup>quot;List of exchange of notes," Japan's Official Development Assistance, Ministry of Foreign Affairs of Japan (Tokyo) May 2005, Date of Access: 8 May 2005, <a href="www.mofa.go.jp/policy/oda/note/index.html">www.mofa.go.jp/policy/oda/note/index.html</a>. <sup>336</sup> *Ibid*.

<sup>337 &</sup>quot;Clean water for people: A United States-Japan partnership to provide safe water and sanitation to the world's poor," Ministry of Foreign Affairs of Japan (Tokyo) 2002. Date of access: 8 May 2005 <www.mofa.go.jp/policy/environment/wssd/2002/document/us.html>.

and France embarked upon a series of collaborative initiatives in the water sector, one of which involved capacity-building work with the *Organization pour la Mise en Valeur du fleuve Senegal*, the Senegalese-Malian-Mauritanian association which oversees water resource management of the Senegal River Basin. These initiatives, though perhaps outdated, are important because they indicate Japan's willingness to work cooperatively — with not only other international actors but also local African actors — on the issue of water resource management, an attitude which is crucial if the water crisis is to be solved.

# **United Kingdom**

The United Kingdom seems to have restricted any actions in the water sector until the Commission for Africa had completed its work. Following the publication of the report in early March, and coinciding with World Water Day, International Development Secretary, Hilary Benn, announced a doubling of water and sanitation aid to Africa, from £47.5 million to £95 million by 2007/2008. In conjunction with this increase in spending, the Department of International Development announced it would be targeting 11 African countries that face the most acute water problems for immediate relief and infrastructure programs: Ghana, Malawi, Mozambique, Rwanda, Tanzania, Uganda, Zambia, the Democratic Republic of Congo, Ethiopia, Nigeria, and Sudan.

Benn also expressed the UK's continued financial support for the EU/ACP Water Facility (see below). 339

# Germany

Germany has not announced any new initiatives for water and sanitation in 2005, but has two projects of note that continue on through this year, for scheduled completion in 2006. The German government is providing both technical and financial assistance to a project in Uganda designed to improve the water supply and the provision of sanitation services in urban and peri-urban centres, covering 78 different settlements with a combined population of 3 million. In the rural areas of Eastern Zambia, the German government is contributing technical assistance and grant aid to a project aiming to provide 246,000 people with safe water for themselves and their livestock, thus reducing the risk of waterborne disease.

The project centers on the rehabilitation and/or construction of 820 wells, and their continued maintenance and operation through personnel training, hygiene education, and the creation of village well-committees led by village-women.<sup>341</sup> The features and logistics of the Zambian project mirror sentiments expressed by many participants at the most recent session of the UN's Commission on Sustainable Development (CSD-13).

<sup>&</sup>lt;sup>338</sup> "Japan-France Water Sector Cooperation," Ministry of Foreign Affairs of Japan (Tokyo) March 2003. Date of Access: 8 May 2005 < <a href="https://www.mofa.go.jp/region/europe/france/w\_coop0303.html">www.mofa.go.jp/region/europe/france/w\_coop0303.html</a>>.

<sup>339 &</sup>quot;UK to double funding for African water sanitation," Press Release, DFID (London) 22 March 2005. Date of Access: 8 May 2005 <a href="https://www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf">www.dfid.gov.uk/news/files/pressreleases/pr-hilary-water-22mar05.pdf</a>>.

<sup>340 &</sup>quot;Reform of the Urban Water and Sanitation Sector," Portfolio of Water Actions (Tokyo). Date of Access: 8 May 2005 <www.pwa-web.org/data/Germany/latest/GERMANY 04index.html>.

<sup>&</sup>lt;sup>341</sup> "Water Supply Eastern Province II, Zambia," Portfolio of Water Actions (Tokyo). Date of Access: 8 May 2005 <a href="https://www.pwa-web.org/data/Germany/latest/GERMANY">www.pwa-web.org/data/Germany/latest/GERMANY</a> 02index.html>.

Sunita Narain, winner of the Stockholm Water Prize for 2005, highlighted the fact that water issues require a different approach and a different management paradigm, ones that involve local inhabitants in the management of their own resources and give ownership of and responsibility for water back to the communities. 342 UN Secretary-General Kofi Annan stressed the importance of increasing the participation of women in decisionmaking on water and sanitation, identifying it as an area "where progress is lagging most ",343

#### France

France continues to engage in numerous activities to advance the cause of water in Africa, with engagements inclined towards nations with which they share a colonial history. Current projects include irrigation schemes in the Maghreb, improved water resource management in Tunisia, increased local capacities for irrigation in the Sudan-Sahelian region, a wastewater project for Alexandria, Egypt, and improving the drinking water supply in secondary urban centres in Mali.<sup>344</sup> In April 2005, the French Ministry of Ecology and Sustainable Development, in collaboration with the World Water Council, launched the "Water Monitoring Alliance" website. 345 Its objectives are "to promote a greater exchange and sharing of information amongst organizations and programmes involved in water monitoring and to provide better access to water information for decision-makers, the media and the general public."346 But the most significant new development stems from the African Development Bank's (AfDB) international conference on water supply and sanitation in rural Africa of 1 April 2005, hosted by French authorities in Paris. Following the conclusion of the conference, French Finance Minister, Thierry Breton, announced € 40 million in supplementary support for the AfDB's Rural Water Supply and Sanitation Initiative. 347 Commenting on the conference, President Jacques Chirac called for increased funding from and renewed mobilization of the international community if the goals for water supply and sanitation in Africa are to be met.<sup>348</sup>

<sup>342 &</sup>quot;Thirteenth Session of the Commission on Sustainable Development," IISD Linkages (Winnipeg) 23 April 2005. Date of Access: 8 May 2005. <a href="https://www.iisd.ca/csd/csd13/">www.iisd.ca/csd/csd13/</a>>.

343 "Access to safe water priority as UN marks beginning of international decade," Press Release

ENV/DEV/829, UN-Water (New York) 17 March 2005. Date of Access: 8 May 2005. <www.un.org/News/Press/docs/2005/envdev829.doc.htm>.

<sup>344 &</sup>quot;France," Portfolio of Water Actions (Tokyo). Date of Access: 8 May 2005. <www.pwa-

web.org/data/France/list.asp>.

345 "Launch of the Water Monitoring Website," World Water Council (Marseilles) 20 April 2005. Date of Access: 8 May 2005. <www.worldwatercouncil.org/>.

<sup>&</sup>lt;sup>346</sup> "Water Monitoring Alliance," (Marseille) 4 May 2005. Date of Access: 8 May 2005. <www.watermonitoringalliance.net/index.php?id=54>.

<sup>347 &</sup>quot;AfDB,France spur efforts for African water supply," Reuters AlertNet, 1 April 2005. Date of Access: 8 May 2005. <www.alertnet.org/thenews/newsdesk/L01436001.htm>.

<sup>&</sup>lt;sup>348</sup> "Message from Mr Jacques Chirac, President of the French Republic, to the Paris International Conference." Speeches of President Chirac. La Présidence de la République (Paris) 1 April 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.elysee.fr/elysee/anglais/speeches of president chirac/2005/message from mr jacques chirac pres</p> ident of the french republic to the paris international conference on water supply and sanitation in rural africa-paris.29197.html>.

#### Italy

Italy's only discernable action in the area of African water resources was the recent unveiling of a plan to protect the Congo Basin ecosystem. Alberto Michelini, Prime Minister (PM) Silvio Berlusconi's personal representative to the G8 for Africa, presented a four-point plan that he will be bringing to Gleneagles in the hopes of adoption by the entire G8.<sup>349</sup> The Congo Basin is the world's second largest rainforest, covering 241 million hectares of land and providing 20% of Africa's vegetation.<sup>350</sup> This initiative follows Kenyan Nobel Peace winner Wangari Maathai's warnings that the continued destruction of this ecosystem would have adverse effects on climate, agriculture, energy sources and water systems not only in the DRC but across sub-Saharan Africa, resulting in "an inability of the environment to sustain livelihood."<sup>351</sup>

#### **United States**

The United States continues to work toward achieving the Millennium Development Goal of halving the proportion of individuals without access to safe drinking water and sanitation through the *Water of the Poor Presidential Initiative*, established in 2002. Previous projects in this program include the creation of a sustainable management system for 35,000 people affected by recurrent droughts in Eritrea. The largest current project in Africa funded by this program is the West Africa Water Initiative, involving Ghana, Mali and Niger. Over the course of seven years (2001-2008), a US\$ 4.4 million grant will combine with US\$ 36 million from private institutes, universities and industry groups to support water, sanitation and hygiene programs that are expected to benefit over 500,000 Western Africans. Though the United States provided more than US\$ 1 billion of aid to sub-Saharan Africa over the course of the 2004 fiscal year, it is interesting to note that water is not identified as a priority sector, and indeed is not even mentioned under the agriculture, environment or health sectors.

#### **European Union**

Finally, the European Union also continues to engage in its own water-related activities in Africa. The EU Water Facility for African, Caribbean and Pacific countries, endorsed by both African and European ministers in May 2004, has already been provided with € 250 million of its total € 500 million allocation.<sup>355</sup> The EU/ACP Water Facility's

<sup>&</sup>lt;sup>349</sup> "Wangari Mathaai, premio Nobel per la Pace 2004, a Palazzo Chigi," Comunicati del Governo Italiano (Rome) 15 March 2005. Date of Access: 8 May 2005

<sup>&</sup>lt;www.governo.it/GovernoInforma/Comunicati/dettaglio.asp?d=24822>.

<sup>&</sup>lt;sup>350</sup> Marta Falconi. "Nobel Peace winner appeals for protection of Africa forests in Rome," Associated Press. 15 March 2005.

<sup>&</sup>lt;sup>351</sup> *Ibid*.

Water for the Poor Initiative," Presidential Initiatives, USAID (Washington D.C.) 19 January 2005. Date of Access: 8 May 2005. <a href="www.usaid.gov/about\_usaid/presidential\_initiative/waterforpoor.html">www.usaid.gov/about\_usaid/presidential\_initiative/waterforpoor.html</a>>. 353 "West Africa Water Initiative," USAID (Washington D.C.) 22 August 2002. Date of Access: 8 May 2005. <a href="www.usaid.gov/about/westafricawater/">www.usaid.gov/about/westafricawater/</a>>.

<sup>354 &</sup>quot;Overview of US economic assistance to Africa," USAID (Washington D.C.). Date of Access: 8 May 2005 <a href="https://www.usaid.gov/locations/sub-saharan">www.usaid.gov/locations/sub-saharan africa/overview.html</a>.

<sup>&</sup>lt;sup>355</sup> "ACP-EU Water Facility," Europe Aid, European Commission (Brussels) January 2005. Date of Access: 8 May 2005. <a href="europea.eu.int/comm/europeaid/projects/water/index">eu.int/comm/europeaid/projects/water/index</a> en.htm>.

objective is to promote new initiatives, build research and management capacity, and provide grant funding for sustainable water and sanitation programs. Currently it is evaluating and analyzing proposals focusing on water management and governance, water and sanitation infrastructure, and civil society initiatives.<sup>356</sup>

#### Russia

Of all the G8 members, only Russia has not shown any demonstrable progress towards fulfilling commitments to the water sector in Africa. This has perhaps arisen because it is still in the process of addressing serious issues of fresh water quality and quantity and availability within its own country.<sup>357</sup>

# International Community UN, Commission for Africa, and Civil Society

Interest in issues of water supply and sanitation has not been limited to the individual initiatives on the part of the G8 members. Of late, the broader international community has also expressed renewed interest in a topic that all too often has suffered from neglect. On World Water Day (22 March 2005), the United Nations launched the "Water for Life" International Decade for Action. Created through resolution 58/217 of the General Assembly, the Water for Life Decade "calls on the international community to strengthen efforts to increase access to water and sanitation for all" in order to finally achieve organization-related goals of the international community. In launching this event, Secretary-General, Kofi Annan, stressed that the water issue is "an urgent matter of human development, and human dignity."

The reactions of civil society to the Commission for Africa can be seen as indicative of their general critique of the G8's response to the water crisis. Their concerns follow two main currents: quantity and quality. In a joint statement submitted to the Commission for Africa by numerous non-governmental organizations (NGOs), they note that targets will only be met if countries double or triple their financing for water, and demand that at least 20% of the US\$ 10 billion available for infrastructure be used on water infrastructure and sanitation.<sup>360</sup>

Though the World Summit for Social Development of 1995 committed donor countries to spending 20% of their aid on basic social services (education, health care, water and sanitation), Germany, France and the UK all spend closer to 6%, while Italy only devotes

<sup>356</sup> *Ibid*.

For example, see "National Program of Actions for improving and development of water sector of the national economy of Russia for perspective 'Waters of Russia-XX1 century'," Portfolio of Water Actions (Tokyo). Date of Access: 1 June 2005 < <a href="https://www.pwa-web.org/data/Russia/latest/RUSSIA\_01index.html">www.pwa-web.org/data/Russia/latest/RUSSIA\_01index.html</a>>. 358 "Access to safe water priority as UN marks beginning of international decade," Press Release

<sup>&</sup>lt;sup>358</sup> "Access to safe water priority as UN marks beginning of international decade," Press Release ENV/DEV/829, UN-Water (New York) 17 March 2005. Date of Access: 8 May 2005

<sup>&</sup>lt;www.un.org/News/Press/docs/2005/envdev829.doc.htm>.

<sup>359 &</sup>quot;Message of the Secretary-General to launch the 'Water for Life' decade," UN-Water (New York) 22 March 2005. Date of Access: 8 May 2005. <a href="https://www.un.org/waterforlifedecade/">www.un.org/waterforlifedecade/</a>>.

<sup>&</sup>lt;sup>360</sup> "Our common interest: Report of the Commission for Africa," Reactions to the Report, Commission for Africa (London) 15 March 2005. Date of Access: 8 May 2005

<sup>&</sup>lt;a href="www.commissionforafrica.org/english/report/reactions.html">www.commissionforafrica.org/english/report/reactions.html</a>; the groups in question are WaterAid, Tearfund, One World Action, Oxfam, WWF-UK and the Institute for Development Studies

a negligible 0.6%.<sup>361</sup> Though the sums listed in the above section on G8 initiatives might seem considerable, the water sector's share of funds from both national and donor governments has been steadily declining. According to WaterAid, aid for water more than halved between 1995 and 2002, when it reached its lowest level in real terms in almost two decades.<sup>362</sup>

The NGOs also welcomed the call to cancel Africa's debt burden, which poses a considerable — and unnecessary — strain on already meager economic assets. With debt relief, money could be freed up to support investment in water resources. ActionAid estimates that in Kenya, 32% of the national budget went to debt repayment while a paltry 1.5% was devoted to water. 364

As concerns quality, the NGO reaction paper applauds the Commission's recommendations on better coordination and performance monitoring of water projects, and continues to warn against the dangers of privatizing water supply and sanitation services. Privatization is often a condition for receiving aid, but results so far have been mixed and have been met with a barrage of criticism. In Dar-es-Salaam, Tanzania, water bills have risen by 40% since an international consortium was put in charge of the municipal water supply, with the poor increasingly turning to unsafe water supplies instead of bankrupting themselves with the bills. 366

Ultimately, the response from both the international civil society and the African community alike is the same: the new recommendations are great, but the ultimate verdict on the Commission for Africa rests on whether it will lead to concrete actions. Its "implementation will depend more on how much they are willing to fulfill their promises," said University of Zambia economics professor Manenga Ndulo. His sentiment was echoed by Airy Ramiarison, an economics lecturer in Madagascar, who suggested that perhaps the G8 should first make good on the promises they have already made before committing themselves to new initiatives. He have already made before committing themselves to new initiatives.

<sup>&</sup>lt;sup>361</sup> "EU Heroes and Villains," Joint NGO Briefing Paper, ActionAid (London) 14 February 2005. Date of Access: 8 May 2005. <a href="https://www.actionaid.org.uk/wps/content/documents/EUHeroesandVillains.pdf">www.actionaid.org.uk/wps/content/documents/EUHeroesandVillains.pdf</a>.

<sup>&</sup>lt;sup>362</sup> "Summary of Key Statistics," Getting to the Boiling Point, WaterAid (London) 22 March 2005. Date of Access: 8 May 2005.

<sup>&</sup>lt;www.wateraid.org.uk/in depth/in depth publications/getting to boiling point/6230.asp>.

<sup>&</sup>lt;sup>363</sup> "Our common interest: Report of the Commission for Africa," Reactions to the Report, Commission for Africa (London) 15 March 2005. Date of Access: 8 May

<sup>2005. &</sup>lt;a href="https://www.commissionforafrica.org/english/report/reactions.html">www.commissionforafrica.org/english/report/reactions.html</a>

<sup>&</sup>lt;sup>364</sup> Peter Kimani. "AAGM: G8 Leaders pressed to tackle the debt crisis," The Nation. 5 May 2005.

<sup>&</sup>lt;sup>365</sup> "Our common interest: Report of the Commission for Africa," Reactions to the Report, Commission for Africa (London) 15 March 2005. Date of Access: 8 May 2005

<sup>&</sup>lt;www.commissionforafrica.org/english/report/reactions.html>.

<sup>&</sup>lt;sup>366</sup> "Urban poor are neglected in World Bank project," Latest news and media, ActionAid (London) 24 September 2004. Date of Access: 8 May 2005. <a href="https://www.actionaid.org.uk/index.asp?page">www.actionaid.org.uk/index.asp?page</a> id=1365>.

<sup>&</sup>lt;sup>367</sup> Matthew Green. "Pessimism greets UK's rescue plan for Africa," All Africa. 11 March 2005

<sup>&</sup>lt;sup>368</sup>Ibid..

# **Prospects for the 2005 Gleneagles Summit**

If issues of water supply and sanitation appear to be currently experiencing a resurgence in the collective international agenda, it could very well be due to the unique opportunity presented by the upcoming Gleneagles Summit. The official twin priorities of the UK's G8 presidency — climate change and African poverty — are both implicated in the challenges presented by the water crisis. Global warming disrupts rainfall patterns and provokes drought, increasing water stress and leaving three billion people prone to water shortages. But water is much more than simply an environmental issue; water is also security: with increased scarcity and stress comes more frequent outbreaks of violence over trans-boundary hydrological resources. Water is health: unsafe water supplies and inadequate sanitation are at the root of high disease, infant mortality, and maternal mortality rates afflicting Africa, with 8,000 children dying daily through waterborne disease. Water is education and gender equality: women bear the burden of carrying water but are seldom involved in the decision-making process, while girls must often forgo schooling in favor of water collection. Above all, water is a pre-requisite for economic growth and sustainable development.

#### Conclusion

The inter-linkages between water issues and other problems facing Africa are manifold, and indeed were initially identified in the G8 Africa Plan of 2002: "[water's] importance spans a wide range of critical uses — from human drinking water, to sanitation, to food security and agriculture, to economic activity, to protecting the natural environment." <sup>373</sup>

Since the water problems faced by Africa do not exist in a vacuum, it is naïve to assume that they can be resolved by piecemeal solutions. The upcoming Gleneagles summit, where the recommendations of the Commission for Africa, which cover all the above mentioned issues, will be discussed by policy-makers will hopefully result in a coherent set of actions to cover all the aspects of water supply and sanitation.

Compiled by Taryn Burns G8RG Policy Analyst

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<sup>&</sup>lt;sup>369</sup> Michael McCarthy. "Global Warming: Scientists reveal timetable," The Independent. 3 February 2005.

<sup>&</sup>lt;sup>370</sup> Jeffrey Sachs. "Africa deserves help," Mail & Guardian Online. 16 March 2005.

<sup>&</sup>lt;sup>371</sup> Peter Kimani. "AAGM: G8 Leaders pressed to tackle the debt crisis," The Nation. 5 May 2005; and "Water Initiatives," Water Supply and Sanitation, African Development Bank Group (Abidjan) 2005. Date of Access: 8 May 2005. <a href="https://www.afdb.org/">www.afdb.org/</a>>.

Water Action Plan: A DFID policy paper," DFID (London) March 2004. Date of Access: 8 May 2005 <a href="https://www.dfid.gov.uk/pubs/files/wateractionplan.pdf">www.dfid.gov.uk/pubs/files/wateractionplan.pdf</a>.

<sup>&</sup>lt;sup>373</sup> G8 Africa Plan, Canada's G8 Website (Ottawa) 27 June 2002. Date of access: 8 May 2005.

<sup>&</sup>lt;www.g8.gc.ca/2002Kananaskis/afraction-en.asp>.

# Health in Africa: HIV/AIDS

The people of Africa continue to suffer the largest brunt of the 3 million deaths each year resulting from the HIV/AIDS pandemic.<sup>374</sup> The health crisis in Africa is exacerbated by inadequate health care systems, a drain in human and material resources, and feelings of powerlessness and poverty. Despite boasting only 12.7% of the global population, sub-Saharan Africa shoulders slightly less than 64% of global HIV/AIDS infections, confirming it as the most-affected region in the world.<sup>375</sup> In 2004 alone, 2,300,000 Africans died of the disease.<sup>376</sup> It must be noted, however, that the continent's different regions are experiencing diverse trends in the scale and the pace at which the disease is evolving.<sup>377</sup> This indicates that the continent is not a monolithic entity. In order to ameliorate the situation effective policies and aid must be specific to the trends, conditions, and capabilities of each state. For example, successful efforts in countries such as Senegal and Uganda have tackled the pervasiveness of the disease among their respective populations, while greater resources are required to address the high numbers of HIV/AIDS victims in Southern Africa countries such as Botswana and Lesotho.<sup>378</sup>

Despite the varying degrees of success and failure in confronting the disease, there is room for the continent as a whole to work collectively and to reaffirm its commitment to combating the pandemic, as the disease continues to brutally afflict a disproportionate number of Africans. The HIV/AIDS crisis has nonetheless compelled several groups to act. These groups include a number of African governments, pan-African organizations such as the African Union (AU) and the New Partnership for African Development (NEPAD), international governmental organizations such as UNAIDS, civil society, the G8, and the Commission for Africa initiated by UK Prime Minister Tony Blair.

