

**DEPARTMENT FOR INTERNATIONAL DEVELOPMENT**

**Gleneagles progress by July 2007.**

**The Secretary of State for International Development (Mr. Douglas Alexander):**

I have placed in the Libraries of both Houses copies of the December 2006 – July 2007 update of the G8 Gleneagles Implementation Plan for Africa. This plan is updated by the Department for International Development (DFID) on behalf of all departments.

In December 2006 the Government set out ten objectives that we hoped would be achieved between then and July 2007. I am pleased to report that the majority of these have been met, although a strategic Headquarters Planning Element (PLANELM) for the Africa Standby Force (ASF) within the AU is yet to be fully established according to the criteria laid down in the 2005 ASF Roadmap. This has been due to the need to respond to other urgent demands in the region including the diversion of HQ personnel to planning for the AU mission in Somalia (AMISOM) and the continuing demands of AMIS (Darfur).

On Education twenty-five African countries now are involved in refining or developing ten year Education plans for reaching the Education and Gender MDGs. The 2<sup>nd</sup> May 2007 High-level Education conference in Brussels agreed on the need for more, better, and faster support for education and to identify ways to ensure long-term predictability in planning and financing. At the Heiligendamm Summit, the G8 reaffirmed its commitment to “Education for All” and that countries will not be thwarted in their achievement of this goal by lack of resources, and that the G8 will continue to work with partners and other donors to meet this years Fast Track Initiatives (FTI) financing gap of \$500 million. There was consensus on the need to work together with other donors and recipient governments towards helping to fund long-term education sector plans.

In the health sector, in February 2007, donors announced US\$ 1.5 billion funding for the pilot Advance Market Commitment (AMC) for pneumococcal vaccines.

The UK contribution is US \$485 million. The establishment of the AMC is to be completed by the end of 2007. The International Finance Facility for Immunisation (IFFIm) held its inaugural bond launch in November 2006 and raised US\$ 1 billion for disbursement by the Global Alliance for Vaccines and Immunisation (GAVI) Alliance on health and immunisation activities.

In November 2006, the Global Fund for AIDS, TB and Malaria (GFATM) approved a sixth round of grants benefiting sixty-two countries and totalling \$ 846 million (nearly half of this funding has been allocated for GFATM programmes in Africa). Roughly, half of which is being used to tackle AIDS, and a quarter of the money is going to each of TB and malaria. Contributions from constituencies including the private sector enabled the GFATM to fund all proposals that were recommended for funding. By March 2007, 92 countries had set outcomes targets for universal access, while 36 countries had incorporated these targets into their national strategic plan and costed it accordingly.

Between December 2006 and July 2007 progress has been made on the removal of health user fees in Africa including in Mozambique and in Kenya. The Kenya Ministry of Health abolished fees for maternity services in July.

In the area of Peace and Security endorsement of completed work on Africa Standby Force (ASF) doctrine, the concept of operations and the Phase II Roadmap should be achieved later in 2007 at a meeting of African Chiefs of Defence Staff as well as UK facilitated concepts on Rapid Deployment and Logistics. Commitments made at Heiligendamm summit will also provide a boost to development and implementation of police and civilian elements of the ASF. Regional Headquarters Planning Elements and Brigade HQs have been established across four of the five ASF regions. None are yet fully operational, but those in Western, Eastern and Southern Africa now have an initial planning capability and have received sufficient troop pledges for their brigade structures. The UK continues to play a lead role in donor co-ordination in capitals and Addis Ababa, including on future financing for AU capacity building and operations.

The UN General Assembly Resolution agreed (in Autumn 2006) to start a process leading to talks on an international Arms Trade Treaty that is legally binding, covers all conventional weapons and the world's major arms exporters and includes enforcement and monitoring arrangements. A record number of countries (over 90) submitted their views on a treaty to the UN Secretary General, in advance of the establishment of a Group of Governmental Experts (GGE) next year. The GGE will report its findings to the UN General Assembly in 2008.