# The History of the G8's Commitment to Africa and HIV/AIDS

In recent years, greater attention by the G8 has been paid towards African development and combating infectious diseases, with initiatives specific to fighting HIV/AIDS. Starting at Genoa in 2001 with the endorsement of the newly created Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, of which the majority of recipients are

<sup>&</sup>lt;sup>374</sup> "AIDS Epidemic Update, December 2004." UNAIDS and the World Health Organization (Geneva), December 2004, p.2. Date of Access: 9 May 2005.

www.unaids.org/wad2004/EPI\_1204\_pdf\_en/EpiUpdate04\_en.pdf. 375 Ibid.

<sup>376 &</sup>quot;Sub-Saharan Africa: Regional Profile," UNAIDS (Geneva) 2004. Date of Access: 3 June 2005. <a href="https://www.unaids.org/en/geographical+area/by+region/sub-saharan+africa.asp">www.unaids.org/en/geographical+area/by+region/sub-saharan+africa.asp</a>.

Key trends include: the prevalence of HIV/AIDS staying relatively steady at lower levels in West and Central Africa than the rest of sub-Saharan Africa, and the slight decline in HIV among pregnant women in East Africa. "AIDS Epidemic Update, December 2004." UNAIDS and the World Health Organization (Geneva), December 2004, pp. 2-4. Date of Access: 9 May 2005.

<sup>&</sup>lt;www.unaids.org/wad2004/EPI 1204 pdf en/EpiUpdate04 en.pdf>.

<sup>&</sup>lt;sup>378</sup> "Our Common Interest, Report of the Commission for Africa." Commission for Africa (London), March 2005, p. 202. Date of Access: 12 May 2005.

African nations, and followed by the adoption of the African Action Plan (AAP)<sup>379</sup> in support of NEPAD at Kananaskis in 2002, the G8 has adopted objectives to support African initiatives on the issue of HIV/AIDS and health promotion in general.

There continued to be collective commitments at the Evian (2003) and Sea Island (2004) Summits. At Evian, there was agreement on: strengthening the Global Fund; assisting in African efforts to build sustainable healthcare systems; and increasing research and dialogue to improve access to critical medicines including antiretrovirals.<sup>380</sup> However, little was achieved at Evian on the issues of intellectual property rights and the distribution of generic medicines for HIV/AIDS, among other highly infectious diseases which was the most contentious HIV/AIDS issue at the time.<sup>381</sup> Commitments set forth at Sea Island proved to be more ambitious, with the leaders of the G8, in collaboration with Presidents of Algeria, Ghana, Nigeria, Senegal, South Africa, and Uganda, setting forth a Global HIV Vaccine Enterprise, "a virtual consortium to accelerate HIV vaccine development by enhancing coordination, information sharing, and collaboration globally."<sup>382</sup>

Although the G8 countries made ambitious commitments at Sea Island, there were also drawbacks to initiatives targeting the disease. As civil society groups have noted, although G8 leaders have committed to the Global HIV Vaccine Enterprise, "a focus on research and development with no commitment to closing the funding gap is unacceptable." In other words, civil society groups are calling for G8 countries not only to take steps toward addressing the HIV/AIDS epidemic, but also to implement programs such as debt forgiveness, because they contend that mounting debts have impeded many African governments to act. Other setbacks to the global fight against HIV/AIDS include the lack of adequate funding for the Global Fund, as indicated in the commitment by G8 member countries of only US\$ 3.2 billion in the past three years. Moreover, according to the Joint United Nations Programme on HIV/AIDS (UNAIDS), international

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The African Action Plan, which sets out how G8 members would support African nations in support of NEPAD, stipulates G8 commitments to providing support for African efforts in combating infectious diseases, including HIV/AIDS. See, "G8 Africa Action Plan (Part VI, Section 6.1)," (Kananaskis) 27 June 2002. Date of Access: 2 January 2005 <a href="https://www.state.gov/e/eb/rls/othr/11515.htm">www.state.gov/e/eb/rls/othr/11515.htm</a>.

<sup>&</sup>lt;sup>380</sup> "G8 Plan of Action: Health," Evian Summit 2003 Document (Evian) 2 June 2003. Date of Access: 2 January 2005 <a href="https://www.g8.utoronto.ca/summit/2003evian/health\_en.html">www.g8.utoronto.ca/summit/2003evian/health\_en.html</a>>.

Talks on issues of generic drugs and trade-related intellectual property rights were differed to the WTO Cancun Ministerial in 2003. For more information on commitments made at Evian on the issue of access of less developed countries to critical medicines, see the Evian Summit Document on Health (Evian). Date of Access: 4 January 2005 < <a href="https://www.g8.utoronto.ca/summit/2003evian/health\_en.html">www.g8.utoronto.ca/summit/2003evian/health\_en.html</a>>.

382 "G8 Action to Endorse and Establish a Global HIV Vaccine Enterprise," Sea Island 2004 Summit

<sup>&</sup>quot;G8 Action to Endorse and Establish a Global HIV Vaccine Enterprise," Sea Island 2004 Summit Document (Sea Island) June 2004. Date of Access: 29 December 2004.

<a href="mailto:swww.g8usa.gov/d">swww.g8usa.gov/d</a> 061004d.htm>.

<sup>&</sup>lt;sup>383</sup> "Make AIDS History, The G8 Must Take Action to Make AIDS History." Date of Access: 12 May 2005. <a href="https://www.globalaidsalliance.org/docs/Make\_AIDS\_History\_platform.pdf">www.globalaidsalliance.org/docs/Make\_AIDS\_History\_platform.pdf</a>.

<sup>384</sup> *Ihid* 

<sup>&</sup>lt;sup>385</sup> "Implementation Report by Africa Personal Representatives to Leaders on the G8 Africa Action Plan," (Evian) 1 June 2003. Date of Access: 20 December 2004.

<sup>&</sup>lt;www.g7.utoronto.ca/summit/2003evian/apr030601.html>.

spending on various aspects of the disease is at a shortfall of about US\$ 6 billion in 2005 since funding is expected to remain stagnant or will increase only marginally.<sup>386</sup>

# The Importance of the 2005 G8 Gleneagles Summit

Given the HIV/AIDS crisis, the special case of the health situation in Africa, and a main G8 summit theme addressing the African continent and its challenges, the Gleneagles Summit will serve as an appropriate forum for leaders to discuss and propose a more concerted international response. The opportunity will be provided for leaders of the most influential economies of the world to reaffirm their dedication to previous pledges set forth at past summits. The G8 should also seriously consider setting forth new commitments that are congruent with the needs of Africa, the recommendations provided by the Commission for Africa, and the platforms of civil society groups. This report is arranged to:

- Summarize the comments and recommendations provided by the Commission for Africa,
- Highlight several G8 country commitments to the HIV/AIDS epidemic in Africa to date, and,
- Provide information on civil society responses to G8 commitments and additional recommendations for greater action.

# The Commission for Africa and Recommendations for African Institutions and the International Community/G8 Countries

The Commission for Africa will play a crucial role in the G8 Gleneagles Summit. While the Commission emphasizes strengthening and utilizing existing African institutions in its assessment of the issues involved in the African pandemic, it recognizes the importance of international community involvement in the fight against HIV/AIDS. It has set forth several recommendations for African governments, intergovernmental organizations, and the international community to improve health systems in Africa within a comprehensive framework. The Commission has recognized the pervasiveness of the HIV/AIDS crisis and the "urgent requirement for well-functioning health services" to ameliorate the impact of the epidemic that affects Africa disproportionately. By describing the devastating nature of the disease, the prevalence of women as victims, and rising HIV/AIDS rates, the Commission illustrates the ineffectiveness of the responses of African governments and the international community to the epidemic. In light of this information, the Commission recommends the following to address the HIV/AIDS epidemic in Africa:

<sup>&</sup>lt;sup>386</sup> "Africa: Funding Shortfall Crippling AIDS Efforts," (Johannesburg) 17 May 2005. Date of Access: 18 May 2005 <a href="mailto:allafrica.com/stories/200505171452.html">allafrica.com/stories/200505171452.html</a>.

<sup>&</sup>lt;sup>387</sup> "Our Common Interest, Report of the Commission for Africa." Commission for Africa (London), March 2005, p. 192.. Date of Access: 12 May 2005.

<sup>&</sup>lt;www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr report.pdf>

#### Recommendations

- 1. "The international community must reach a global agreement in 2005 to harmonise the current disparate response to HIV and AIDS. This must be in support of bold and comprehensive strategies by African governments that take account of power relationships between men, women and young people." 388
- 2. "As agreed in the *UN General Assembly Declaration of Commitment on HIV and AIDS*, African governments and the international community should work together urgently to deliver the right of people to prevention, treatment and care. Donors [such as the G8] should meet immediate needs and increase their contribution to at least US\$10 billion annually within five years." 389
- 3. "Donors should fully fund the Global Fund to Fight AIDS, Tuberculosis, and Malaria." 390

According to the Commission, the increased funding will: facilitate civil society groups and development agencies to deliver care to Africans with a priority given to women and young people; scale up sexual/reproductive services and education; increase literacy campaigns; and encourage HIV/AIDS workplace programmes. However, the US\$ 10 billion recommendation does not include what is required to increase incentives for research into AIDS vaccines, microbicides and the production of paediatric antiretrovirals, which should be accelerated — as agreed by the G7 Finance Ministers at Sea Island in their Global HIV Vaccine Enterprise commitment (reconfirmed at the 2004 Summit), and again in February 2005. Therefore, the Gleneagles Summit will provide the opportunity for the G8, crucial actors in the funding and development of such research, to reaffirm their commitments on this front. It will be difficult for the G8 countries, the world's most influential economies, to ignore the increased funding recommendation in the Commission's Report.

# **G8 Commitments**

# The United States Progress Report on the President's Emergency Plan for AIDS Relief

In March 2005, a progress report on the President's Emergency Plan for AIDS Relief (PEPFAR) was provided to the U.S. Congress by the global AIDS coordinator of the U.S. Department of State. According to the report, PEPFAR achieved "unprecedented success" during 2004.<sup>392</sup> With a "special emphasis" on 15 countries, of which 12 are in

<sup>&</sup>lt;sup>388</sup> "Our Common Interest, Report of the Commission for Africa." Commission for Africa (London), March 2005, p. 205. Date of Access: 12 May 2005.

<sup>&</sup>lt;www.commissionforafrica.org/english/report/thereport/english/11-03-05\_cr\_report.pdf>

<sup>389</sup> *Ibid.* Please see Commission Report for more details on how the \$10 billion figure was derived.

<sup>&</sup>lt;sup>390</sup> *Ibid*, 216.

<sup>&</sup>lt;sup>391</sup> *Ibid*, 205.

<sup>&</sup>lt;sup>392</sup> "US AIDS Campaign Reports Success in First Year," Foreign Policy, Documents and Texts from the Washington File (Washington), March 2005. Date of Access: 18 May 2005.

<sup>&</sup>lt;www.usembassy.org.uk/forpo690.html>.

Africa, 393 the United States plans to "support the treatment for 2 million people infected with HIV/AIDS, prevent 7 million new HIV infections, and support care for 10 million people infected with and affected by HIV/AIDS." Specific to the epidemic in Africa, the report states that in just eight months, the Emergency Plan reached 152,000 people with treatment in sub-Saharan Africa. This was a three-fold increase in the number of people in the region receiving lifesaving antiretroviral therapy prior to the implementation of the Emergency Plan. The total planned spending on the 15 focus countries for the 2005 fiscal year is US\$ 1,110,183,494, up from the total spending enacted in the 2004 fiscal year of US\$ 751,327,728.

However, the United States' program faces criticism. Several civil society groups and political leaders disapprove of PEPFAR's primary focus on "abstinence and faithfulness" (AB) programs, because such programs promote the agenda of religious conservatives (both in the US and Africa) and de-emphasize the focus on other effective ways to stem the spread of HIV/AIDS in Africa and elsewhere. These critics have noted that PEPFAR marginalizes the use of contraceptive methods and the research and development of preventative and treatment drugs. As well, the Commission for Africa recognizes that Africa's priorities extend beyond abstinence-only programs. The Bush administration has also been criticized for not placing as much importance on the Global Fund, after Republican leaders in the Congress pushed through a bill stipulating a US\$ 200 million funding cut from the United States baseline contribution to the Fund.

Furthermore, non-governmental organizations, such as Médecins sans Frontières have stated that PEPFAR projects are often at odds with the projects of the Global Fund.

<sup>&</sup>lt;sup>393</sup> Tully, Andrew. "U.S.: Government Champions Its Efforts Against AIDS, But Critics Call For Greater Commitment." 2 December 2004, <u>Radio Free Europe/Radio Liberty</u>, <u>31 December 2</u>004. Also, please see, Ambassador Randall L. Tobias' "Remarks on the Five-Year Strategy for the President's Emergency Plan for AIDS Relief," accessible at, <<u>www.state.gov</u>>.

<sup>&</sup>lt;sup>394</sup> "Engendering Bold Leadership: The President's Emergency Plan for AIDS Relief," Office of the United States Global AIDS Coordinator (Washington), March 2005, p. 5.. Date of Access: 18 May 2005. <a href="https://www.state.gov/documents/organization/43885.pdf">www.state.gov/documents/organization/43885.pdf</a>.

<sup>&</sup>lt;sup>395</sup> World Health Organization estimate made prior to the implementation of the Emergency Plan. "Engendering Bold Leadership: The President's Emergency Plan for AIDS Relief." Office of the United States Global AIDS Coordinator (Washington), March 2005, p. 5.. Date of Access: 18 May 2005. <a href="https://www.state.gov/documents/organization/43885.pdf">www.state.gov/documents/organization/43885.pdf</a>>. <sup>396</sup> *Ibid.* 115.

<sup>&</sup>lt;sup>397</sup> "Preserving the Global AIDS Fund," The New York Times, 19 May 2005. Date of Access: 20 May 2005. <a href="https://www.nytimes.com/2005/05/19/opinion/19thu2.html">www.nytimes.com/2005/05/19/opinion/19thu2.html</a>.

Our Common Interest, Report of the Commission for Africa." Commission for Africa (London), March 2005, p. 193. Date of Access: 12 May 2005.

<sup>&</sup>lt;a href="www.commissionforafrica.org/english/report/thereport/english/11-03-05">www.commissionforafrica.org/english/report/thereport/english/11-03-05</a> cr\_report.pdf>.US Senator Hillary Clinton, for example, has been vocal in her criticism of the Bush administration's emphasis on abstinence, rather than contraceptives in fighting the HIV/AIDS epidemic in Africa. She claims that it has placed restrictions on women's access to reproductive health services by cutting funding to clinics that provide abortions. "Africa: U.S. President Chided for Reproductive and AIDS Policies," UN Integrated Regional Information Networks, 13 January 2005. Date of Access: 20 January 2005.

<a href="mailto:subartica.com/stories/200501130561.html">subartica.com/stories/200501130561.html</a>>.

<sup>399 &</sup>quot;Congress Slashes Funding for Global Fund to Fight AIDS, TB and Malaria," Global AIDS Alliance (Washington), 18 November 2004. Date of Access: 18 May 2005. <a href="https://www.globalaidsalliance.org/press111804.cfm">www.globalaidsalliance.org/press111804.cfm</a>.

Specifically, it is inconsistent with national policies in terms of the distribution of drugs. processes for evaluating safety, quality, and the effectiveness of medicines, and as a result of these policy inconsistencies, the United States' program has been criticized for having a smaller selection of anti-retrovirals and could be treating more people with the funds that it is currently spending. 400

### Canada's 2005 Budget, the Canada Fund for Africa and Jean Chrétien's Pledge to Africa Act

In February the Canadian government released its Budget 2005. It indicates Canada's continued leadership in the areas of global health care and debt relief, and its commitment to helping the people of Africa to overcome the challenges of poverty and disease. This includes a CAD\$ 140 million commitment to the Global Fund. 401 The new funding also reinforces Canada's actions on the fight against HIV/AIDS. These actions include its CAD\$ 50 million pledge in support of the International AIDS Vaccine Initiative and the African AIDS Vaccine Program. It also includes the Jean Chrétien Pledge to Africa Act, introduced in 2004, which committed Canada to making lower-cost patented medicines.402

Although Canada was the first industrialized country in the world to relax its patent rules on AIDS drugs, substantial criticism from the pharmaceutical industry and appeals from non-governmental organizations led it to be amended. Interested parties were invited to submit their comments on draft regulations. Technical amendments were made in order to provide for the equal participation of the Senate in assessing and recommending eligible candidates for a committee which would advise the government on the drugs that qualify for export under the Act. The new version of the Act came into force on 14 May 2005. 403 Despite this Act, critics have questioned whether the generic drug makers in Canada will have the incentive to produce low-cost drugs, in light of competitive drug prices provided by other generic giants such as India. 404

In line with many civil society calls for debt relief to facilitate the fight against HIV/AIDS in some of the world's most impoverished countries, Canada has also allocated in its budget CAD\$ 34 million to support the Heavily Indebted Poor Countries Trust Fund. Moreover Canada has pledged CAD\$ 172 million over the next five years to pay its share of debt-service costs owed by eligible countries to the International

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<sup>400 &</sup>quot;MSF: Global AIDS Treatment Efforts Not on Track," Médecins sans Frontières (Geneva), 27 January 2005. Date of Access: 18 May 2005. <www.accessmed-

msf.org/prod/publications.asp?scntid=2712005231239&contenttype=PARA&>.

401 "The Global Fund to Fight AIDS, Tuberculosis, and Malaria, Pledges," The Global Fund to Fight AIDS, Tuberculosis, and Malaria (Geneva). Date of Access: 19 May 2005.

<sup>&</sup>lt;www.theglobalfund.org/en/funds raised/pledges/>.

<sup>&</sup>lt;sup>402</sup> "Budget 2005 Delivers on Canada's Commitment to Africa," Department of Finance, Canada (Ottawa), 23 February 2005. Date of Access: 18 May 2005. <<u>www.fin.gc.ca/news05/05-015e.html</u>>.

<sup>403 &</sup>quot;Coming into Force of the Jean Chrétien Pledge to Africa," Industry Canada (Ottawa), 13 May 2005. Date of Access: 18 May 2005.

<sup>&</sup>lt;www.ic.gc.ca/cmb/welcomeic.nsf/0/85256a5d006b972085257000006c78bf?OpenDocument>. 404 Goar, Carol. "Canadian Triumph Turns Sour," The Toronto Star (Toronto), 9 May 2005.

Development Association of the World Bank and the African Development Fund. 405 Furthermore, as of January 2005, the Canada Fund for Africa disbursed over CAD\$ 200 million to African projects that promote peace and security, improved governance, and effective disease control, particularly for HIV/AIDS and polio. 406

#### **United Kingdom**

As the needs of Africa take priority in Prime Minister Tony Blair's chairmanship of the G8 summit in Gleneagles, the issue of HIV/AIDS will not be ignored. In the time leading up to the summit, the United Kingdom (UK) continues to place attention on the issue of increasing foreign aid, debt reduction, and HIV/AIDS. Perhaps the most notable contribution has been through Tony Blair's initiative to establish the Commission for Africa. While the Commission for Africa Report recognizes the crucial need to address the HIV/AIDS crisis on the continent, its recommendations fit within the larger framework in which it recognizes that the impediments to combating the disease, such as the crippling debt servicing of many African countries, must also be ameliorated through increased funding from donors, including the G8 countries. The Commission has been vocal on the failure of the developed countries to tackle the problems in Africa and to make progress towards the Millennium Development Goals (MDGs), one of which is to halt and reverse the spread of HIV/AIDS and other diseases. 407 Whether the G8 countries will respond to the Commission's recommendations will be better gauged after the Summit concludes.

In addition to the Commission for Africa report, released in March 2005, the United Kingdom, along with UNAIDS and the governments of the United States and France, cohosted a meeting in London entitled "Making the Money Work," to reverse the spread and impact of AIDS. The meeting broadcasted the news that while US\$27 billion is currently projected to be available from 2005 to 2007 for an expanded AIDS response in 135 low and middle-income countries, a total of US\$35 billion is needed, thus indicating that there will be an estimated US\$8 billion global shortfall. 408

It also recognized that although there is a need to raise more money, the international community must also ensure that the money that is already available must reach those who need it the most. 409 Confirming this commitment to combating the HIV/AIDS problem, the UK Department for International Development stated: "At the G8 summit in Gleneagles this summer we will be asking the richest countries to commit to providing regular long term funding to the developing world not just for AIDS but also to build the

<sup>&</sup>lt;sup>405</sup> "Coming into Force of the Jean Chrétien Pledge to Africa," Industry Canada (Ottawa), 13 May 2005. Date of Access: 18 May 2005.

<sup>&</sup>lt;www.ic.gc.ca/cmb/welcomeic.nsf/0/85256a5d006b972085257000006c78bf?OpenDocument>.

<sup>406 &</sup>quot;Canada Fund for Africa, Frequently Asked Questions," Canadian International Development Agency (Ottawa). Date of Access: 17 May 2005. <www.acdi-

<sup>&</sup>lt;u>cida.gc.ca/cida\_ind.nsf/vPrintNewsReleaseEn/26290003E10EA12E85256D1800646E7D</u>>.

407 "Bob Geldof Addresses the Scottish Parliament," Commission for Africa (London), 16 May 2005. Date of Access: 19 May 2005. <www.commissionforafrica.org>.

<sup>409 &</sup>quot;News: Making the Money Work," Department of International Development (London), 9 March 2005. <www.dfid.gov.uk/news/files/makmoneywork9mar05.asp>.

infrastructure — getting more doctors, nurses and clinics into developing countries to treat and care for the people most vulnerable to AIDS."410 More specifically, the UK has in place a plan for the G8 countries to fund an International Finance Facility (IFF), to increase annual aid to Africa and to help the continent meet the MDGs. 411

### European Union, France, Germany and Italy

The European Commission adopted, on 28 April 2005, a Programme for Action to strengthen Europe's support to confront HIV/AIDS outside of the European Union's borders. The initiative follows the commitment made by EU Commissioner Louis Michel, in charge of Development and Humanitarian Aid, to deliver on the MDGs. 412 Commissioner Michel hopes to see an augmented EU role in turning the tide in the fight against HIV/AIDS, malaria and tuberculosis. 413 It is suggested in the Programme for Action that the European Union must agree to make a sizeable contribution by 2007 to close the global shortfall of US\$ 14.9 billion per year need to fight these diseases. The European Commission currently contributes an average of € 239.02 million per year (period of 2003-2006) to fight HIV/AIDS, malaria and tuberculosis, and is the second largest individual donor to the Global Fund. 414

France continues to be a strong supporter of the Global Fund, and supports the South in the battle against HIV/AIDS through its own program: the Ensemble pour une Solidarité Thérapeutique Hospitalière en Réseau (ESTHER). France has also expressed its support for the IFF, to help Africa in realizing its MDGs. 415 It will also be in France's economic interests to contribute to strengthening the fight against AIDS. After all, France has strong economic ties with many African countries including South Africa, 416 which has one of the highest rates of HIV/AIDS on the continent. 417 The sustainability of such economic endeavours will hinge on the improvement in HIV/AIDS infection rates.

<sup>&</sup>lt;sup>411</sup> "Our Common Interest, Report of the Commission for Africa," Commission for Africa (London), March 2005. Date of Access: 12 May 2005. <a href="https://www.commissionforafrica.org/english/report/thereport/english/11-">www.commissionforafrica.org/english/report/thereport/english/11-</a> 03-05 cr report.pdf>, p. 335.

<sup>412 &</sup>quot;Commission strengthens its support to confront HIV/AIDS, Malaria and Tuberculosis outside the EU," European Union at the United Nations (Brussels), 27 April 2005. Date of Access: 17 May 2005. < europaeu-un.org/articles/en/article 4635 en.htm>.

413 "EU Seeks More Funding to Fight Diseases," The Associated Press (Brussels), 27 April 2005. Date of

Access: 17 May 2005. <abcnews.go.com/Health/wireStory?id=708320>.

<sup>414 &</sup>quot;Commission strengthens its support to confront HIV/AIDS, Malaria and Tuberculosis outside the EU," European Union at the United Nations (Brussels), 27 April 2005. Date of Access: 17 May 2005. < europa-

eu-un.org/articles/en/article 4635 en.htm>.

415 "G8 Summit: Divisions Deepen over Route to Africa," Inter Press Service News Agency (London), 20 May 2005. Date of Access: 17 May 2005. < <a href="https://www.ipsnews.net/new\_nota.asp?idnews=28764">www.ipsnews.net/new\_nota.asp?idnews=28764</a>>

<sup>416 &</sup>quot;Gautrain in Spotlight as Mbeki Meets Economic Officials." SABC News. 20 May 2005. Date of Access: 17 May 2005. <a href="https://www.sabcnews.com/economy/business/0.2172.104883.00.html">www.sabcnews.com/economy/business/0.2172.104883.00.html</a>

<sup>&</sup>lt;sup>417</sup> "AIDS Epidemic Update, December 2004." UNAIDS and the World Health Organization (Geneva), December 2004, p. 2.. Date of Access: 9 May 2005.

<sup>&</sup>lt;www.unaids.org/wad2004/EPI 1204 pdf en/EpiUpdate04 en.pdf>.

Like France, Germany showed a strong interest in expanding its already very active business relations with South Africa, <sup>418</sup> and thus, it would also be prudent for Germany to continue to contribute to collective international community efforts to stem the HIV/AIDS epidemic. Recognizing that "Africa is not a forgotten continent," <sup>419</sup> Germany contributes approximately € 300 million a year to various HIV/AIDS causes, <sup>420</sup> and has pledged to step up its 2005 contribution to the Global Fund to US\$ 108 million. <sup>421</sup>

Italy falls behind the other countries in contributing to the Global Fund, but it did announce this past March of its release of  $\in$  100 million in donor funding and the intention to contribute another  $\in$  80 million later this year.<sup>422</sup>

#### Russia

The Russian Federation has contributed US\$ 11,250,000 to the Global Fund to date, however, it does not have a comprehensive response to the HIV/AIDS crisis in Africa, as it is preoccupied with the epidemic in the Commonwealth of Independent States. Currently, Ukraine, Russia, and the Baltic countries are experiencing the most rapid spread of the disease in the world. A Ministerial Meeting called the "Urgent Response to the HIV/AIDS Epidemics in the Commonwealth of Independent States" was held in Moscow from the 31March to 1 April 2005. How Russia may contribute to the collective G8 response to the African HIV/AIDS crisis in light of its financial resources and the epidemic in its own country will be better seen at the Gleneagles Summit.

#### Japan

Japan is active in tackling the HIV/AIDS crisis in Asia, 425 however, as one of the world's strongest economies, it has a large role to play in initiatives that support African

<sup>&</sup>lt;sup>420</sup> Statement issued by Federal Minister Fischer of Germany on the eve of World AIDS Day of the United Nations, 1 December (Berlin) 30 November 2004. Date of Access: 10 January 2005. <a href="www.auswaertiges-amt.de/www/en/ausgabe\_archiv?archiv\_id=6526">www.auswaertiges-amt.de/www/en/ausgabe\_archiv?archiv\_id=6526</a>.

<sup>421</sup> "Germany More Than Doubles Pledge to Global Fund for 2005," Daily HIV/AIDS Report, courtesy of

<sup>&</sup>lt;sup>421</sup> "Germany More Than Doubles Pledge to Global Fund for 2005," Daily HIV/AIDS Report, courtesy of Kaiser Network (Washington) 3 December 2004. Date of Access: 10 January 2005 <a href="mailto:allafrica.com/stories/200412030775.html">allafrica.com/stories/200412030775.html</a>>.

<sup>422 &</sup>quot;The Global Fund Welcomes Large Financial Contribution from Italy," The Global Fund to Fight AIDS, Tuberculosis and Malaria (Stockholm), 16 March 2005. Date of Access: 19 May 2005. <a href="https://www.theglobalfund.org/en/media">www.theglobalfund.org/en/media</a> center/press/pr 050316a.asp.>.

<sup>&</sup>lt;sup>423</sup> "Urgent response to the HIV/AIDS epidemic in the Commonwealth of Independent States, Comments by the Special Envoy of the Secretary-General for HIV/AIDS in Eastern Erope, Professor Lars O. Kallings," Joint United Nations Programme on HIV/AIDS (Moscow), 31 March 2005. Date of Access: 19 May 2005. <a href="www.unaids.org/html/pub/media/speeches02/sp\_kallings\_31mar1apr05\_en\_pdf.pdf">www.unaids.org/html/pub/media/speeches02/sp\_kallings\_31mar1apr05\_en\_pdf.pdf</a>.

<sup>424</sup> *Ibid*.

<sup>&</sup>lt;sup>425</sup> "U.S. Secretary Tommy Thompson, Former Prime Minister Yoshiro Mori and Other Leading Policymakers and Executives Call on Japan's Leadership to Increase Response to HIV/AIDS at One-day Symposium on Human Security Impact of HIV/AIDS and Other Communicable Diseases," Asia Society (Tokyo), 22 March 2004. Date of Access: 19 May 2005. <a href="https://www.asiasociety.org/pressroom/rel-ip-aids.html">www.asiasociety.org/pressroom/rel-ip-aids.html</a>>.

development, and consequently, the fight against HIV/AIDS in Africa. Although there was a reaffirmation of the unique partnership between Asia and Africa as reflected in the April 2005 Asian-African Conference in Bandung, Indonesia, the extent to which Japan will directly contribute to the HIV/AIDS effort in Africa will be better revealed at the Summit this July. Currently, Japan is the fourth largest contributor to the Global Fund, and continued multi-level participation of political, private, and civil society sector leaders in financing the Fund is encouraged by the 'Friends of the Global Fund Japan,' established in 2004. 426

# The Response by Civil Society

There continues to be an active civil society response to the HIV/AIDS crisis, with numerous international and Africa-based organizations participating in several collaborative efforts. Collective responses aimed at the G8 countries, including the Make AIDS History Platform, have garnered the support of an impressive array of organizations around the world, including the Global AIDS Alliance, Oxfam International, and Africa Action. The Make AIDS History Platform "call[s] on leaders of the G8 nations to make good on their existing promises and to commit additional resources to make AIDS, tuberculosis and malaria history through commitments on key issues." These include: funding the Global Fund to Fight AIDS, Tuberculosis, and Malaria; 100% cancellation of the debts owed to the IMF and World Bank for all impoverished countries; additional donor funding to fight all three diseases; HIV/AIDS treatments and universal access to medicines by 2010, and support for health care workers; and greater support for HIV prevention interventions. 427 As indicated in mid-March by the actions on an International Day of Action to Fight AIDS throughout the G8 countries, it is expected that civil society groups will gather in Scotland to pressure G8 leaders on the issues presented in the Make AIDS History campaign. 428

#### Conclusion

Africa will receive long-deserved attention as the G8 prepares to gather for its annual summit at Gleneagles, Scotland this year.. There is no doubt their conclusion will include the need for pan-African organizations, such as the African Union (AU) and the New Partnership for Africa's Development (NEPAD), to work collectively as well as effectively in order to tackle the challenges of the continent and to achieve the MDGs, one of which is halting and reversing the HIV/AIDS epidemic in Africa. 429 Nevertheless,

<sup>&</sup>lt;sup>426</sup> "Japan Launches the First 'Friends of the Global Fund,'" The Global Fund to Fight AIDS, Tuberculosis and Malaria (Tokyo), 22 March 2004. Date of Access: 19 May 2005.

<sup>&</sup>lt;a href="mailto:swww.theglobalfund.org/en/media\_center/press/pr\_040322.asp">www.theglobalfund.org/en/media\_center/press/pr\_040322.asp</a>.

427 "Make AIDS History, The G8 Must Take Action to Make AIDS History." Date of Access: 12 May 2005 <a href="https://www.globalaidsalliance.org/docs/Make">www.globalaidsalliance.org/docs/Make AIDS History platform.pdf</a>.

<sup>&</sup>lt;sup>428</sup> "Hundreds Demonstrate Outside French, German, Japanese, UK Embassies, Urge G7 Action on Debt and AIDS, Participants in Global Day of Action Call for 100% Debt Cancellation, Money for Global Fund to Fight AIDS," Health Gap (Washington), 15 March 2005. Date of Access: 20 May 2005. <a href="https://www.healthgap.org/press">www.healthgap.org/press</a> releases/05/031505 HGAP PR G7 embassy demo.html>.

<sup>&</sup>lt;sup>429</sup> "Progress Report to the 22<sup>nd</sup> Meeting of the NEPAD Steering Committee," UN Regional Consultations on NEPAD (Johannesburg), 30-31 March 2005. Date of Access: 20 May 2005. <a href="https://www.uneca.org/unregionalconsultations/documents/SCreport march.htm">www.uneca.org/unregionalconsultations/documents/SCreport march.htm</a>.

such a concerted African response can only prove successful with the continued support of the international community. This was recognized in the 22<sup>nd</sup> meeting of the NEPAD steering committee in March, when the NEPAD secretariat reported progress on several priorities that were identified at the NEPAD Multi-Stakeholder Dialogue in October 2004. One priority being the "reinforcement of engagement with the international community, particularly in line with the upcoming G8, Commission for Africa, and APF processes."

Recognition of the need for collaborative action on the HIV/AIDS crisis in Africa provides the appropriate context for important discussions to take place at the Gleneagles Summit this July. How the G8 countries will respond to the recommendations set forth by the Commission for Africa, civil society groups, and other international bodies will be closely watched as the HIV/AIDS epidemic in Africa reaches disconcerting levels that severely hinder the continent's development. The G8 must continue to address important development issues specific to Africa such as poverty and peace and security, concurrently with discussion on HIV/AIDS to adequately confront the issue. G8 countries nonetheless have a unique role to play in supporting Africa, which must be strongly indicated at the upcoming summit. As former South African president, Nelson Mandela, recently expressed, "[The G8 summit in Scotland] will be a historic opportunity for the G8 to demonstrate its political will. Africa and its people expect nothing less." 431

Compiled by Janet Chow G8RG Policy Analyst

<sup>&</sup>lt;sup>430</sup> Ibid

<sup>&</sup>lt;sup>431</sup> "Africa's Time Has Come: The Role of the United States in Aid and Development Efforts," The Brookings Institution (Washington), 16 May 2005. Date of Access: 20 May 2005. <a href="mailto:allafrica.com/stories/200505161291.html">allafrica.com/stories/200505161291.html</a>.

# **Health in Africa:** Tuberculosis, Polio and Malaria

After a prolonged period in which there seemed to be inevitable momentum to defeat them, infectious and parasitic diseases are once again emerging as serious obstacles to social and economic growth on the African continent. Proliferating in the very population centres that can ill-afford to address them, Africa boasts many of the aggravating factors that can render an outbreak in Europe or North America into a full-blown pandemic on the continent: wide-spread malnutrition and poverty, poor sanitation and clean drinking water supply, extremely low access to affordable healthcare, and hot, tropical climates. Three of the most devastating diseases are HIV/AIDS, Tuberculosis (TB) and Malaria. The number one leading cause of death in Africa is HIV/AIDS. 432 In 2004 alone, 2,300,000 Africans died of the diseases. 433 A major cause of death in people infected with HIV/AIDS is tuberculosis (infecting one third of the world's HIV population) with more than 1.5 million cases occurring across Sub-Saharan Africa annually. 434 Also contributing to the rising death toll in Africa is malaria: ninety percent of the one million deaths worldwide that occur from malaria per annum transpire in Africa. 435 That is equivalent to 3,000 deaths, mostly among children, each day. Furthermore, polio remains a highly precarious risk across the African Continent, although seemingly eradicated throughout the majority of the world. According to the World Health Organization (WHO), as of December 2004, approximately 800 cases exist in Africa, mainly in Nigeria. Abysmal health conditions, that are continuing to decline in countries with polio are also causing the disease to spread, in which case making the goal of eradicating polio, set forth at the Kananaskis Summit in 2002, by the end of this year seems unlikely.

# **Background**

Since their first meeting in 1975, the heads of state of the G8 have gathered annually to discuss the world economy. Nevertheless, for decades the issue of disease in Africa has remained buried under the subheadings of annual Communiqués. It was not until 1997 at the Denver summit under articles 31 through 34 of the Communiqué that HIV/AIDS and other infectious diseases were given more attention. 436 The G8 countries committed to additional work with the World Health Organization (WHO) and the United Nations Program on HIV/AIDS (UNAIDS) to fight the spread of infectious disease through greater coordination efforts, the provision of resources and individual country assurances.

<sup>&</sup>lt;sup>432</sup> "Fighting AIDS," The Global Fund. Date of Access: 20 January

<sup>2005. &</sup>lt;a href="https://www.theglobalfund.org/en/about/aids/default.asp">www.theglobalfund.org/en/about/aids/default.asp</a>.

<sup>433 &</sup>quot;Sub-Saharan Africa: Regional Profile," UNAIDS (Geneva) 2004. Date of Access: 3 June 2005.

<sup>&</sup>lt;a href="mailto:swww.unaids.org/en/geographical+area/by+region/sub-saharan+africa.asp">www.unaids.org/en/geographical+area/by+region/sub-saharan+africa.asp</a>>.

434 Fighting Tuberculosis," The Global Fund. Date of Access: 20 January

<sup>2005. &</sup>lt; www.theglobalfund.org/en/about/tuberculosis/>.

<sup>435 &</sup>quot;Fighting Malaria," The Global Fund. Date of Access: 20 January

<sup>2005. &</sup>lt;www.theglobalfund.org/en/about/malaria/>.

<sup>436 &</sup>quot;Communiqué," Denver Summit of the Eight (Denver), 22 June 1997. Date of Access: 20 January 2005. <a href="https://www.g8.utoronto.ca/summit/1997denver/g8final.htm">www.g8.utoronto.ca/summit/1997denver/g8final.htm</a>.

At the Okinawa Summit in 2000 infectious and parasitic diseases were recognized as being among the main factors responsible for reversing decades of development and stifling future chances for positive change and growth.<sup>437</sup>

At the 2001 Genoa Summit in association with the Secretary General of the United Nations, the Global Fund to Combat HIV/AIDS, Malaria and TB was launched. Since then each of the G8 countries has individually pledged hundreds of millions of dollars to the Fund, as well as coordinated with international governmental and non-governmental organizations and Industry (including pharmaceutical companies) to better research and increase access to more affordable drugs. The following table shows the most recent figures of G8 country contributions in 2004.

The Global Fund- G8 Country Contributions in 2004 (in USD)<sup>438</sup>

| Country | Amount Pledged | Amount Contributed |            |             | Not Yet Paid |
|---------|----------------|--------------------|------------|-------------|--------------|
|         |                | Paid In            | In Process | Total       |              |
| Canada  | 50,000,000     | 50,005,529         |            | 50,005,529  |              |
| France  | 203,527,815    | 203,527,815        |            |             |              |
| Germany | 45,944,850     | 45,944,850         |            | 45,944,850  |              |
| Italy   | 135,685,210    |                    |            |             | 135,685,210  |
| Japan   | 104,726,233    | 86,126,233         | 18,600,000 | 104,726,233 |              |
| Russia  | 2,500,000      | 2,500,000          |            | 2,500,000   |              |
| UK      | 60,333,210     | 60,333,210         |            | 60,333,210  |              |
| U.S.A.  | 458,881,279    | 458,881,279        |            | 458,881,279 |              |

The G8 countries do however remain strong supporters of Intellectual Property Rights and the Trade-related Aspects of Intellectual Property Rights (TRIPs) agreement, which is seen by many as a contributor to the inaccessibility and high cost of obtaining the necessary drugs to combat HIV/AIDS, Malaria, and TB.

Without properly funding the Global Fund to Combat HIV/AIDS, TB and Malaria will continue to kill more than six million people every year, and the numbers of infected individuals will keep on growing. Failing to address health issues in Africa is a serious impediment to social and economic development.<sup>439</sup>

### The Global Fund for HIV/AIDS, Tuberculosis and Malaria

In response to the devastating tsunami disaster in Southeast Asia, in December 2004, the G8 governments acted swiftly to pledge generous amounts of money to relief and

Access: 20 January 2005. < <a href="https://www.theglobalfund.org/en/files/pledges&contributions.xls">www.theglobalfund.org/en/files/pledges&contributions.xls</a>>.

<sup>&</sup>lt;sup>437</sup> "G8 Communiqué Okinawa," The Government of Japan (Okinawa), July 23, 2000. Date of Access: 20 January 2005. <<u>www.g8.utoronto.ca/summit/2000okinawa/finalcom.htm</u>>.

<sup>&</sup>lt;sup>438</sup> "The Global Funds to fight Tubercolosis, Malaria and AIDS- Contributions to Date," The Global Fund.

<sup>439 &</sup>quot;Background," Make AIDS History. Date of Access: 20 May 2005. < www.globaltreatmentaccess.org/>.

reconstruction efforts. However when it comes to the issue of HIV/AIDS, TB and malaria, all equally devastating, in terms of death toll, causing the equivalent impact of the tsunami every two weeks, the political will to take action is considerably less. 440

The Global Fund was created in order to attract, manage, and disburse large amounts of funds towards supporting locally-driven strategies that combat the three pandemics. The Global Fund is also the only multilateral funding organization that provides comprehensive, science-based prevention and reliable, cost-effective treatment. Since April 2002 the Global Fund has approved a total of US\$ 3.3 billion in over 300 grants to 127 countries. The latest series of grants include, Phase 2 Grants, which have a three to five years lifespan. As of 14 April 2005, the Global Fund had signed grant agreements for 85% of approved grants and disbursed a total of US\$ 1.1 billion to public and private recipients in 122 countries.

While the Global Fund has the potential of helping millions endure the pandemic, it is highly underfunded. This year alone it faces a US\$ 900 million shortfall.<sup>443</sup> In other words, it lacks the necessary funds to move forward with the renewal of prior grants or issuing of new grants. For 2005, The Global Fund projected financial need of US\$ 2.3 billion.<sup>444</sup>

# **Contributions to the Global Fund by the G8 Member States**

Paul Davis of Health Global Access Project (GAP) describes his frustration with the G8 countries' lack of financial commitment to the Global Fund when he stated:

As we watch the body count rise, the richest nations in the world pinch pennies and bankrupt the Global Fund for AIDS, TB and Malaria. Japan has pledged a mere one third of its fair share contribution to the Global AIDS Fund for [the] F[iscal] Y[ear] 2005, while Germany has paid less than one sixth of its equitable contribution.... It has been three years since the Global AIDS Fund was launched and in those three years contributions have lagged behind grand words while the AIDS pandemic explodes. If the G8 doesn't change its tune, we are looking at the decimation of entire continents.<sup>445</sup>

Despite the fact that the Fund's needs have increased dramatically, pledged contributions from France, Germany, and United Kingdom for the year 2006 have remained the same

<sup>440 &</sup>quot;Background," Make AIDS History. Date of Access: 20 May 2005. <www.globaltreatmentaccess.org/>.