Five G8 countries have ratified the UN Convention Against Corruption Canada, France, Russia, the USA and the UK. Seven (Cameroon, Gabon, Ghana, Guinea, Mauritania, Nigeria, and Azerbaijan) of the twenty four EITI countries have produced audited reports. Sixteen of the twenty four countries engaged in EITI are African countries. So far none of the emerging market countries have committed to support EITI though dialogue is on-going; two companies, Petrobras from Brazil and Pemex from Mexico, are actively supporting implementation and are a EITI Board member and alternate member respectively,

Ghana, Rwanda and Kenya have completed their peer reviews under the Africa Peer Review Mechanism and are implementing the plans of action arising from the recommendations made in the reviews. All three countries have produced annual monitoring reports. The target of four more countries completing reviews was not met, with only two (Algeria and South Africa) completing the process. However, there are positive signs that the APRM is now gaining momentum. The UK has provided support to the APRM Trust Fund, the Strategic Partners and to country self-assessment reviews.

There has been good progress towards meeting the Aid for Trade (AFT) commitment. The UK has played a pivotal role in developing and attracting support for the Aid for Trade concept, in the context of WTO negotiations as well as in the international donor community. The EU will adopt a new AFT strategy in the autumn. The UK has also increased its support significantly. We will provide \$750 million per year by 2010 (up 50% since 2005) and we are making good progress towards this target. A Global Aid for Trade Review will be held at

the WTO in November, which will look at developing country needs and whether all donors are meeting their commitments. The UK has called on traditional and new donors to support the Enhanced Integrated Framework (EIF) for Aid for Trade for Least Developed Countries (LDC) and we have committed up to 20% or £38 million to this. A recent pledging conference in Sweden was a success. Well over \$100m has been pledged for the first two years of this five year programme.

Two countries (Sierra Leone and Sao Tome & Principe) have completed the Heavily Indebted Poor Countries (HIPC) Initiative since December 2006. In doing so they have received 100% irrevocable debt cancellation from the World Bank (IDA), IMF and African Development Fund under the Multilateral Debt Relief Initiative and also had most of their bilateral debts cancelled. The UK provides 100% irrevocable debt cancellation. Progress of others through the HIPC Initiative has been slower than expected as countries work to meet the required standards. The World Bank and IMF now predict that two countries (The Gambia and Burundi) should complete the HIPC Initiative at the end of 2007/early 2008, and two others (Democratic Republic of Congo and Guinea) during 2008.

On climate change the World Bank Clean Energy Investment Framework has now been approved and is being implemented and linked to the frameworks being developed by the Regional Development Banks. The African Development Bank's Clean Energy for Development Investment Framework planned for approval by its Executive Board in November this year. Together these Investment Frameworks are beginning to deliver additional public and private investment in alternative sources of energy and energy efficiency towards targets of several billion dollars per year.

New commitments to the Infrastructure Project Preparation Facility from three new donors, including DFID, are currently being processed. When confirmed the Facility will be capitalised to around \$27 million. The Project preparation pipeline has been expanded to 15 projects with an estimated investment value of around \$3.6 billion (to be confirmed at financial closure).

The projections by the OECD Development Assistance Committee of the impact of the Gleneagles commitments on aid financing showed that ODA would rise in 2005, mainly due to debt relief for Nigeria and Iraq, fall slightly in 2006 and 2007 as the debt relief peak passed, and then rise from 2008. The 2007 Monterrey survey by the European Commission showed that the EU has exceeded its ODA commitments for 2006 (ODA/GNI was 0.41% against a commitment to 0.39%). The DAC reports show that global ODA flows have increased by 31 percent since 2004, and total aid to Africa rose in 2006, but the DAC 2007 report states that total ODA fell between 2005 and 2006 by 5 percent. A further fall in 2007 is likely. Rapid increases in non-debt ODA will be needed to meet the commitments for 2010 and beyond made at Gleneagles and the Barcelona EU Summit.

The Africa Progress Panel was launched in Berlin on 24 April 2007 in the run up to the German G8 Heiligendamm Summit. The Panel's first Communiqué was also issued at that time. The Communiqué set out the Panels' views on progress against the MDGs, G8 and other commitments. The Panel Chair Kofi Annan and its members have subsequently presented their communiqué widely and engaged with key decision makers in the AU, UN and, EU to push Africa's development forward.