<sup>441 &</sup>quot;Monthly Progress Update," The Global Fund, 14 April 2005. Date of Access: 20 May 2005.

 $<sup>\</sup>underline{<}\underline{www.theglobalfund.org/en/files/about/publications/progressupdate.pdf}\!\!>.$ 

<sup>442</sup> Ibid.

<sup>&</sup>lt;sup>443</sup> "Speech by Ms Carin Jämtin at the first Meeting on a Voluntary Replenishment Mechanism for the Global Fund to fight HIV/aids, tuberculosis and malaria" Government Offices of Sweden, 15 March 2005. Date of Access: 20 May 2005. <a href="https://www.regeringen.se/sb/d/1253/a/40601">www.regeringen.se/sb/d/1253/a/40601</a>>.

<sup>444 &</sup>quot;Monthly Progress Update," The Global Fund, 14 April 2005. Date of Access: 20 May 2005. <a href="https://www.theglobalfund.org/en/files/about/publications/progressupdate.pdf">www.theglobalfund.org/en/files/about/publications/progressupdate.pdf</a>>.

<sup>&</sup>lt;sup>445</sup> "Hundreds Demonstrate Outside French, German, Japanese, UK Embassies, Urge G-7 Action on Debt & AIDS," Health Global Access Project, 15 March 2005. Date Accessed: 22 May 2005. <a href="https://www.healthgap.org/press">www.healthgap.org/press</a> releases/05/031505 HGAP PR G7 embassy demo.html>.

as those in 2005. Furthermore, Japan has failed to pledge any contribution for 2005 or 2006 all together. Canada, in its most recent budget, released in January 2005 reaffirmed its commitment to aiding Africa and has doubled the previously announced contribution to the Global Fund. 446

Similarly, while Washington supports the Global Fund, it holds most of its money for separate US-led initiatives. Despite the benefit and increased effectiveness of a multilateral organization like the Global Fund, the United States continues to favour its own unilateral approach to addressing diseases, particularly HIV/AIDS, in Africa and globally through initiatives such as the President's Emergency Plan for AIDS Relief (PEPFAR). The Bush administration has also been criticized for not placing as much importance on the Global Fund, after Republican leaders in the Congress pushed through a bill stipulating a US\$ 200 million funding cut from the United States baseline contribution to the Fund.<sup>447</sup>

To make the Fund more efficient and to decrease the funding gap, the Board of the Global Fund is currently reviewing its funding mechanisms. The proposed volunteer replenishment-funding model would increase the predictability of the Funds' resource mobilization efforts and increase donor accountability. A series of meetings will occur throughout 2005 to encourage new funding. In March 2005, Deputy Secretary-General Louise Fréchette stated the purpose clearly when she said that, Funding must be secure and predictable over the long term. Only in this way can we plan ahead and ensure a stable future for treatment programmes, prevention strategies and other long-term services and investments.

#### **Tuberculosis**

One-third of the world's population, two billion people, are infected with Tuberculosis (TB). With 1.5 billion infections, Sub-Sahara Africa carries an overwhelming burden Each year, more than eight million people become sick because of TB and about two million of them will die of TB each year.

Even though over 300,000 cases are resistant to major TB drugs, overall this disease can, for the most part, be prevented. Cost effective drugs have been available to treat TB for over fifty years, but unfortunately the occurrence of TB is on the rise. A recent report by the World Health Organization stated that in many regions around the world, the battle against TB is being successfully fought, however in the case of Africa, the disease has

<sup>&</sup>lt;sup>446</sup> "Budget 2005 – Analysis," World Vision Canada. Date of Access: 20 May 2005.

<sup>&</sup>lt;www.worldvision.ca/home/education-and-justice/policy-analysis/budget-2005---analysis/>.

<sup>&</sup>lt;sup>447</sup> "Congress Slashes Funding for Global Fund to Fight AIDS, TB and Malaria," Global AIDS Alliance (Washington), 18 November 2004. Date of Access: 18 May 2005.

<sup>&</sup>lt;www.globalaidsalliance.org/press111804.cfm>.

<sup>448 &</sup>quot;Replenishment Mechanism," The Global Fund. Date of Access: 22 May 2005.

<sup>&</sup>lt;www.theglobalfund.org/en/about/replenishment/>.

<sup>&</sup>lt;sup>449</sup> "Long-Term, Sustainable Finance Needed for Global Fund to Fight AIDS, Tuberculosis, Malaria, Deputy Secretary-General Tells Stockholm Meeting," United Nation Information Service. 16 March 2005. Date of Access: 20 May 2005. <a href="https://www.unis.unvienna.org/unis/pressrels/2005/dsgsm249.html">www.unis.unvienna.org/unis/pressrels/2005/dsgsm249.html</a>>.

reached alarming proportions due to the increasing number of TB deaths linked to HIV/AIDS. 450

#### Malaria

Early May 2005 the World Health Organization (WHO) and the United Nations Children Fund (UNICEF) released the World Malaria Report 2005. It clearly lays out the strategies needed to fight malaria. The fact that more people are accessing prevention and treatment services for malaria sparks hope that the number of people who become sick and die from malaria will begin to decline. However, challenges remain to reduce the burden of the disease, which still kills one million people every year, mostly children. 451

This year, US\$ 600 million was made available for global malaria control. WHO and UNICEF welcome the recent World Bank announcement of its plan to commit US\$ 500 million to US\$ 1 billion over the next five years, which will help more people get access to essential malaria prevention and treatment.

Malaria exacts its heaviest toll on the African continent, where over 66% of the population is thought to be at risk. Two key explanations emerge. Firstly, the climate and ecology of tropical Africa provide ideal conditions for "Anopheles gambiae," mosquitoes carrying the malaria parasite, to thrive. It is also where "Plasmodium falciparum," the most deadly strain of the malaria parasite is most common. This fatal combination greatly increases the transmission of malaria infection and the risk of disease and death. The second explanation for the prevalence of malaria in Africa lies in the high rates of poverty, poor sanitation and polluted drinking water, and lack of quality health care on the continent that hinders control and treatment efforts.

In 2000, African countries committed themselves to a series of malaria control targets to be reached by the end of 2005, chiefly protection through the use of insecticide treated nets (ITNs) for 60% of the people at highest risk and intermittent preventive treatment for 60% of pregnant women. Some countries have been able to reach or even exceed these targets. Most remaining countries are now poised to begin scaling up anti-malarial efforts. A total of 23 African countries are now using the new and effective drugs (ACTs) and 22 have adopted the RBM-recommended strategy of home management of malaria for children under five years of age.

The number of ITNs distributed has increased 10-fold during the past 3 years in over 14 African countries. Furthermore, surveys have shown remarkable increases in ITN coverage for children under five years of age in countries such as Eritrea and Malawi.

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<sup>&</sup>lt;sup>450</sup> "WHO Global Tuberculosis Control Report," Geneva: World Health Organization, 18 March 2002. Date of Access: 20 May 2005. <a href="https://www.who.int/docstore/gtb/publications/globrep02/">www.who.int/docstore/gtb/publications/globrep02/</a>.

<sup>&</sup>lt;sup>451</sup> "A 5-minute briefing on the World Malaria Report 2005 from WHO and UNICEF," World Health Organization. Pg. 1 4 May 2005. Date of Access: 23 May 2005. <<u>rbm.who.int/wmr2005/pdf/adv\_e.pdf</u>>. <sup>452</sup> Ibid.

<sup>&</sup>lt;sup>453</sup>"WHO Tasks FG, Private Sector On Tuberculosis," AllAfrica.com, 23 May 2005. Date of Access: 23 May 2005. <a href="mailto:salafrica.com/stories/200505231398.html">salafrica.com/stories/200505231398.html</a>.

<sup>&</sup>lt;sup>454</sup> "A 5-minute briefing on the World Malaria Report 2005 from WHO and UNICEF," World Health Organization. Pg. 1 4 May 2005. Date of Access: 23 May 2005. <<u>rbm.who.int/wmr2005/pdf/adv\_e.pdf</u>>.

Death rates are still high, however, among those who fall ill and the vast majority of deaths occur among children under the age of five.

Doctors Without Borders/Médecins Sans Frontières (MSF) is gravely disappointed that donor governments, WHO, UNICEF, and the Global Fund, who met on March 2005 at the Roll Back Malaria Partnership board meeting, refused to admit that the global malaria strategy has hit a brick wall. 455

Poor communities in sub-Saharan Africa will be making their petitions directly to the G8 countries in an unusual way at the Gleneagles Summit in July. These opinions will be collected aboard a bus that is traveling across 10 countries and be presented to the G8 member countries Dubbed the "Get on Board" bus, the idea was initiated by ActionAid International, an International NGO with headquarters in the South Africa, and other civil society groups. The bus left Johannesburg, South Africa at the end of March to begin the first leg passing through Mozambique, Malawi, Tanzania, Kenya and Uganda. The first stop for the bus in Europe is Turin, Italy and to finally arrive in Gleneagles, Scotland, the venue of the 2005 G8 Summit from July 6-8.

#### Polio Immunization and Eradication

In June 2002, at Kananaskis, the G8 took a step towards the eradication of polio by putting it on the summit agenda. It was acknowledged that preventing polio and its debilitating effects would aid in poverty reduction by giving children and families the opportunity to live more healthy and productive lives. The goal was to rid Africa of polio by 2005 and the G8 countries pledged to provide the necessary funding to implement polio eradication activities in Africa. Although global polio eradication has been led internationally by Rotary International (who is the largest donor anywhere) this commitment was immediately followed through by Canada and the UK, who also contributed an additional US\$32 million and US\$ 25 million respectively. The commitment to fight polio has been reaffirmed in subsequent summit meetings in Evian (2003) and Sea Island (2004).

The result of G8 actions toward the eradication of polio is made evident bythe number of annual cases of the disease, which has dropped from 350,000 in 1988 to 784 in 2003. 457 However, optimism surrounding the success of the G8's initiatives was stalled in March 2004 when Canada was compelled to pledge an additional US\$ 9.7 million to increased polio eradication activities in the wake of an outbreak of polio spreading from Nigeria into formerly polio-free areas of west and central Africa. 458 By June 2004 epidemiologists

<sup>&</sup>lt;sup>455</sup> "WHO's Roll Back Malaria Board Not Facing Reality," Médecins Sans Frontières. 31 March 2005. Date of Access: 20 May 2005. <a href="https://www.doctorswithoutborders.org/pr/2005/04-01-2005">www.doctorswithoutborders.org/pr/2005/04-01-2005</a> pf.html>.

<sup>&</sup>lt;sup>456</sup> "G8 Agrees African Action Plan," BBC News, 27 June 2002. Date of Access: 20 January 2005.<a href="mailto:news.bbc.co.uk/1/hi/business/2069632.stm">news.bbc.co.uk/1/hi/business/2069632.stm</a>.

<sup>&</sup>lt;sup>457</sup> "Polio Partners Commend G8 for the Continued support to Polio Eradication," The Polio Eradication Initiative, Geneva and New York, 10 June 2004. Date of Access: 20 January 2005.<a href="https://www.polioeradication.org/content/pressreleases/20040611">www.polioeradication.org/content/pressreleases/20040611</a> press.pdf>.

<sup>&</sup>lt;sup>458</sup>"Canada Provides Additional Funding to the Final Assault against Polio," The Polio Eradication Initiive, Geneva and New York, 11 March 2004. Date of Access: 20 January 2005.<a href="https://www.polioeradication.org/content/pressreleases/20040311press.htm">www.polioeradication.org/content/pressreleases/20040311press.htm</a>.

warned that "west and central Africa is on the brink of the largest polio epidemic in recent years." Sudan had not seen an incident of polio in three years, but on 20 May 2004 in the region of Darfur, which is experiencing violent civil unrest, it was confirmed that a child had been paralysed from the disease. Most distressingly, however, is the fact that throughout 2004, in west and central Africa, five times as many children were paralysed by polio than in a similar period in 2003. Here

Africa is responding aggressively to stop the spread of the polio epidemic that has reached as far as Indonesia in recent weeks. Countries across the West, Central belt and Horn of Africa took part in a series of pan-continental immunization drives this year, aimed at children. This campaign intends to reach more than 77 million children, the largest public health exercise in the history of the continent. Health exercise in the history of the continent.

The polio epidemic has so far spread the virus to 16 polio-free countries and reestablished transmission in 6. 464 Almost all of these strains can be traced back to Nigeria where polio immunization stalled after Muslim clerics in northern states claimed the immunization campaigns were an American plot to kill their children. Despite the absurdity of the claim, the public ejected the WHO operations from the area, allowing polio to flare and spread in pockets across Africa.

In April 2005, the second phase of anti-polio vaccines were implemented, designed to reach 100 million children across the continent before the high season of transmission of the paralytic disease from July to September. 465

Positive results are beginning to show. None of the countries which re-established transmission have reported any cases this year. Even Nigeria, with the largest outbreak in Africa, has seen a reduction in the number of cases; 77 children in 2005 compared to 119 in the same period last year. And the percentage of children missed during vaccination rounds have dropped to a nationwide average of 11%, the lowest-ever.

But polio-free parts of Africa are still under siege. The Horn of Africa aggravated by civil unrest and low rates of routine immunization is particularly vulnerable.. Countries such as Somalia and Ethiopia, which have already reported five cases in 2005, fear an epidemic. Re-infection of these countries would place serious logistical and financial

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<sup>&</sup>lt;sup>459</sup> "Polio Experts warn of Largest Epidemic in Recent Years, as Polio Hits Darfur," The Polio Eradication Initiative, Geneva, 22 June 2004. Date of Access: 20 January

<sup>2005. &</sup>lt;a href="mailto:swww.polioeradication.org/content/pressreleases/20042106">www.polioeradication.org/content/pressreleases/20042106</a> press.pdf>.

<sup>&</sup>lt;sup>460</sup> Ibid.

<sup>&</sup>lt;sup>461</sup> Ibid.

<sup>&</sup>lt;sup>462</sup> "Africa responds to close down polio epidemic." Global Polio Eradication. 13 may 2005. Date of Access: 23 May 2005. <a href="www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf">www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf</a> "Africa responds to close down polio epidemic." Global Polio Eradication. 13 may 2005. Date of Access: 23 May 2005. <a href="www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf">www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf</a> del Ibid.

<sup>&</sup>lt;sup>465</sup> "Second phase of UN's anti-polio vaccinations in Africa aims to cover 100 million children," UN News Centre, 11 April 2005. Date of Access: 3 June 2005.

<sup>&</sup>lt;www.un.org/apps/news/story.asp?NewsID=13920&Cr=polio&Cr1=>.

burdens on the Global Eradication Initiative (see below) and protecting these areas has become a major priority.

Vaccinators will be delivering vitamin A drops with the polio vaccine in many places — an immunity-boosting strategy that has saved an estimated 1.2 million lives over 12 years. 466 Finances allowing, further mass polio vaccination campaigns in Africa are scheduled throughout the year. A review of progress is scheduled for August, after the "high season" of polio transmission starts to wane and data is available.

To finance campaigns for the rest of the year, US\$50 million is needed by July; some US\$ 200 million will be required in 2006 to maintain the population's immunity. Previous campaigns, repeated and synchronized, stopped polio in all but three African countries, which gives hope to this campaign. However, it also makes it strikingly clear that the goal of eradicating polio by the end of 2005 will most likely not be achieved.

#### The Global Polio Eradication Initiative

Since its establishment in 1988, the Global Polio Eradication Initiative (GPEI), spearheaded by the World Health Organization, Rotary International and the US Centers for Disease Control and Prevention, has received more than US\$ 3 billion in funding. 467 Immunization is believed to be the only effective method of eliminating polio as no cure exists for the disease. 468 The coalition for polio eradication also includes governments of affected countries; private sector foundations (e.g. Bill & Melinda Gates Foundation); development banks; donor governments; the European Commission; humanitarian and nongovernmental organizations and corporate partners. Nevertheless, at the time of the Sea Island Summit last year the GPEI was experiencing a severe funding crisis and was considering scaling back or cancelling its immunization efforts for 2004- 2005.

Fortunately at the Summit, G8 countries pledged to close the funding gap in the GPEI budget, which stood at US\$ 200 million for the 2004-2005 year, to ensure the continuation of its programming until the end of 2005. At what summit? Source. By February 2005, GPEI's 2005 operations funding had been secured. This achievement was made possible by generous subsequent donations, beyond core funding, from the G8 member -states of the UK, Russia, Canada and the European Commission, as well as the non-G8 states of Spain, Malaysia, Ireland, and Luxemburg, along with the Bill and Melinda Gates Foundation and the OPEC Fund.

<sup>&</sup>lt;sup>466</sup> Africa responds to close down polio epidemic." Global Polio Eradication. 13 may 2005. Date of Access:

<sup>23</sup> May 2005. <a href="https://www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf">www.polioeradication.org/content/pressreleases/AfricaPolio13May2005.pdf</a>>.

www.polioeradication.org/poliodonors.asp>.

<sup>468 &</sup>quot;German Assistance for Polio Eradication," Deutsche Botschaft (New Delhi) November 2004. Date of Access:

<sup>12</sup> January 2005 < www.germanembassy-india.org/en/germannews04/nov/pg11.html>.

The G8 countries are expected to release a G8 Plan of Action for Polio at the upcoming Gleneagles Summit that deal with the combined funding gaps for the GPEI's 2005 and 2006 operations, which stand at US\$ 275 million.

# The Commission for Afria Report

In the Commission for Africa report released on 11 March 2005, which establishes the basis for the talks at the G8 Summit in Gleneangles this coming July, securing Africa's future lies at the top of the agenda. The Prime Minister of Britain, Tony Blair stated in regards to the report that, "there can be no excuse, no defence, no justification for the plight of millions of our fellow beings in Africa today. That is the simple message from the report published today." In this vein, the report emphasizes on "Investing in People." It acknowledges that the number of individuals who suffer and die from preventable diseases in Africa is "unacceptable." The report states that the income levels of countries with severe malaria are a third of equivalent countries without malaria and grow 1.3% less per person annually. By citing such statistics the report clearly acknowledges that the issue of disease and economic growth are deeply related. To deal with the issue, the Report states that immediate investment is required to repair and develop health systems.

With a real effort and the right resources, many diseases could be eliminated in ten years, some predict even sooner, and the rise of TB and HIV infections can be stabilized.

The Report's recommendation in regards to the Global Fund calls on donor countries to fully fund this initiative, to finance the shortfall which has thus far occurred in 2005 as well as meet the US\$ 3.2 billion needed in 2007.

The Global Fund estimate that by 2010, it will be able to effectively channel US\$ 7 to8 billion of health funding to fight infectious diseases, 60% of which would be for Africa. In addition, sufficient core funding to the WHO is critical for it to be able to provide technical assistance for African countries. In the next three years it calls for a move from a replenishment system for the Fund, where donors contribute erratic amounts, to a more predictable system and also to disburse funds more quickly, and lengthen its grant cycle to ten years.

In addition, the Report suggests that the Global Fund should increase African representation on its review panel for project proposals and include public health expertise to improve the health systems work it has begun. Finally, the Global Fund, and other major donors including the World Bank must make clear to potential recipients that it will fund recurrent expenditure to support the strengthening of health systems, like

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<sup>&</sup>lt;sup>469</sup> "The Commission for Africa Report Launch," Government of UK, G8 Summit Gleneagles, 11 March 2005. Date of Access: 3 June 2005.

<sup>&</sup>lt;www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10789959032 70&a=KArticle&aid=1109172270041>.

<sup>&</sup>lt;sup>470</sup> "Eliminating preventable disease." Our Common Interest, Report of the Commission of Africa. Pg.188. 11 March 2005. Date of Access: 20 May 2005.

<sup>&</sup>lt;www.commissionforafrica.org/english/report/thereport/english/11-03-05 cr report.pdf>.

health workers' salaries. The Global Fund should ensure that it provides appropriate funding arrangements to improve health care in fragile states.

Concerning polio, the donors should meet their commitments to the Polio Eradication Initiative to eradicate polio in 2005. A large, upfront investment for Africa of US\$ 500 million a year for ten years through committing to the International Finance Facility for Immunization's Global Alliance for Vaccines will have immediate impact on child mortality. It will spur country-led health system strengthening as well as accelerate the development of vaccines required in the future.

This level of investment would save the lives of over five million children, and potentially prevent more than three million adults' deaths. The Polio Eradication Initiative estimates a gap of US\$ 600 million over four years to eradicate polio in 2005 and prevent its re-emergence.

#### Conclusion

2005 was intended to be a landmark year in reaching goals of eradicating diseases such as malaria and polio. However, due to a combination of poor health conditions, civil unrest and chronic under financing, these goals have not yet been met.

The commitment of the G8 countries to fighting AIDS and other infectious diseases has come under criticism for their failure to fulfill commitments previously made, as well as the absence of the AIDS issue on the agenda as a primary item at the 2004 Sea Island Summit. Furthermore, their failure to meet other commitments on the development agenda, such as debt relief and access to basic education, could have a negative impact on their ability to reach reduction goals for HIV/AIDS infection.

Many members of civil society, as well as the Commission for Africa's Report, argue that the G8 countries need to fully fund The Global Fund to Fight AIDS, TB and Malaria as well as the GPEI, in order to meet their commitments to combat these diseases and for them to have any success in effectively eradicating infectious diseases in Africa.

Compiled by Ausma Malik G8RG Policy Analyst

### **Conflict Prevention**

At the Kananaskis Summit in 2002 G8 nations formally recognized the need to address conflict prevention, however conflict management and resolution remain the dominant issues on the peace and security agenda. Focusing on conflict prevention has great potential to diminish human suffering and is more cost efficient than reactive measures.<sup>471</sup> Since the adoption of the 2002 Africa Action Plan (AAP), the G8 states have concentrated on four salient issues related to conflict prevention: eliminating the flow of illicit weapons while supporting Disarmament, Demobilization and Reintegration (DDR) programs; eliminating trade in conflict goods; eliminating landmines; 472 and "developing institutional capacities at the continental and regional level to prevent conflict,"<sup>473</sup> with the goal of enhancing Africa's peace support operations' capabilities.

# **Small Arms and Light Weapons**

From Kananaskis onward, G8 countries made a commitment to fund DDR programs and to eliminate "the flow of illicit weapons to and within Africa." Adhering to the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects and signing the UN Firearms Protocol<sup>475</sup> would demonstrate this commitment. Canada, the European Union, Germany, Italy, Japan, and the United Kingdom (UK) have all signed, but not ratified, the Protocol, whereas France, Russia, and the United States have neither signed, nor ratified it. 476 However, Control Arms, 477 an NGO operating the field of light-weapons disarmament, has reported some progress being made for the attainment of a global Arms Trade Treaty when the UK "made a clear commitment to the negotiation of a legally-binding treaty." 478

Despite the lack of political will to take a legal stand on DDR, some countries have provided financial support to some preventative programs. The United States government

<sup>&</sup>lt;sup>471</sup> "Our Common Interest: Report of the Commission for Africa," Commission for Africa, 11 March 2005. Date of access: 13 May 2005. <a href="https://www.commissionforafrica.org/english/report/thereport/english/11-03-">www.commissionforafrica.org/english/report/thereport/english/11-03-</a> 05 cr report.pdf> [hereinafter: "Our Common Interest"].
472 "G8 Africa Action Plan," G8, Kananaskis, 27 June 2002. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.g7.utoronto.ca/summit/2002kananaskis/africaplan.html>.

<sup>473 &</sup>quot;Implementation Report By Africa Personal Representatives to Leaders on the G8 Africa Action Plan," 2003 G8 Summit in Evian-les-Bains Website (Evian), 1 June 2003. Date of Access; 31 January 2005.

<sup>474 &</sup>quot;G8 Africa Action Plan," G8, Kananaskis, 27 June 2002. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.g8.utoronto.ca/summit/2002kananaskis/africaplan.htm>.

The UN Firearms Protocol is meant "to prevent, combat and eradicate the illicit manufacturing of and trafficking in firearms, their parts and components and ammunition." "Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime," UN Resolution 55/255, 8 June 2001. Date of Access: 13 May 2005. <www.unodc.org/pdf/crime/a res 55/255e.pdf>.

<sup>&</sup>lt;sup>476</sup> "UN Firearms Protocol - has your country ratified?" IANSA. Date of Access: 13 May 2005. <www.iansa.org/un/firearms-protocol.htm>.

<sup>477</sup> Control Arms is a campaign jointly run by Amnesty International, IANSA and Oxfam.

<sup>478 &</sup>quot;Great steps forward for an International Arms Trade Treaty," Control Arms, 4 April 2005. Date of Access: 13 May 2005. <www.controlarms.org/latest\_news/steps-forward.htm>.

has donated US\$ 125,000 to the Interpol Weapons and Explosives Tracking System. 479 Canada also donated CAD\$ 300,000 to this Interpol program meant to help law enforcement officers worldwide to "trace firearms that have moved internationally." 480 Between 2004 and 2005, the US contributed a total of US\$ 3.46 million to the Democratic Republic of the Congo's (DRC) DDR program.<sup>481</sup>

Meanwhile, France has helped to finance the United Nations Regional Centre for Peace and Disarmament in Africa (UNREC). 482 Overall this institution is heavily under-funded and only a mere US\$2,608 remains in its Trust Fund to which France donated US\$ 156,557 between 2002 and 2003. 483 France has also made a €1 million contribution "to UNDP to cover the safety net package" and commence the DDR process for former combatants in the eastern region of Côte d'Ivoire. 484

Canada has been very supportive of DDR initiatives. Since 2002, Canada has provided more than CAD\$ 17 million for such programs in Africa. 485 It has also donated CAD\$ 4.5 million to support the Economic Community of West African States "for mission planning and management, the West African Moratorium on Small Arms and Light Weapons (SALW), and a scholarship fund to support training in peace support operations."486 Moreover, since 2002, Canada has contributed CAD\$ 2 million for the Small Arms and Light Weapons Subregional Program for West Africa and CAD\$ 1.5 million to the Government of Sierra Leone-UNDP Arms for Development Program. 487

The UK, meanwhile, invested £9.6 million in reintegration of ex-combatants in Sierra Leone between 2002 and 2004. Moreover, the UK pledged in October 2004 to donate £ 100 million to Sudan after a comprehensive peace agreement is signed. These funds are to be used in any of the following areas: "Humanitarian aid, recovery/reintegration,

<sup>479 &</sup>quot;UN Small Arms Report," IANSA, 7 February 2005. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.iansa.org/un/un-small-arms-report-feb2005.pdf> [hereinafter: "UN Small Arms Report"]

<sup>&</sup>lt;sup>480</sup> "Interpol Weapons Project," Interpol Website. Date of Access: 23 May 2005.

<sup>&</sup>lt;www.interpol.int/Public/Weapons/default.asp>.

<sup>&</sup>lt;sup>481</sup> "<u>USAID Democratic Republic of the Congo - Strategic Objective: 660-006</u>," USAID. Date of Access: 25 May 2005. <www.usaid.gov/policy/budget/cbj2005/afr/pdf/660-006.pdf>.

<sup>&</sup>lt;sup>482</sup> "La France partenaire du NEPAD - Plan d'action pour l'Afrique," G8 Evian Summit, 2 June 2003. Date of Access: 13 May 2005. <www.g8.fr/evian/items/data/pdf/nepad 2003 fr.pdf>.

<sup>&</sup>lt;sup>483</sup>"Review and implementation of the Concluding Document of the Twelfth Special Session of the General Assembly: United Nations Regional Centre for Peace and Disarmament in Africa: Report of the Secretary General," UNREC, 5 August 2004. Date of Access: 13 May 2005. <www.unrec.org/eng/A59209 Eng.pdf> 484 "UN Small Arms Report"

<sup>485 &</sup>quot;Canada Implements the G8 Africa Action Plan: Delivering on Commitments, One Year Later," Government of Canada, May 2003. Date of Access: 13 May 2005. <www.g8.gc.ca/att-en.asp>.

<sup>&</sup>lt;sup>486</sup> "Canada Fund for Africa: Supporting Peace and Security," Canadian International Development Agency, 7 February 2005. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.cida.gc.ca/cida ind.nsf/AllDocIds/4C7A974</p>

BC6C1425185256FA1005D982E?OpenDocument#1>.

<sup>&</sup>lt;sup>488</sup> Jeremy Ginifer, Kaye Oliver. "Evaluation of the Conflict Prevention Pools: Sierra Leone," Department For International Development (DFID), UK. March 2004. Date of Access: 25 May 2005.

<sup>&</sup>lt;www.dfid.gov.uk/aboutdfid/performance/files/ev647sleone.pdf>.

implementation of peace agreement, public administration/ security/judicial systems, policies for poverty reduction."<sup>489</sup>

Japan has also been active in funding DDR programs. It has contributed JPY 205 million to the United Nations Development Programme (UNDP) Arms for Development Program in Sierra Leone. <sup>490</sup> In addition, Japan donated US\$3.64 million to the United Nations Children's Fund (UNICEF) for its DDR Program for Children Associated with the Fighting Forces in Liberia 461 after making a similar donation to the DRC in October 2003 492

Despite these laudable initiatives, both Amnesty International and Human Rights Watch bring forth convincing evidence of some G8 countries' connivance in the arms trade in certain African countries. British, Russian, French, and American firms, among others, seem to have been implicated in the trade of small arms and light weapons (SALW) in the Sudan. 493 For example, in May 2004, Endeavour Resources UK Ltd started negotiating for the supply of twelve Antonov 26 cargo planes to the Sudanese military. 494 UK authorities are currently investigating these allegations to see if this firm violated UK law, "including a law which entered into force on 1 May 2004 which prohibits the brokering of arms by UK nationals and residents to destinations which are subject to UN. EU or other arms embargoes," such as the Sudan. 495 Arms brokers based in Ireland and the UK were also involved in negotiations to supply £ 2.25 million worth of arms to Sudan, in 2004. This too is being investigated by the government agency responsible for enforcing UK arms control legislation. 496

Russia, for its part, exported twelve MiG-29 jet fighters to Sudan in July 2004 and subsequently dismissed any connection between the escalation of conflict in Darfur and the supply of jet fighters. This despite the fact that many refugees and IDPs from the Darfur region have reported claims of aerial attacks by the Sudanese air force which preceded ground attacks by *janjaweed* militias — the latter of which Khartoum claims are not affiliated to the government. The fact that the "Sudanese government was being accused in the United Nations Security Council of supporting Sudanese militia in a

<sup>&</sup>lt;sup>489</sup> "Sudan Country Engagement Plan," DFID, UK. Date of Access: 25 May 2005.

<sup>&</sup>lt;a href="www.dfid.gov.uk/pubs/files/ sudan-country-engagement-plan0105.pdf">www.dfid.gov.uk/pubs/files/ sudan-country-engagement-plan0105.pdf</a>.

490 "Grant Aid to the Republic of Sierra Leone for Arms for Development (AFD) Programme," Ministry of Foreign Affairs of Japan, 18 March 2005. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.mofa.go.jp/announce/announce/2005/3/0318-5.html>.

<sup>&</sup>lt;sup>491</sup> "Emergency Grant Aid for the Disarmament, Demobilization, Rehabilitation and Reintegration (DDRR) Program for Children Associated with the Fighting Forces in Liberia by the United Nations Children's Fund," Ministry of Foreign Affairs or Japan, 19 March 2004. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.mofa.go.jp/announce/announce/2004/3/0319-6.html>

<sup>&</sup>lt;sup>492</sup> "Grant Aid for the Program for Support of the Disarmament, Demobilization and Reintegration of Ex-Combatants in the Democratic Republic of the Congo," Ministry of Foreign Affairs of Japan, 31 October 2003. Date of Access: 13 May 2005. <www.mofa.go.jp/announce/announce/2003/10/1031-2.html>

<sup>493 &</sup>quot;Arming the perpetrators of grave abuses in Darfur," Amnesty International, 16 November 2004. Date of Access: 13 May 2005. <web.amnesty.org/library/Index/ENGAFR541392004?open&of=ENG-SDN> [hereinafter: "Arming the Perpetrators"]

<sup>&</sup>lt;sup>495</sup> *Ibid*.

<sup>&</sup>lt;sup>496</sup> *Ibid*.

campaign of ethnic cleansing in Darfur," did not deter them from sending the planes either. 497

#### **Trade in Conflict Goods**

The trade in valuable natural resources, such as diamonds, cobalt and lumber, has been a key factor in fuelling internal armed conflicts in countries like Sierra Leone and the DRC. For example, it is widely known that profits from the diamond trade have been used by Sierra Leone's Revolutionary United Front (RUF) to purchase arms, thus contributing to human rights abuses.<sup>498</sup>

Stemming the trade in conflict diamonds took an international dimension on 1 December 2000 when the United Nations' General Assembly unanimously adopted a resolution to "break the link between the illicit transaction of rough diamonds and armed conflict."

The G8 has achieved progress in the elimination of trade in conflict goods through the ratification of the Kimberley Process Certification Scheme, which aims to rid the diamond industry of conflict diamonds. However, critics allege that the Kimberley Process lacks transparency, as compliance is voluntary and self-regulated by the diamond industry. Russia, the new chair of the Kimberley Process, has recently made some progress recently by declassifying its diamond production data and by taking steps to empower a secretariat set up within the purview of its finance ministry to implement the Kimberley Process. Further progress in stemming trade in conflict goods was accomplished when G8 Environment and Finance Ministers, in their latest meeting in March of 2005, agreed to tackle the issue of illegal logging.

<sup>&</sup>lt;sup>497</sup> Ihid

<sup>&</sup>lt;sup>498</sup> "Guinea, Liberia and Sierra Leone. Diamond Trading Must be Controlled and Monitored From the Point of Mining to the Point of Export," Amnesty International. 1 April 2002. Date of Access: 9 June 2005. <a href="https://www.neg/library/index/ENGAFR050012002">web.amnesty.org/library/index/ENGAFR050012002</a>.

<sup>499 &</sup>quot;Conflict Diamonds, Sanctions and War: General Assembly Adopts Resolution on 'Conflict Diamonds,'" UN Conflict Diamonds Website. Date of Access: 9 June 2005.

<a href="https://www.un.org/peace/africa/Diamond.html">www.un.org/peace/africa/Diamond.html</a>.

<sup>&</sup>quot;List of Participants," Kimberley Process. Date of Access: 13 May 2005. <a href="https://www.kimberleyprocess.com">www.kimberleyprocess.com</a>:8080/site/?name=participants&PHPSESSID=24ae976cd33882e06bd00d83502efe1b>

<sup>501 &</sup>quot;Déjà vu: Diamond Industry Still Failing to Deliver on Promises," Amnesty International, Global Witness., October 2004. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.globalpolicy.org/security/issues/diamond/2004/1004dejavu.pdf>

<sup>502 &</sup>quot;Controlling Diamonds," Washington Post, 29 November 2004. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.washingtonpost.com/wp-dyn/articles/A18821-2004Nov28.html>

<sup>&</sup>lt;sup>503</sup> "Russia Creates KP Secretariat," Rapaport, 13 March 2005. Date of Access: 13 May 2005. <a href="https://www.diamonds.net/news/newsitem.asp?num=11646&list=4">www.diamonds.net/news/newsitem.asp?num=11646&list=4</a>.

<sup>&</sup>lt;sup>504</sup> "G8 Environment and Development Ministers Agree Action on Illegal Logging and Put Climate Change in Africa on Agenda for G8 Heads," UofT G8 Information Centre, 18 March 2005. Date of Access: 13 May 2005. <a href="https://www.g8.utoronto.ca/environment/env\_dev050318.htm">www.g8.utoronto.ca/environment/env\_dev050318.htm</a>.

#### Landmines

Each year 20,000 casualties are caused by landmines. Moreover, landmines are a "developmental disaster" as they "deny people the use of land and infrastructure." 505 Among the world's ten most affected territories are Angola, Eritrea, Somalia and Sudan. 506 In an effort to eliminate the unnecessary suffering caused by landmines, all G8 members, except for the US and Russia, have ratified the Ottawa Convention on the Prohibition of the Use, Stockpiling, Production, and Transfer of Anti-Personal Mines and on Their Destruction.<sup>507</sup> The US' rationale for not acceding to the Ottawa Convention is that "landmines still have a valid and essential role protecting United State's forces in military operations." 508 Although it has not produced landmines since 1997, the US nevertheless reserves itself the right to do so. 509 In 1998, President Clinton had pledged to cease using anti-personnel landmines and to join the Ottawa Convention by 2006. However, in 2001, President Bush began a review of the US' landmine policy. By February 2004, the Bush Administration's new policy stated that landmines could be used until 2010 but that the US Department of State's portion of the US Humanitarian Mine Action Program would also see a 50 % budget increase. 510 Russia, for its part, considers anti-personnel mines necessary for defensive capabilities. It continues to use them in Chechnya.511

Canada has pledged to add CAD\$ 72 million to its Landmine Fund between 2003 and 2008,<sup>512</sup> while the EU will invest €140 million between 2005 and 2007.<sup>513</sup> Germany, for its part, is actively supporting the work of the Mine Action Support Group, an umbrella organization with members that focus on implementing projects overseas.<sup>514</sup> Meanwhile, the UK's Department for International Development has been investing £ 500,000 in

<sup>&</sup>lt;sup>505</sup> "Ten Facts You Need to Know About Landmines," Landmine Action. Date of Access: 9 June 2005. <a href="https://www.landmineaction.org/problem.asp">www.landmineaction.org/problem.asp</a>

<sup>506</sup> Ihid

<sup>&</sup>lt;sup>507</sup> "First Review Conference of the States Parties to the Convention on the Prohibition of the Use, Stockpiling, Production, and Transfer of Anti-Personal Mines and on Their Destruction: Final Report," The Nairobi Summit on a Mine-Free World, 8 December, 2004. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.reviewconference.org/pdf/documents/final report/RC Final Report en.pdf>.

<sup>&</sup>lt;sup>508</sup> "New United States Policy on Landmines: Reducing Humanitarian Risk and Saving Lives of United States Soldiers," Bureau of Political-Military Affairs, 27 February 2004. Date of Access: 13 May 2005. <a href="https://www.state.gov/t/pm/rls/fs/30044.htm">www.state.gov/t/pm/rls/fs/30044.htm</a>

<sup>&</sup>lt;sup>509</sup> "Universilisation: the Biggest Challenge of All," Landmine Action. Date of Access: 9 June 2005. <a href="https://www.landmineaction.org/problem.asp?item=ottawa2">www.landmineaction.org/problem.asp?item=ottawa2</a>

<sup>510 &</sup>quot;National Positions on the Ottawa Treaty," Landmine Action. Date of Access: 9 June 2005. <a href="https://www.landmineaction.org/problem.asp?item=ottawa1">www.landmineaction.org/problem.asp?item=ottawa1</a>.

<sup>&</sup>lt;sup>511</sup> *Ibid*.

<sup>&</sup>lt;sup>512</sup> "Canada's Support for Mine Action," Foreign Affairs Canada, 5 August 2005. Date of Access: 13 May 2005. <a href="https://www.mines.gc.ca/IV/menu-en.asp">www.mines.gc.ca/IV/menu-en.asp</a>.

<sup>&</sup>lt;sup>513</sup> "Commission pledges €140 million to help eliminate the threat of anti-personnel land mines," EUROPA, 2 December 2004. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.europa.eu.int/comm/external relations/mine/intro/index.htm>

<sup>&</sup>lt;sup>514</sup> "Germany and the Mine Action Support Group," Permanent Mission of Germany and the United Nations. Date of Access: 13 May 2005. <a href="https://www.germany-un.org/peace/disarmament/disarmament.html?PHPSESSID=c2c9b32ac9aba421946d0a66245e5b4e">https://www.germany-un.org/peace/disarmament/disarmament.html?PHPSESSID=c2c9b32ac9aba421946d0a66245e5b4e</a>.

innovative anti-landmine technologies.<sup>515</sup> France also recently launched two new programs in Africa to fund demining initiatives and give assistance to landmine victims. It is giving € 3 million to Angola and € 2 million to East African countries. <sup>516</sup>

Once again, however, the G8's record in complying with its commitment to eliminate landmines is mixed. For example, landmines produced by Germany, Italy, Russia, the UK and the US have been found among the 1 million landmines that cover the Sudanese territory.517 Amnesty International therefore reminds the international community that it has an obligation "to ensure that no anti-personnel landmines are transferred to Sudan and to help ensure armed groups in Sudan do not use them."518 Moreover, once these landmines are exported, it is commonly argued by civil society actors that those who manufacture the landmines should be responsible to extract them.

## **Peace Support Operations**

Since the Evian Summit, in 2003, G8 countries have committed themselves to developing institutional capacities to prevent conflict in Africa while also pledging to support the African Union's (AU) project to create an early warning system. This early warning system would utilize "cutting-edge technology to provide a map based information and knowledge warehouse or depository."519 It is a tool meant to predict or prevent conflict through the establishment of early warning databanks and knowledge bases. In order to comply with these commitments, Japan invested close to US\$ 2 million in 2003 for the "Integrated Regional Information networks (IRIN) Outreach Radio Project." Canada is supporting programs meant to improve the African Union's early warning system<sup>521</sup> while also contributing financially to AU military observer and political mediation missions. 522

<sup>515 &</sup>quot;DFID Funded Project Develops Groundbreaking Anti-Landmine Device," Department of International Development, 5 April 2005. Date of Access: 13 May 2005. <www.dfid.gov.uk/news/files/enter-the-

<sup>516</sup>n/Convention sur l'Interdiction de l'Emploi, du Stockage, de la Production et du Transfert des Mines Antipersonnel et sur leur Destruction. Allocution du Ministre Délégué à la Coopération, au Développement et à la Francophonie, M. Xavier Darcos (Nairobi, 2 décembre 2004)," Ministère des Affaires Étrangères, France. Date of Access: 24 May 2005.

<sup>&</sup>lt;sup>519</sup> "Products: Early Warning System," Cybersoft. Date of Access: 9 June 2005. < <u>www.cybersoft-</u>

intl.com/Products/ews.asp>
520 "Assistance for Information Communication in Vulnerable Communities in Afghanistan and Nine Countries in Africa," Ministry of Foreign Affairs of Japan, 20 March 2003. Date of Access: 13 May 2005. <www.mofa.go.jp/announce/announce/2003/3/0320.html>.

<sup>521 &</sup>quot;Freedom, Prosperity and Security, the G8 Partnership with Africa: Sea Island 2004 and Beyond," Council on Foreign Relations, May 2004, Date of Access: 13 May 2005. <www.g7.utoronto.ca/scholar/cfr0405.pdf>.

<sup>522 &</sup>quot;Canada and the G8 Africa Action Plan: Maintaining the Momentum," Canadian International Development Agency, June 2004, Date of Access: 13 May 2005, <www.acdi-cida.gc.ca/INET/ IMAGES.NSF/vLUImages/Canada Fund for Africa/\$file/G8-Interim-Report-2004-EN.pdf>.

Most importantly, the G8 countries recently reiterated their commitment to helping the AU establish the Continental Early Warning System. 523

### The Commission for Africa

In March 2005, the Commission completed its mandate through the publication of its final report: *Our Common Interest: Report of the Commission for Africa* The report's chapter on Peace and Security emphasizes the need to focus on the root causes of conflict in order to prevent conflict from occurring. By strongly advocating for a preventive approach to conflict rather than a reactive one, the CFA implicitly criticized the road the G8 states have taken in addressing conflict in Africa.<sup>524</sup>

At the same time the CFA's main recommendations do not stray too far from previous G8 commitments. For example, the CFA demands a stronger commitment to arms control. It targets this demand specifically at G8 and EU manufacturers, exporters, and brokers of arms to Africa. 525 It points to significant gaps in the current agreement on the control of SALW as well as in its enforcement. Thus, it not only advocates for the opening of negotiations on an International Arms Trade Treaty (IATT) but it also asks that the G8 and EU make the IATT a priority 526 The CFA emphasizes that "G8 and EU governments should take the lead in encouraging stricter controls and better monitoring and enforcement of existing regulations." For example, it suggests that creating a registration scheme for transportation agents could help better regulate and detect the transportation of illicit weapons while also helping African governments strengthen their monitoring capacity. Furthermore, it demands that SALW and mine clearance programmes be integrated into "regional peacebuilding and post-conflict reconstruction efforts." 528

Moreover, the CFA reiterates its concern about the role certain resources play in perpetuating conflicts. It applauds the successes of the Kimberley Process and backs the establishment of a permanent UN body to monitor trade in conflict goods. The CFA also demands a stronger commitment from multinational corporations to guidelines of social corporate responsibility. What is more, it strongly urges G8 countries to support Africa's continental and regional organizations in building early warning, mediation and peacekeeping systems. The CFA stresses that in order to enable the AU to prevent and resolve conflict, donors should fund "at least 50 percent of the AU's Peace Fund from 2005 onwards." Finally, it asks the G8 to support the UN's Peace Building Commission.

<sup>&</sup>lt;sup>523</sup> "Consultation Between the AU, the G8 Member Countries and Other Partners and African Peace and Security Institutions" NEPAD, 4 April 2005. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.nepad.org/2005/files/documents/commu 001.pdf>.

<sup>524 &</sup>quot;Our Common Interest"

<sup>&</sup>lt;sup>525</sup> *Ibid*.

<sup>&</sup>lt;sup>526</sup> *Ibid*.

<sup>&</sup>lt;sup>527</sup> *Ibid*.

<sup>&</sup>lt;sup>528</sup> *Ibid*.

<sup>&</sup>lt;sup>529</sup> *Ibid*.

### Conclusion

The CFA's recommendations show that despite the G8's financial contributions to DDR programs and attempts to address arms control more action is needed. The CFA's report is likely to shape the discussion of conflict prevention at the Gleneagles Summit. However, despite the CFA's emphasis on conflict prevention, it is unclear how prominently this issue will figure on the G8 countries' agenda, as the trend since Kananaskis has been to put the emphasis on conflict management. Moreover, it is likely that topics such as trade, debt relief and HIV/AIDS will be given much more importance than conflict prevention.

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# **African Peace Support Operations**

In recent years Western countries have cut troop contributions to peacekeeping missions worldwide, and have preferred to support the development of regional peacekeeping forces. This trend is illustrated by the G8 countries' Peace Support policy. As part of the Kananaskis Summit's Africa Action Plan in 2002, the G8 leaders promised to aid in the establishment of African-led peacekeeping operations by 2010. At the Evian Summit in 2003, the leaders reiterated this commitment by resolving to "provide technical and financial assistance so that, by 2010, African countries and regional and sub-regional organizations are able to engage more effectively to prevent and resolve conflict on the continent, and undertake peace support operations in accordance with the United Nations Charter." 532

At Sea Island, in 2004, tangible commitments were made, while expanding their scope to include global capabilities for Peace Support Operations. Specifically, the G8 undertook to train approximately 75,000 troops worldwide by 2010, yet maintain a "sustained focus" on Africa. The Action Plan adopted at Sea Island pledged to "enhance the capacity of regional and sub-regional organizations to plan and execute peace support operations. This was to be accomplished through the funding of regional training centres, both in Europe and in Africa. Further, the plan promises to "develop a transportation and logistics support arrangement" to "address a key capabilities gap that often prevents timely intervention in crises." This was to be completed prior to the 2005 summit. 533

This report assesses the contributions of the G8 countries to these commitments. Several G8 member-states have committed troops to UN, NATO, and other multilateral avenues for peace-keeping operations in Africa. The French commitment of troops to the DRC and Ivory Coast, UK commitment of troops to Sierra Leone, Italian deployments in Ethiopia and Eritrea, and most recently Canada's offer of troops for Sudan are all examples of this. Nevertheless,this report highlights only those contributions of the G8 to the development or support of an African-led peacekeeping force, primarily under the auspices of the African Union.

#### **Assessments**

#### Canada

Historically a leader in troop contributions to UN and NATO missions, Canada's transition to primarily providing funding and logistical support for foreign national troops in peace operations clearly demonstrates the shift in Western contributions. Canada's

<sup>&</sup>lt;sup>530</sup> Cilliers, Jakkie, Peacekeeping, Africa and the Emerging Global Security Architecture. 2003. Date of Access: 23 April 2005. <a href="https://www.iss.co.ca/Pubs/ASR/12No1/CCilliers.html/">www.iss.co.ca/Pubs/ASR/12No1/CCilliers.html/</a>>.

<sup>&</sup>lt;sup>531</sup> G8 Africa Action Plan, 2002 Kananaskis Summit Official Website. 27 June 2002. Date of Access: 20 December 2004. <a href="https://www.g8.gc.ca/sumdocs2002-en.asp">www.g8.gc.ca/sumdocs2002-en.asp</a>.

<sup>&</sup>lt;sup>532</sup> France, A Partner of NEPAD: An Action Plan for Africa, 2003 Evian Summit Official Website. 3 June 2003. Date of Access: 20 December 2004.

<sup>&</sup>lt;www.g8.fr/evian/english/navigation/2003 g8 summit/summit documents.html>.

<sup>&</sup>lt;sup>533</sup> G8 Action Plan: Expanding Global Capability for Peace Support Operations," 2004 Sea Island Summit. 10 June 2004. <<u>www.g8usa.gov/documents.htm</u>>.

transition has seen it make numerous commitments to peacekeeping missions in Africa. In 2003 Canada contributed CAD\$ 3 million to support West African peace operations through a joint venture between the Pearson Peacekeeping Centre and the Kofi Annan International Peace Training Centre (KAIPTC) in Ghana. These funds assisted the Economic Community of West African States (ECOWAS) peacekeeping mission in West Africa. 534

In 2004 and 2005 Canada, along with the international community, turned its attention to Sudan and offered support for peace operations there. In September 2004 Canada's Department of National Defence (DND) offered CAD\$ 250 000 worth of military supplies such as helmets and body armor to the African Union (AU) mission in Sudan.<sup>535</sup> In November, the DND donated an additional CDN\$ 1.165 million worth of military equipment. As well, Canada offered direct transportation for AU officials, chartering helicopters for one year at a cost of CAD\$ 15.4 million.

On May 12, 2005 Prime Minister Paul Martin announced up to CAD\$ 198 million to support the AU mission in Sudan. These funds will provide military and technical assistance as well as expanding Canada's transportation initiatives. With this contribution, Canada has shown itself to be a leader in the new peacekeeping role of industrial countries. 537

### France

France has been involved in training peacekeepers through its *Renforcement des capacitées Africaines de maintien de la paix* (RECAMP) program since 1998. The exemplary scope of this program trains thousands of peacekeepers per year in exercises involving many countries. In 2004, RECAMP trained 2,000 troops from 20 different countries. France has also made relatively minimal contributions to the KAIPTC.

<sup>&</sup>lt;sup>534</sup> Canada supports peace training in West Africa. 17 April 2003. Date of Access: 12 May 2005 .<a href="www.acdi-cida.gc.ca/cida">www.acdi-cida.gc.ca/cida</a> ind.nsf/vPrintNewsReleaseEn/8A7F860E14CCB04E85256D0B0054C20D>.

<sup>535 &</sup>quot;Prime Minister announces new initiatives toward increased security in Sudan," Prime Minister's Office, Government of Canada. 25 November 2004. Date of Access: 12 May 2005.

<sup>&</sup>lt;www.pm.gc.ca/eng/news.asp?id=335>,.

<sup>&</sup>lt;sup>536</sup> "Canada creates special advisory team and Expands contribution to help resolve humanitarian crisis in Darfur," . 12 May 2005. Date of Access: 13 May 2005.

<sup>&</sup>lt;www.news.gc.ca/cfmx/CCP/view/en/index.cfm?articleid=145689>.

<sup>537</sup> On June 12th it was reported that Canada may send 100 armoured personnel carriers to Sudan for use by the African Union mission there. Along with the carriers is the offer of training African personnel to use and maintain them. However, this deal must be approved by the US State Department because the carriers include U.S. equipment that requires permission to be sent to a third party. This announcement comes shortly after speculation that Canada might send soldiers to keep the peace in Sudan. The offer was sharply rejected by African leaders who stated that peacekeeping in Sudan should be within the African framework. For further information please see: "Canada may send armoured carriers to Sudan," CBC.CA, 12 June 2005. Date of Access: 12 June 2005. <a href="www.cbc.ca/story/canada/national/2005/06/12/grizzly-sudan050612.html">www.cbc.ca/story/canada/national/2005/06/12/grizzly-sudan050612.html</a> and "African leaders oppose non-Africans in Sudan," *The Globe and Mail*. 17 May 2005.

<sup>538 &</sup>quot;L'exercice Benin 2004." Date of Access: 10 May 2005.

<sup>&</sup>lt;www.defense.gouv.fr/sites/ema/enjeux defense/exercices interarmees/recamp/lexercice benin 2004>.

## Germany

Germany was instrumental in the 2003 opening of the Kofi Annan International Peacekeeping Training Centre in Ghana, donating more than € 2 million towards its construction. KAIPTC is part of Western Africa's network of centres of excellence that is vital to developing the peacekeeping capabilities of ECOWAS.

Germany has also contributed to peacekeeping missions directly. The AU mission in Burundi received US\$ 464,920 from Germany.<sup>539</sup> Germany has also made contributions to peace operations in Sudan, providing € 1 million in support of the AU Darfur mission there.<sup>540</sup> Further, Germany has given € 100,000 in communication items to the AU mission and helped to airlift troops.<sup>541</sup>

### Italy

Italy has provided an adequate level of assistance to African peace support operations. Following the Sea Island Summit, Italy acted quickly to establish the Centre of Excellence for Stability Police Units (CoESPU) in Vicenza. The Centre will train 3,000 officers in accordance with the "train the trainer" methodology laid out in the Sea Island G8 Action Plan. The aim of this program is to have the 3,000 officers return to their countries to train an additional 4,500 personnel by 2010.<sup>542</sup>

Prior to this recent commitment, Italy directly supported AU peacekeeping by contributing € 550,000 to its mission in Burundi and donating to the KAIPTC.<sup>543</sup>

## Japan

Japan has showed a modest commitment to both peace-training centres and to AU missions. It has responded to the crisis in Darfur, contributing US\$ 2,070,000 to the African Union Mission in Sudan (AMIS).<sup>544</sup> In addition, Japan supported the establishment of the KAIPTC in 2003.<sup>545</sup>

<sup>&</sup>lt;sup>539</sup> "Press Release 118/2003. Italian government to contribute €350,000.00 to the African Mission in Burundi," 30 December 2003. Date of Access: 10 May 2005. <a href="www.africa-union.org">www.africa-union.org</a>>.

<sup>&</sup>lt;sup>540</sup> "German government increases aid for refugees in Sudan," 2 August 2004. Date of Access: 10 May 2004. <a href="www.bundesregierung.de">www.bundesregierung.de</a>>.

<sup>&</sup>lt;sup>541</sup> "Federal Foreign Office provides communications facilities for AU mission in Sudan," 16 August 2004. Date of Access: 14 May 2005.<a href="mailto:auswaertiges-amt.de/www/en/arhiv\_print?archiv\_id=6029">auswaertiges-amt.de/www/en/arhiv\_print?archiv\_id=6029</a>> And "African Union Press Release on Protection Force Deployment," 23 December 2004. Date of Access: 5 January 2005. <a href="mailto:allafrica.com/stories/200412230183.html">allafrica.com/stories/200412230183.html</a>>.

<sup>&</sup>quot;Centre of Excellence for Stability Police Units." Date of Access: 12 May 2005. <a href="coespu.carabinieri.it/ENG">coespu.carabinieri.it/ENG</a> 00 Coespu01.htm>.

<sup>543 &</sup>quot;Press Release 118/2003. Italian government to contribute €350,000.00 to the African Mission in Burundi," 30 December 2003. Date of Access: 10 May 2005. <a href="www.africa-union.org">www.africa-union.org</a>>.

<sup>&</sup>lt;sup>544</sup> "Japan's Assistance to Support the African Union's Initiative in Darfur." 28 March 2005. Date of Access: 13 May 2005. <a href="https://www.mofa.go.jp/announce/announce/2005/3/0328-2.html">www.mofa.go.jp/announce/announce/2005/3/0328-2.html</a>.

<sup>&</sup>lt;sup>545</sup> "Donors to the KAIPTC, Kofi Annan International Peacekeeping Training Centre." Date of Access: 6 January 2005. <<u>www.kaiptc.org/kaiptc/donors.htm</u>>.

### Russia

Amnesty International highlights that Russia, despite its commitments to peace support at G8 summits, has sold arms to the Sudanese government. The Sudanese government has long been implicated in supporting the *janjaweed* militia, which has been attacking civilians and resistance groups throughout the region since conflict broke out in the Darfur region in February 2003. Amnesty International has confirmed that these arms have been used in attacks against civilians. 547

In addition, Russia has done little to improve logistic capabilities or train peacekeepers directly. Indeed, most of Russia's military training and assistance is directed towards the countries of the former Soviet Union, with Moscow having largely relinquished its sphere of influence and bilateral allies in Africa over the past decade.

## **United Kingdom**

The UK has demonstrated leadership in implementing the G8 Action Plan for Peace Support Operations. The government asserts that 17,000 African troops will be trained either directly by or through organizations supported by the UK. This number is likely overestimating the UK's impact on supported centres like the KAIPTC, where many non-G8 countries offer assistance. Still, the UK is the leading contributor to the KAIPTC in 2004, donating £ 2.5 million. The UK also assists the British Peace Support Team in Kenya, the Ghana Armed Forces Command and Staff College, and peacekeeping initiatives in South Africa and Nigeria. 548

Direct support has been given to both the African Union Mission in Burundi (AMIB) and the African Union Mission in Sudan (AMIS), as well as to two ECOWAS missions. The UK has directly contributed £ 2 million to AMIB. Another £ 3.7 million was provided to Mozambique in support of its troop contingent in AMIB. More recently, the UK contributed £ 14 million to the AU mission in Darfur. 550

### **United States**

Using funds earmarked for military assistance, the US is able to contribute significantly to the goals of the G8 Action Plan. Its International Military Education Program funds programs all over the world, including initiatives to prepare the African Union (AU) and ECOWAS personnel for the management of peacekeeping operations. In 2004, the US spent US\$ 11,173,000 to train 1,683 students for African Peace support operations.

<sup>&</sup>lt;sup>546</sup> "Amnesty International. Sudan: Arming the Perpetrators of Grave Abuses in Darfur." 16 November 2004. Date of Access: 24 May 2005.<a href="https://www.nesty.org/library/index/ENGAFR541392004">web.amnesty.org/library/index/ENGAFR541392004</a>>.

<sup>&</sup>lt;sup>548</sup> "Training for Peace Support Operations." Date of Access: 14 May 2005. <<u>www.fco.gov.uk</u>>.

<sup>&</sup>lt;sup>549</sup> "Support to African Peacekeeping Missions." Date of Access: 14 May 2005. <<u>www.fco.gov.uk</u>>.

<sup>&</sup>lt;sup>550</sup> "Country Profile: Sudan." Government of UK. Date of Access: 14 May 2005.

<sup>&</sup>lt;www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=10070293943 65&a=KCountryProfile&aid=1020687852749>.

Funding fell to US\$ 10,807,000 for 1,268 students in 2005. The White House has requested US\$ 11,035, 000 from the US Congress to train 1,289 personnel in 2006. 551

The US supported African peacekeeping operations outside the purview of the UN in 2004 with US\$ 30 million. That number should rise to US\$ 133 million in 2005 due to US\$ 100 million contribution to AMIS. The US executive has requested US\$ 41 million for African peacekeeping support in 2006.<sup>552</sup> Further, the US has earmarked another US\$ 37 million for African peacekeeping support as part of its Global Peacekeeping Initiative (GPOI). The US\$ 37 million will fund African Contingency Operations Training and Assistance (ACOTA), a program that will train Africa militaries in preparation for peace support operations.<sup>553</sup> ACOTA has been very successful, training around 9,000 soldiers in 2004 alone.<sup>554</sup>

## **European Union**

The European Union demonstrated its commitment to G8 initiatives by donating €250 million to establish the Peace Facility for Africa. € 12 million from this fund has been allocated to the AU mission in the Sudan. 555

The EU has also launched a police mission to the Democratic Republic of the Congo to help train Congolese police force that would oversee the upcoming elections. 556

### **Successes and Failures**

Most G8 countries have demonstrated support for both main points in the Sea Island Action Plan. Unfortunately, this support is simply inadequate. Both African Union peacekeeping missions, AMIB and AMIS, have had to be handed over to the UN because the African Union lacked both funding and capability.<sup>557</sup> Furthermore, despite efforts to train personnel, the target of 75,000 trained troops by 2010 is not likely to be met.

Retired Colonel, Festus Agoagye, from the Institute for Security Studies in South Africa argues that 'soft' training assistance does not address the critical area of the AU's needs. He argues that in order to bridge the gap between hesitant UN intervention and the AU's lack of capability both the UN and the international community need to consider

<sup>&</sup>lt;sup>551</sup> "Military Assistance," Department of State, United States. Date of Access: 12 May 2005.<a href="https://www.state.gov/documents/organization/42247.pdf">www.state.gov/documents/organization/42247.pdf</a>>.

<sup>552</sup> Ibid.

<sup>553</sup> Ibid

<sup>&</sup>lt;sup>554</sup> "ACOTA rated highly during House hearing on Peacekeeping in Africa," 13 October 2004. Date of Access: 12 May 2005. <usinfo.state.gov/af/Archive/2004/Oct/14-232582>.

<sup>555 &</sup>quot;EU votes EUR12 million to Support African Union Peace Keeping Operations in Darfur," 6 November 2004. Date of Access: 24 April 2005. <a href="https://www.europaworld.org/week181/euvotes11604.htm">www.europaworld.org/week181/euvotes11604.htm</a>

<sup>556 &</sup>quot;Launch of the EUPOL-Kinshasa mission. Statement by the Ministry of Foreign Affairs Spokesperson," Government of France. Date of Access: 12 May 2005.

<sup>&</sup>lt;www.diplomatie.gouv.fr/actu/impression.gb.asp?ART=49118>.

<sup>&</sup>lt;sup>557</sup> "Burundi: UN Mission favors takeover of AMIB." 26 February 2004. Date of Access: 12 May 2005. <globalpolicy.org/security/sanction/burundi/>

themselves "partners in arms" with the AU. 558 The capability gap has simply not been closed. Ironically, this is precisely what the Sea Island Action Plan sought to do. The failure of the international community to properly support the AU mission in Sudan after the lessons from AMIB illustrates that a renewed commitment is desired at the Gleneagles summit.

## **Prospects for the 2005 Summit**

The Commission for Africa points out that there is significant work to be done in order to ensure the establishment of the African-led peacekeeping missions before 2010. The G8 Summit in Gleneagles should produce a commitment to this goal, and the training of 75,000 troops by that date, if not 2015. The previous African-led missions have made it apparent that the AU cannot fund this crucial piece of the African security architecture itself. The Commission for Africa recommends that donor countries "should agree to fund at least 50 percent of the AU's Peace Fund from 2005 onwards." While training peacekeeping personnel, both troops and officers, is essential, the costs of maintaining long-term peacekeeping missions are simply beyond the means of the AU. Thus, the Commission's recommendation is crucial if African-led peacekeeping is to become a successful venture.

Furthermore, the G8 are also expected to announce its political, and in a few select cases, financial, support for a series of current and proposed African Union peacekeeping and reconciliation operations across the continent. These include PKO in eastern DRC, Ivory Coast, Uganda and Togo. Most notably, the G8 are expected to announce bold new support for the African Union Observer Mission in Sudan, pushed by Canada, France and the UK, in both financial terms as well as logistical and equipment resources. For more information on this latter prospective, see the following report.

Compiled by Bentley Allan G8RG Policy Analyst

<sup>&</sup>lt;sup>558</sup> "Agoagye, Col (Rtd.) Festus. The African Mission in Burundi: Lessons learned from the first African Union Peacekeeping Operation." 15 September 2004. Date of Access: 10 May 2005. <a href="https://www.iss.co.za/pubs/Other/CT2">www.iss.co.za/pubs/Other/CT2</a> 2004%20PG9-15.pdf>.

<sup>&</sup>lt;sup>559</sup> "Our Common Interest: Report of the Commission for Africa." March 2005. Date of Access: 10 May 2005. <a href="https://www.commissionforafrica.org/english/report/thereport/english/11-03-05">www.commissionforafrica.org/english/report/thereport/english/11-03-05</a> cr report.pdf. Date of Access: 10 May 2005.

# **Humanitarian and Security Crisis in Sudan**

Africa's longest-running civil war was brought to a close this year, on 9 January 2005 in Nairobi, Kenya, with the signing of the Comprehensive Peace Agreement (CPA). Fuelled by issues of oil, ethnicity, and religion, the civil war began in 1983 when the state imposed Islamic law on all Sudanese peoples. The Sudan People's Liberation Army/ Movement (SPLA/M) of the mainly animist and Christian south consequently took up arms against the state in a show of resistance. The conflict has since claimed more than two million lives, with more than four million of the southern Sudanese displaced from their homes. The CPA includes power and wealth sharing provisions between the North and the South, which has made the SPLA/M leader John Garang Vice-President and stipulates a 50/50 sharing of the oil revenues. Other provisions include the right of the South to hold a referendum on secession in six years, the lifting of Shari'a law from all non-Muslim peoples of Sudan, and a dual banking system. The close the state in the state i

But this is to say nothing of the conflict that rages on in the western region of Darfur, which, as in the North-South civil war, has also been ferociously pursued under the pretenses of ethnicity and religion. The conflict in Darfur began in February 2003 after rebel groups in the region, namely the Sudan Liberation Army (SLA) and the Justice and Equality Movement (JEM), began to mobilize Darfurians in a show of resistance against the Government of Sudan (GoS) in protest against their own marginalization. The GoS responded with a counter-insurgency campaign that gave the region's nomadic Arab militias known as the Janjaweed a *carte blanche* to suppress the uprisings of the rebel groups in exchange for the property of deceased farmers, who the *janjaweed* militias have been killing *en masse*. The result of the clash has been devastating; the UN has called it the "worst humanitarian crisis" in the world, while the United States has officially termed it as a "genocide". The estimates of the death toll in this conflict since its commencement in February 2003 range from 70,000 to 400,000,<sup>562</sup> with more than two million people displaced.<sup>563</sup>

The GoS signed a ceasefire deal with the JEM and the SLA in N'djamena, Chad, on 8 April 2004, which was followed by two protocols signed in Abuja, Nigeria, on 9 November 2004. However, the violence in Darfur has continued: breaches of the ceasefire have been committed by all sides. JEM leader Dr. Khalil Ibrahim has previously set preconditions for returning to the negotiations: "we will not lay down arms until after the government falls or a fair political settlement is reached for all the peoples

<sup>&</sup>lt;sup>560</sup> William Maclean, "Darfur Casts Shadow Over Sudan Peace Pact in South," Reuters 31 Dec 2004. Date of Access: 3 January 2005 <a href="https://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=7216054">www.reuters.com/newsArticle.jhtml?type=topNews&storyID=7216054</a>>.

<sup>&</sup>lt;sup>561</sup> "Sudan Comprehensive Peace Agreement (CPA), 9 Jan 2005," Institute for Security Studies (Pretoria). Date of Access: 16 May 2005. <a href="https://www.iss.co.za/AF/">www.iss.co.za/AF/</a> profiles/Sudan/darfur/cpaprov.htm>.

<sup>&</sup>lt;sup>562</sup> "Sudan: Death Toll in Darfur," U.S. Department of State (Washington), 25 March 2005. Date of Access: 19 May 2005 <a href="https://www.state.gov/s/inr/rls/fs/2005/45105.htm">www.state.gov/s/inr/rls/fs/2005/45105.htm</a>.

<sup>&</sup>quot;More African Troops Go To Darfur," BBC World News UK Edition (London) 16 Dec 2004. Date of Access: 3 January 2005. <news.bbc.co.uk/2/hi/africa/4102613.stm>.

<sup>&</sup>lt;sup>564</sup> "The Situation in the Darfur Region of Sudan," African Union (Addis Ababa), 21 Dec 2004. Date of Access: 20 May 2005. <a href="https://www.africa-union.org/DARFUR/homedar.htm">www.africa-union.org/DARFUR/homedar.htm</a>>.

in Sudan's provinces." 565 What would be considered a fair political settlement for the JEM would be that the GoS "withdraw from territory it has captured...and those accused by the International Commission of Inquiry of committing atrocities should stand trial," reports the International Crisis Group. 566 However, at a mini-African summit held in Tripoli, Libya on 16 May 2005, attended by several African heads of state, the JEM and the SLA agreed to return to the bargaining table in the near future without a set of preconditions. 567 The AU has announced that it will be holding its annual summit in the Libyan port city of Surt on July 4-5, for which Darfur will be the central theme. <sup>568</sup>

The G8 collectively expressed concern over the conflict in Darfur for the first time at the 2004 Sea Island Summit in the U.S. — well over a year after the conflict had begun. Here they issued the G8 Statement on Sudan in which they assured humanitarian assistance to those in need in Darfur and affirmed their reliance on the "United Nations to lead the international effort to avert a major disaster." The document also pledged support to the African Union (AU) in its role in monitoring cease-fire agreements. 569

### The G8's Multilateral Initiative in Sudan

The most successful multilateral initiative in which the G8 has participated is the Oslo Donors' Conference (ODC), which took place in Norway on 11 and 12 April 2005. The purpose of the ODC was to help facilitate the implementation of the Comprehensive Peace Agreement (CPA) of 9 January 2005. The conference gathered the GoS, the SPLA/M and more than 60 countries and international organizations, with participants pledging more than US\$ 4.5 billion over the period of 2005-2007 — the first phase of the Development Plan aimed to implement the CPA. According to the Chair's conclusions from the conference, the participants emphasized the view that "capacity building is a key factor for the implementation of the CPA and of reconstruction programmes, and expressed commitment to support efforts in this regard."570 While reconstruction and economic development may be necessary conditions for the maintenance of peace, these investments will likely also benefit the economies of the donor countries. That said, it should be no surprise that the US\$ 4.5 billion pledged at the ODC to help with the reconstruction of south Sudan and the implementation of the CPA vastly exceeds the aid

<sup>&</sup>lt;sup>565</sup> "INTERVIEW- JEM rebel leader calls for govt led by southerner," Sudan Tribune (Paris), 6 May 2005. Date of Access: 20 May 2005. <a href="https://www.Sudan Tribune.com/article.php3?id">www.Sudan Tribune.com/article.php3?id</a> article=9424>.

<sup>&</sup>lt;sup>566</sup> "Policy Briefing: A New Sudan Action Plan", International Crisis Group (Brussels)," 26 Apr 2005. Date of Access: 14 May 2005. <www.smallarmsnet.org/issues/regions/sudanplan.pdf>.

<sup>&</sup>lt;sup>567</sup>"Darfur Peace Talks Set to Resume," BBC World News UK Edition (London), 17 May 2005. Date of Access: 21 May 2005. <<u>news.bbc.co.uk/1/hi/world/africa/4551465.stm</u>>. <sup>568</sup>"AU to Hold Annual Summit in Libya Over Darfur," Sudan Tribune (Paris), 20 May 2005. Date of

Access: 20 May 2005. <www.Sudan Tribune.com/article.php3?id article=9663>.

<sup>&</sup>lt;sup>569</sup> "G8 Statement on Sudan," 2004 Sea Island Summit Official Website (Sea Island). Date of Access: 3 January 2005. <www.g8usa.gov/d 060904h.htm>.

<sup>&</sup>lt;sup>570</sup> "Oslo Donors' Conference on Sudan – Chair's Conclusions," Institute for Security Studies (Pretoria), 12 Apr 2005. Date of Access: 19 May 2005. <a href="https://www.iss.co.za/AF/profiles/Sudan/darfur/oslodonor.pdf">www.iss.co.za/AF/profiles/Sudan/darfur/oslodonor.pdf</a>>.

that has been contributed to Darfur — a part of Sudan which is much more desperate for aid. 571

The most important developments on the issue of Darfur at the United Nations have come only as recently as the last week of March 2005. United Nations Security Council (UNSC) Resolution 1590 of 24 March established "the United Nations Mission in Sudan (UNMIS) for an initial period of 6 months and further [decided] that UNMIS will consist of up to 10,000 military personnel" to help enforce the 9 January 2005 CPA. As comprehensive as the peace agreement is, as its name indicates, the CPA is only the latest peace initiative in a series of many failed in Sudan's 21-year-long civil war. The purpose of UNMIS is to ensure that peace is maintained. Resolution 1591 of 29 March imposed a travel ban and a freezing of assets on all those who impede the peace process in Darfur. The resolution also stipulates that Sudanese authorities must seek approval from the Security Council before moving military equipment into the Darfur region. Resolution 1593 of 31 March referred the situation in Darfur to the Prosecutor of the International Criminal Court.

The African Union (AU) is currently in the process of scaling up its peacekeeper deployment in Darfur from 2,200 to 7,700, as well as broadening its mandate to better protect civilians. With this view, it made a request to the North Atlantic Treaty Organization (NATO) on 26 April 2005 to aid its efforts in Darfur by providing logistical support. The GoS has consented to this degree of support from NATO, but the Sudanese Minister of Foreign Affairs Mustafa Osman Ismail has said that "the AU has not asked for any forces other than those from the AU and we will not accept the presence of any troops from either NATO or any other country outside the AU." 576

# Humanitarian and Military Contributions from Individual G8 Members

#### Canada

Canadian Prime Minister Paul Martin has recently announced CAD\$ 170 million in military and technical assistance to help strengthen the African Union's Mission in Sudan

Where available, compare below the contribution made by each G8 member state at the OCD with the contribution of that same state towards humanitarian relief in Darfur. In each case, where information is available for both a G8 member state's contributions at the OCD and their contributions towards Darfur, the contribution at the OCD invariably greatly exceeds that made towards Darfur.

<sup>&</sup>lt;sup>572</sup> "Resolution 1590 (2005)," United Nations Security Council (New York), 24 Mar 2005. Date of Access: 17 May 2005. <a href="mailto:daccessdds.un.org/doc/UNDOC/GEN/N05/284/08/PDF/N0528408.pdf">daccessdds.un.org/doc/UNDOC/GEN/N05/284/08/PDF/N0528408.pdf</a>? OpenElement>.

<sup>&</sup>lt;sup>573</sup> "Resolution 1591 (2005)," United Nations Security Council (New York), 29 Mar 2005. Date of Access: 17 May 2005. < daccessdds.un.org/doc/UNDOC/GEN/N05/287/89/PDF/N0528789.pdf? OpenElement>.

<sup>&</sup>lt;sup>574</sup> "Resolution 1593 (2005)," United Nations Security Council (New York), 31 Mar 2005. Date of Access: 17 May 2005. <a href="mailto:daccessdds.un.org/doc/UNDOC/GEN/N05/292/73/PDF/N0529273.pdf">daccessdds.un.org/doc/UNDOC/GEN/N05/292/73/PDF/N0529273.pdf</a>? OpenElement>.

Nato to Explore Darfur Options,, North Atlantic Treaty Organization (Brussels), 18 May 2005. Date of Access: 20 May 2005. <a href="https://www.nato.int/docu/update/2005/05-may/e0518c.htm">www.nato.int/docu/update/2005/05-may/e0518c.htm</a>.

<sup>576 &</sup>quot;Sudanese government opposes NATO military backup in Darfur," Sudan Tribune (Paris), 28 Apr 2005. Date of Access: 20 May 2005. <a href="https://www.Sudan Tribune.com/article.php3?id">www.Sudan Tribune.com/article.php3?id</a> article=9308>.

(AMIS) — albeit under the pressures of an unstable minority government.<sup>577</sup> In addition, he has increased diplomatic support and has pledged to send 100 Canadian peacekeepers to help AU soldiers carry out their mandate.<sup>578</sup> However, African heads of state who met at the 16 May Tripoli conference have declined Canada's offer of peacekeepers to Darfur and Ottawa has agreed to respect this wish.<sup>579</sup> Given that Martin's offer of Canadian troops to Sudan in May 2005 came *after* the GoS's disapproval of such actions — which were articulated as early as April 2005 with respect to NATO's deployment — leads one to question whether Martin's pledge of support was not simply rhetoric in the first place to help buttress his minority government at a time when it was facing defeat by a nonconfidence motion in parliament. Notwithstanding, these recent announcements are in addition to the CAD\$ 28 million — out of CAD\$ 90 million Canada has pledged at the ODC — that Canada has agreed to forward to UN agencies in charge of aid and relief efforts in Darfur and refugee camps in eastern Chad.<sup>580</sup>

Canada has continued to assist the African Union Mission in Sudan (AUMS) by providing helicopter support as well as expertise in military planning. This has included close to \$2 million (CAD) to charter 5 helicopters in Darfur as announced on 21 October 2004. As of November, the helicopters, currently based in Al Fasher, Kabkabiya and Al Geneina, have transported supplies and over 330 UN officials, humanitarian workers and new AU observers from Nigeria, Rwanda, Egypt, Gambia and Ghana. Canada also announced the availability of 15 more helicopters for January and an additional 3 for March 2005, have representing an additional investment of \$13.4 million (CAD) to the AU. Canada also announced on 13 June 2005 that it would send up to 100 surplus armoured vehicles to the AU in Sudan or help maintain donated personnel carriers already in use there. The 100 Grizzly armoured personnel carriers under consideration would be used by the 7,500 AU troops already stationed in the Darfur region. About 50 Canadian soldiers would give African soldiers lessons in a neighboring country in how to drive and maintain them. These will be part of the 100 military experts Canada promised to send to support African Union peacekeepers in the troubled Darfur region as of May 2005.

<sup>&</sup>lt;sup>577</sup> "Canada creates special advisory team and expands contribution to help resolve humanitarian crisis in Darfur," Office of the Prime Minister (Ottawa), 12 May 2005. Date of Access: 20 May 2005. <a href="https://www.pm.gc.ca/eng/news.asp?id=489">www.pm.gc.ca/eng/news.asp?id=489</a> >.

<sup>578</sup> "PM Offers \$170M, 100 troops to Sudan," CBC News (Toronto), 12 May 2005. Date of Access: 20

<sup>&</sup>lt;sup>578</sup> "PM Offers \$170M, 100 troops to Sudan," CBC News (Toronto), 12 May 2005. Date of Access: 20 May 2005. <a href="https://www.cbc.ca/story/canada/national/2005/05/12/darfur-canada050512.html">www.cbc.ca/story/canada/national/2005/05/12/darfur-canada050512.html</a>>.

<sup>&</sup>lt;sup>579</sup> "African Leaders Reject non-African Help in Darfur," Toronto Star (Toronto), 17 May 2005. Date of Access: 19 May 2005. <a href="https://www.thestar.com/NASApp/cs/ContentServer?pagename=thestar/Layout/Article\_Type1&call\_pageid=971358637177&c=Article&cid=1116325053088">https://www.thestar.com/NASApp/cs/ContentServer?pagename=thestar/Layout/Article\_Type1&call\_pageid=971358637177&c=Article&cid=1116325053088</a> >.

\$ 580 "Sudanese government opposes NATO military backup in Darfur," Sudan Tribune (Paris), 28 Apr 2005.

<sup>&</sup>lt;sup>380</sup> "Sudanese government opposes NATO military backup in Darfur," Sudan Tribune (Paris), 28 Apr 2005. Date of Access: 20 May 2005. <<u>www.Sudan Tribune.com/article.php3?id\_article=9308</u>>.

<sup>&</sup>lt;sup>581</sup> "News Release: Canada Supports African Union Position on Darfur Conflict." Foreign Affairs Canada (Ottawa) 21 December, 2004. Date of Access: January 3, 2005 [webapps.dfait-maeci.gc.ca/minpub/Publication.asp?publication\_id=381920].

 <sup>582 &</sup>quot;News Release: Prime Minister announces new initiatives toward increased security in Sudan." Foreign Affairs Canada (Ottawa) 21 December, 2004. Date of Access: January 3, 2005
 [www.pm.gc.ca/eng/news.asp?id=335].
 583 Ibid.

<sup>&</sup>lt;sup>584</sup> "Canada to Support AU's Mission in Sudan's Darfur," *Agence France Press* (Paris) 12 June 2005. Date of Access: 16 June 2005 [www.sudantribune.com/article.php3?id\_article=10107].

### **France**

Since the world began to pay attention to Darfur in 2004, Paris has donated €80 million to the region<sup>585</sup>, French aircrafts have airlifted 700 tons of humanitarian aid, France has redeployed 200 of its troops in Chad to the Darfur border to prevent "the crisis in Darfur from expanding" into Chad. 587 Furthermore, France has committed itself to pledging another € 120 million over the first phase of the ODC timeline, 2005-2007.<sup>588</sup> France is also actively supporting the deployment of the African Union (AU) Mission in Sudan. In fact, a French colonel is vice president of the AU's ceasefire monitoring commission, which also receives French logistical and medical support. 589

### Germany

In 2004, Germany provided € 32.5million in emergency aid for Sudan, and according to the official website of the German Federal Government it has "pledged to provide a comparable amount again this year." Germany has also supported the African Union's Mission in Sudan (AUMS) through the provision of communication equipment, <sup>591</sup> particularly through its financing of satellite telephones, radios and other communication equipment at a cost of roughly €100,000 to facilitate the supervision of the cease-fire agreement. 592 The German government has also supplied a further €1 million to the AU for mission headquarters, outposts, and for the transportation of observers and materials.<sup>593</sup> In December 2004, Germany began providing transport for AU ceasefire observers consisting of roughly 200 Gambian soldiers, 60-70 German soldiers, and 12 tonnes of equipment from the Gambian capital Banjul to Darfur, with a stopover in Chad. 594 This commitment is an aspect of the decision taken by the German Parliament on December 3 to provide upwards of 200 troops to assist in the transport of AU forces. 595 The German parliament approved the deployment of 50-75 German military observers in April 2005. Monitored by the United Nations Mission in Sudan (UNMIS), and at a cost of €1,300 000, this commitment is approved for an initial period of six

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<sup>585 &</sup>quot;Statements by M. Michel Barnier," France diplomatie (Paris), 13 Apr 2005, Date of Access: 20 May 2005. <www.diplomatie.gouv.fr/actual/declarations/bulletins/20050414.gb.html#Chapitre3>.

<sup>&</sup>lt;sup>586</sup>Embassy of France in the U.S., National Defence, 7 April 2005. Date of Access: 24 May 2005.

<sup>[</sup>www.info-france-usa.org/atoz/defense.asp]. 587 "Darfur Crisis", France diplomatie (Paris), 2 Sep 2004. Date of Access: 20 May 2005.

<sup>&</sup>lt; www.diplomatie.gouv.fr/actual/declarations/bulletins/20040907.gb.html#Chapitre1>.

<sup>&</sup>lt;sup>588</sup> "Sudanese government opposes NATO military backup in Darfur," Sudan Tribune (Paris), 28 Apr 2005. Date of Access: 20 May 2005. <www.Sudan Tribune.com/article.php3?id\_article=9308>. 589 ibid.

<sup>&</sup>lt;sup>590</sup> "German parliament approves armed forces mission in Sudan," German Federal Government (Berlin), 15 Apr 2005. Date of Access: 20 May 2005. <a href="https://www.bundesregierung.de/en/dokumente/-,10001.816685/">www.bundesregierung.de/en/dokumente/-,10001.816685/</a> Artikel/dokument.htm>. 591 "Support for African Union Mission in Darfur" Date of Access: December 16, 2004 [www.germany-

info.org/relaunch/politics/new/pol\_sudan\_17\_aug2004.html] <sup>592</sup> Ibid

<sup>&</sup>lt;sup>593</sup> "Sudan" Date of Access: December 16, 2004

<sup>[</sup>www.auswaertigesamt.de/www/en/laenderinfos/laender/laender ausgabe archiv?land id=163&a type=Pr ess%20releases&archiv\_id=6029].
594 "German Army To Begin Airlifting Observers Into Darfur"

www.sudantribune.com/article.php3?id\_article=7035 Accessed December 16, 2004 www.darfurpeaceanddevelopment.org/dec16b.htm Accessed December 16, 2004

months, however it could last up to 6 \_ years.  $^{596}$  In terms of humanitarian aid, the German Government pledged an additional &20-million to aid Sudanese refugees  $^{597}$  and in October announced that it was sending experts from the Federal Agency for Technical Relief (THW) to maintain a workshop and drinking water laboratory in Al-Fashir, Darfur's capital.  $^{598}$ 

## **United Kingdom**

Since September 2003, the United Kingdom (UK) has committed itself to contribute over £ 66 million to Darfur and £ 55 million in development aid via UN agencies and non-government organizations both contributions allocated through UN agencies and non-government organizations. At the Oslo Donors' Conference (ODC), the UK committed itself to invest £ 289 million over the 2005-2007 period. The UK was also the first cash donor to the AU, proving £ 14 million in assistance for its efforts in Darfur, including the delivery of over 600 vehicles. The UK has "also played a key role in securing € 92 million of support for the AU mission from the EU Peace Facility for Africa."  $^{599}$ 

## **United States and European Union**

Since 2003, the United States (US) has contributed US\$ 545 million to Sudan for humanitarian assistance and conflict resolution in Darfur. Deputy Secretary of State Robert B. Zoellick pledged up to another US\$ 2 billion (in unspecified aid) at the ODC. On 9 June 2005 at the NATO Defense Ministerial in Brussels, the US also agreed to ferry in peacekeepers from Rwanda and Nigeria to Darfur to serve in the AU Mission there.

The EU committed itself to over € 590 million at the ODC over the 2005-2007 period. This commitment stands apart from the € 160 million the EU has pledged to contribute to humanitarian needs in Sudan in 2005.  $^{601}$  Since 1994, the EU has allocated nearly € 290

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<sup>&</sup>lt;sup>596</sup> "Germany Sends Sudan Force, Urges Others To Do Same" Date of Access: April 28, 2005. [www.sudantribune.com/article.php3?id\_article=9204]. <sup>597</sup> "German government increases aid for refugees in Sudan." 02 August 2004. Bundesrierung (Berlin).

<sup>&</sup>lt;sup>597</sup> "German government increases aid for refugees in Sudan." 02 August 2004. Bundesrierung (Berlin) Date of Access: 6 January 2005. [www.bundesregierung.de/en/News-by-subject/International/News-,10990.692189/artikel/German-government-increases-ai.htm]

<sup>&</sup>lt;sup>598</sup> "Minister of State Kerstin Muller announces the Federal Foreign Office is to finance a Federal Agency for Technical Relief Operation in Darfur." 04 October 2004. Auswaertiges Amt (Berlin). Date of Access: 6 January 2005. [www.auswaertiges-amt.de/www/en/ausgabe\_archiv?archiv\_id=6247]

<sup>&</sup>lt;sup>599</sup> "Country Profile: Sudan," Foreign and Commonwealth Office (London), 18 Apr 2005. Date of Access: 20 May 2005. <a href="www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029394365&a=KCountryProfile&aid=1020687852749">KCountryProfile&aid=1020687852749</a>.

<sup>&</sup>quot;United States Pledges Additional Aid to Sudan at Oslo Conference," U.S. Department of State (Washington), 13 Apr 2005. Date of Access: 20 May 2005. < <a href="mailto:usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=April&x=20050413121944wCyeroC0.6914636&t=livefeeds/wf-latest.html">html?p=washfile-english&y=2005&m=April&x=20050413121944wCyeroC0.6914636&t=livefeeds/wf-latest.html</a>>.

<sup>&</sup>lt;sup>601</sup> "European Commission makes clear that resumption of cooperation with Sudan is linked to the evolution of the situation of the Darfur," Europa (Brussels), 11 Apr 2005. Date of Access: 20 May 2005. <a href="https://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/413&format=HTML&aged=0&language=EN-8guiLanguage=en-8">https://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/413&format=HTML&aged=0&language=EN-8guiLanguage=en-8.

million in humanitarian assistance to Sudan. On 9 June 2005 at the NATO Defense Ministerial in Brussels, it was agreed that the EU and NATO would launch a joint operation for a massive airlift of AU peacekeepers into the Darfur — a doubling of the AU's numbers in the region. France, Italy and Germany under a European Command would all ferry troops from various African states including likely Senegal, Ethiopia and South Africa to the Darfur region. The US would conduct similar operations for peacekeepers from Rwanda and Nigeria under a NATO command structure.

### Italy, Japan and Russia

In July of 2004, Under-Secretary for Foreign Affairs, Margherita Boniver, declared that genocide was taking place in the Darfur Region of Sudan. Equally she stressed that Italy has earmarked €7.5 million for aid as well as sending a military observer to assist African Union officials. Italy has pledged € 60 million at the ODC and 200 military personnel to aid UNMIS. Furthermore, it was under Italian diplomatic mediation in a mid-May 2005 meeting in Rome that the JEM and the SLA first agreed to resume talks in Abuja without preconditions.<sup>604</sup>

Japan has agreed to contribute US\$ 100 million to the "consolidation of peace" in southern Sudan and has in addition pledged US\$ 21 million for the improvement of the humanitarian situation in Darfur. Japan has also aided AMIS by providing the AU with military assistance worth approximately US\$ 2 million. 605

Russia has committed itself to send peacekeepers from its Ministry of Interior, which would include up to 50 military officers and 20 civilian police. 606

## Arms Exports and the Politics of Oil

Despite the apparent determination of the G8 nations to facilitate peace between the warring parties in Sudan's civil war and to halt the violence in Darfur, these interests are not always apparent in the actions of the G8. Two distinct, but perhaps interrelated, sets of G8 policies have, until now, served to fuel both the civil war and the situation in Darfur. These two sets of policies are: firstly, the way the G8 nations have allowed their corporate nationals to go about oil investment in Sudan; and, secondly, the export of arms and aid to the various belligerents.

<sup>602 &</sup>quot;Sudan: Commission earmarks a further €51 million in humanitarian aid," Europa (Brussels), 26 Nov 2004. Date of Access: 20 May 2005. <<u>europa.eu.int/rapid/pressReleasesAction.do?reference=</u> IP/04/1411&format=HTML&aged=1&language=EN&guiLanguage=en>.

<sup>&</sup>lt;sup>603</sup> Jim Mannion, "Sudan: NATO defense ministers agree on Darfur aid," *Agence France Presse* (Paris) 9 June 2005. Date of Access: 16 June 2005 [www.reliefweb.int/rw/RWB.NSF/db900SID/ACIO-6D7NVQ?OpenDocument].

<sup>604 &</sup>quot;Statement by Undersecretary Mantica on Sudan and Darfur," Ministry of Foreign Affairs (Rome), 13 May 2005. Date of Access: 20 May 2005. <a href="www.esteri.it/eng/6\_38\_90\_01.asp?id=1767&mod=5">www.esteri.it/eng/6\_38\_90\_01.asp?id=1767&mod=5</a>.
605 "Statement by H.E. Mr. Ichiro Aisawa Senior Vice-Minister for Foreign Affairs of Japan on the occasion of the Oslo Donors' Conference on Sudan 2005," Japan Ministry of Foreign Affairs (Tokyo), 11 Apr 2005. Date of Access: 20 May 2005 <a href="www.mofa.go.jp/region/africa/sudan/state0504.html">www.mofa.go.jp/region/africa/sudan/state0504.html</a>.
606 "Russia to Send Peacekeepers to Sudan," MosNews (Moscow), 3 Feb 2005. Date of Access: 18 May 2005. <a href="www.mosnews.com/news/2005/02/03/sudantroops.shtml">www.mosnews.com/news/2005/02/03/sudantroops.shtml</a>.

A side paper of the UK's recent Commission for Africa cites the G8 and the EU as "the world's largest arms exporting nations...and Russia is a growing problem for proliferation." Russia's arms exports to Sudan only began after it signed a deal with the GoS wherein Sudan would be granted the right to manufacture Tu-72 Russian battle tanks in exchange for major oil concessions to Russia. Under the joint-investment project between Sudan and Russia, their state-owned oil companies — Sudapet and Slavneft, respectively — were scheduled to collectively invest US\$ 200 million into Sudan's fledging oil industry. While the deal fell through in 2002, the Russo-Sudanese links through oil investments and arms trade would re-emerge in 2004.

At a time when the conflict in Darfur was being labelled as a 'genocide' by the US and ethnic cleansing by much of the rest of the international community, Russia and Sudan continued to foster warmer relations. In July 2004, while Sudan was importing twelve Russian MiG-29 fighter jets — a deal for which Russia received much rebuke from the international community<sup>609</sup> — a new deal was being inked between a Russian company Stroitransgatz and the GoS for the construction of an oil pipeline.<sup>610</sup>

But Russia has not been the only country to entangle its oil interests with dubious military exports to Sudan. According to Amnesty International, France has exported a large number of small arms and grenades in recent years; US\$ 244 066 in 2000 and US\$ 447,687 in 2001, to be precise. Perhaps not coincidentally, it is a French oil corporation, Total, which taps the 120,000 square kilometer area of Sudan known as Block 5. 612

Tension stemming from oil interests has long influenced politics in and with Sudan. Under the Wealth Sharing Agreement of the Comprehensive Peace Agreement (CPA) of 9 January 2005, all existing oil concession contracts formed under the GoS are upheld. However, in the period leading up to the signing of the CPA, the SPLA/M had already concluded contracts with a British firm, White Nile Ltd., to extract oil from Block 5a — a sub-concession of Block 5, which implies pushing out the French corporation, Total. White Nile's shares rose thirteen fold on the London Stock Exchange when word of the deal was leaked. In the wake of the legal conflicts over Block 5, "fault lines have begun to emerge within the leadership of the [SPLA/M]" over competing visions for southern

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<sup>&</sup>lt;sup>607</sup> "Evidence and Analysis: Tackling the Availability and Misuse of Small Arms in Africa," Commission for Africa (London), Sep 2004. Date of Access: 17 May 2005. <a href="www.commissionforafrica.org/">www.commissionforafrica.org/</a> english/report/background/cross et al background.pdf>.

<sup>&</sup>lt;sup>608</sup> "Sudan and Russia Forging New Ties Around Oil and Arms", globalpolicy.org (New York), 22 Jan 2002. Date of Access: May 18 2005.

<sup>&</sup>lt;a href="https://www.globalpolicy.org/security/natres/oil/sudan/2002/0122arms.htm">www.globalpolicy.org/security/natres/oil/sudan/2002/0122arms.htm</a>>.

<sup>&</sup>lt;sup>609</sup> "Russia opposes sanctions against Sudan, eyes arms sales," Sudan Tribune (Paris), 20 Sep 2004. Date of Access: 19 May 2005. <a href="https://www.globalpolicy.org/security/natres/oil/sudan/2002/0122arms.htm">www.globalpolicy.org/security/natres/oil/sudan/2002/0122arms.htm</a>.

<sup>610 &</sup>quot;Russia's weapon sales to Sudan assailed," Sudan Tribune, 13 Aug 2004. Date of Access: 9 June 2005. <a href="https://www.sudantribune.com/article.php3?id">www.sudantribune.com/article.php3?id</a> article=4684&var recherche=Stroitransgaz>.

<sup>611 &</sup>quot;Sudan: Arming the perpetrators of grave abuses in Darfur," Amnesty International (London), 16 Nov 2004. Date of Access: 18 May 2005. <a href="https://www.nesty.org/library/index/engafr541392004">web.amnesty.org/library/index/engafr541392004</a>>.

<sup>612 &</sup>quot;Oil Concessions in Central and Southern Sudan," Rights Maps, 30 Oct 2002. Date of Access: 20 May 2005. <www.rightsmaps.com/html/sudmap2.html>.

<sup>613 &</sup>quot;White Nile – Total Wrote to Claim South Sudan Block," Sudan Tribune (Paris), 20 May 2005. Date of Access: 22 May 2005. <a href="mailto:sudantribune.com/article.php3?id">sudantribune.com/article.php3?id</a> article=9667>.

Sudan, says the International Crisis Group.<sup>614</sup> At a time when peace is still being consolidated, a split in the SPLA/M would divide the ranks of the opposition to the GoS and could act as a *coup de grace* to the CPA. The GoS has in the past during the civil war used splinter groups of the SPLM/A to rupture peace agreements. France, Britain, and any other state investing in Sudan must place greater control over the actions of their corporate nationals, especially at a time when the fate of Sudan hangs in the balance over the ever-precarious CPA.

Canada too, by way of the activities of one of its corporations, has entangled itself in the politics of oil in Sudan. A Canadian energy firm based in Calgary by the name of Talisman pulled out its investments from Sudan in 2003 after facing increased pressure from the US for its practices in Sudan. With oil exploration in Sudan often accompanied by the forced expulsion of civilians from their homes and territory, corporations with investments on these cleared territories have made themselves complicit in these crimes. Amnesty International has documented attacks on, and the burning and looting of, villages near the oil fields of the Greater Nile Petroleum Operating Company (GNPOC) — a consortium of which 25 percent was once owned by Talisman. Reports from as late as November 2001 also suggest that civilians were being killed in GNPOC's exploration region Block 1 by anti-personnel landmines that were designed to prevent the return of civilians. Furthermore, Talisman has also been accused of allowing the GoS to use an airstrip in its Block 1, from which planes were used to bomb and shell villages.

Talisman's dubious business practices in Sudan landed it in an American court. Under the Alien Tort Claims Act, the Presbyterian Church of Sudan was suing Talisman because the "Government of Sudan [utilized] Talisman facilities and infrastructure, such as roads and airfields, to prosecute its jihad against the minority population in the south." This, in response to the threat of sanctions from the US, drove Talisman to sell its shares in GNPOC in 2003 to the Indian oil company ONGC Videsh Limited, OVL. The Canadian government is made complicit in these crimes against the Sudanese people by allowing Talisman to participate in its dubious business practices.

Noticeably missing from the list of nations with oil investments in Sudan is the US. The US, unlike France, Russia, China, the UK and many other states, is not an arms exporter to the GoS. But the U.S. *has* interfered in the domestic political affairs of Sudan in another major way: supporting the SPLA/M. In 1996 alone, "the US government decided to send nearly US\$ 20 million of military equipment through the 'front-line' states of Ethiopia, Eritrea and Uganda to help the Sudanese opposition overthrow the Khartoum

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<sup>&</sup>lt;sup>614</sup> "Policy Briefing: A New Sudan Action Plan", International Crisis Group (Brussels)," 26 Apr 2005. Date of Access: 14 May 2005. <a href="https://www.smallarmsnet.org/issues/regions/sudanplan.pdf">www.smallarmsnet.org/issues/regions/sudanplan.pdf</a>.

<sup>615 &</sup>quot;Canada, Oil and Sudan," Amnesty International (London), 3 June 2002. Date of Access: 19 May 2005. <a href="https://web.asr/pages/ttt3">web.asr/pages/ttt3</a> canada>.

<sup>616 &</sup>quot;Civil/Human Rights Litigation: Presbyterian Church of Sudan, et al. v. Talisman Energy, Inc," Berger and Montague (Philadelphia). Date of Access: 19 May 2005. <a href="https://www.bergermontague.com/civil-human-rights-litigation.cfm?track=lisi">www.bergermontague.com/civil-human-rights-litigation.cfm?track=lisi</a>.

<sup>&</sup>lt;sup>617</sup> "Talisman Pulls Out of Sudan," BBC World News UK Edition (London), 10 Mar 2005. Date of Access: 21 May 2005. <a href="mailto:news.bbc.co.uk/1/hi/business/2835713.stm">news.bbc.co.uk/1/hi/business/2835713.stm</a>>.

regime."<sup>618</sup> The US denies that it ever sent any military equipment, admitting only that it sent 'non-lethal' equipment, such as radios, uniforms, boots and tents. But, of course, US\$ 20 million worth of these essential supplies would allow the SPLA/M to spend \$20 million elsewhere, such as on importing military equipment from other sources.<sup>619</sup>

It has been recognized that the secession of south Sudan from the north — which is guaranteed in six years time from the signing of the CPA — would give the US an opportunity to reestablish their oil interests in the region. The American firm Chevron Oil Co. bought and explored concessions in Sudan starting in 1974, but pulled out in 1984 because rebels killed three of its employees, and finally sold its rights in 1992 because their oil exploration had not been as successful as future firms would be. 620 It is now in the interests of the US for its corporations to return to Sudan to secure oil for itself and to oust major consumers in the international market such as France and China. These interests may help explain both the relative haste with which the US claimed a genocide was under way in Sudan in mid-2004 and its support of opposition groups within Sudan. 621 If southern Sudan secedes from the north in six years time, and if the cessation of the conflict in Darfur were to come on similar terms, then the US would be given the opportunity to gain oil concessions in Sudan.

### Conclusion

The G8 has indeed engaged in concerted action to consolidate the peace agreement that recently ended the 21-year-long civil war by pledging billions of dollars in development assistance through the Oslo Donor's Conference and by offering military and technical assistance to the AU mission in southern Sudan. The G8 has also provided some relief to the Darfur region by way of humanitarian aid. Despite the divided interests in the UN Security Council, and a few diplomatic scuffles that have arisen over the use of sanctions against Sudan, and the use of the International Criminal Court in the prosecution of Sudanese war criminals, some constructive resolutions have been pushed through the Security Council. But individual humanitarian contributions and constructive multilateral initiatives aside, peace in Sudan will not be assured if the G8 nations continue to allow their oil investment interests and the practices of their corporate multinationals working in Sudan to interfere with the domestic politics of that country. But with the oil interests of G8 countries so divided, there is little reason to think that anything other than the pattern of history will conform to the future. The violence in Sudan will persist as long as more powerful nations continue to pit their Sudanese clients against one another in their competition over Sudan's oil.

<sup>&</sup>lt;sup>618</sup> "Sudan People's Liberation Army," globalsecurity.org (Washington). Date of Access: 20 May 2005. <a href="https://www.globalsecurity.org/military/world/para/spla.htm">www.globalsecurity.org/military/world/para/spla.htm</a>>.

<sup>619 &</sup>quot;US Steps up Support for South Sudanese Resistance," Middle East Intelligence Bulletin (Philadelphia), Nov 1999. Date of Access: 20 May 2005 < <a href="https://www.meib.org/articles/9911">www.meib.org/articles/9911</a> me4.htm>.

<sup>620 &</sup>quot;The Concession Holders," Human Rights Watch (New York), Nov 2003. Date of Access: 20 May 2005. <a href="https://example.com/reports/2003/sudan1103/5.htm#">https://example.com/reports/2003/sudan1103/5.htm#</a> Toc54492543>.

<sup>621 &</sup>quot;UN Darfur vote turns scramble for Sudan's oil," Energy Bulletin, 10 Sep 2004. Date of Access: 20 May 2005. <a href="https://www.energybulletin.net/2029.html">www.energybulletin.net/2029.html</a>>.

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## Conclusion

This report was compiled with the goal of providing both an historical and analytical overview of the G8's involvement in Africa beginning with the unveiling of the *New Partnership for Africa's Development* (NEPAD) in 2001 and the *Africa Action Plan* (AAP) in 2002, and continuing on to discuss the prospects on these issues for the forthcoming Gleneagles Summit in July 2005. Given the heightened attention of the UK's G8 Presidency and the United Nations on Africa in 2005, the emphasis of this report has been placed within the context of the actions taken by the G8 this past year.

While the eleven issue areas examined in this report are by no means an exhaustive list of all of the issues covered under the AAP, they do represent a set of priority commitments that highlight some of the major achievements and shortcomings of G8 initiatives on Africa. Their selection was made based on a number of specific factors including: the issue's consistent appearance on the agenda of the G8 at previous summits, its inclusion among the factors influencing the developmental needs of Africa as listed by UK Prime Minister and 2005 G8 Chair Tony Blair<sup>622</sup> and, lastly, the fact that each issue was directly related to at least one of the six 'thematic areas' of study of the Commission for Africa.<sup>623</sup>

This report was produced by the Civil Society and Expanded Dialogue Unit of the G8 Research Group (G8RG) and published as a review of the G8's involvement in Africa since 2001 — with emphases and omissions in certain issue areas as we deemed appropriate. It is not the intention of the G8RG to provide a complete assessment of all of the actions undertaken by the G8 across each of the specified issue areas in their entirety. Finally, the G8 and Africa report should be regarded as a compendium, or complementary study, to the work of the Commission for Africa. Whereas the greater part of the Commission's report focuses on making recommendations as to what the G8 ought to do to improve the situation in Africa, the G8RG's work focuses on what the G8 has accomplished to date in Africa and therefore also serves as a valuable indicator of the likelihood of the Commission's recommendations being effectively complied with by the G8 in the weeks and months following the 2005 Gleneagles G8 Summit.

Following a review of the G8's actions in the last five years in addition to resent world events, it is likely that the 2005 Gleneagles Summit will represent a notable moment — but perhaps not a watershed- in the course of Africa's development. To date, the G8 have agreed to a US\$40-billion debt relief plan for HIPC countries — a number which could rise to \$55-billion as other countries qualify — making it the largest debt relief package in history. Nevertheless, as will be symptomatic of many of the G8's action in Gleneagles, the package goes a long way in relieving the economic strain on Africa, but does not amount to a sweeping investment in the continent needed to radically change

<sup>&</sup>lt;sup>622</sup> Prime Minister's Speech on Africa," 2005 G8 Gleneagles Summit Official Website (London) 7 October 2004. Date of Access: 19 March 2005. <a href="https://www.g8.gov.uk">www.g8.gov.uk</a>.

<sup>623</sup> The themes are: Culture and Participation, Economy, Governance, Human Development, Natural Resources, and Peace and Security. In addition, another three cross-cutting issues were identified: HIV/AIDS, Migration, and Gender and Youth. See: "About the Commission: Themes," Commission for Africa Official Website (London) 11 March 2005. Date of Access: 19 March 2005.

<sup>&</sup>lt;213.225.140.43/english/about/themes-summary.html>.

socio-economic conditions and the chance for development. The G8's debt deal, while a positive beginning, only clears one-sixth of Africa's US\$300-billion external debt. This pattern will likely hold for the issue of Official Development Assistance (ODA) where the G8 (perhaps without the US) will agree to boost aid levels but not by the amount of \$50-billion per year by 2015 as the Commission for Africa had mandated. The most significant surprise would involve Canada joining the UK, France, Italy and Germany in committing to 0.7% ODA/GNI although this is unlikely and not through an International Finance Facility. Any and all aid increases will be paired with statements calling for improved governance and reduced corruption on the continent. As for agricultural subsidies, the Least Developed Countries (LDCs) will likely see an agreement to lift all quotas and tariffs on their exports to G8 countries. Middle-income developing countries, including population giants India and Brazil, will likely have to wait for the outcome of the WTO Hong Kong Ministerial in December 2005 to see if their farmers will be awarded a more fair deal.

On smaller issues, the G8 will likely release a Polio Action Plan that commits to eradicating the disease within the next 2-3 years as well as an HIV/AIDS statement that possibly endorses funding the HIV Vaccine Initiative through a smaller, targeted version of the International Finance Facility. In terms of African Peacekeeping, it is widely expected that the G8 will finally release an action plan to detail how it intends to keep its promise to train 75,000 African peacekeepers by 2010. On the Darfur file, few G8 breakthroughs are expected; the leaders will likely thank Canada for its commitment of troops and endorse NATO's offer of military advisors and transportation assistance to the AU Observer Mission operating in the region. Issue areas including water, food security and an International Arms Trade Treaty will likely stall due to a lack of interest and may be dropped from the agenda altogether.

We welcome your comments and suggestions on this report which can be sent to <g8@utoronto.ca>. All suggestions will be considered for next year's assessment of the G8 and Africa Report. Our interm report on the G8 and Africa Interim Report, released March 2005, as well as other reports pertaining to Africa are available on the G8 Information Centre website at <www.g8.utoronto.ca>.

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