

MAY 2005: UK GOVERNMENT NEWS REPORT

JICA UK OFFICE

Sources:

- Department for International Development (DFID) website: <http://www.dfid.gov.uk/>
- Foreign and Commonwealth Office (FCO) website: <http://www.fco.gov.uk/>
- HM Treasury website: <http://www.hm-treasury.gov.uk/>
- 10 Downing Street website (PM's speeches): <http://www.number-10.gov.uk/>

SPEECHES

27 May 2005

Opening statement and Q & A at meeting with the Africa Commission in Rome

Tony Blair in Rome

What is happening in Africa today is something that if it happened in any other continent in the world, there would be outrage, it would be on our television screens leading the news every night, there would be immense and sustained pressure on the leaders of the world to act. Unfortunately, because it is in Africa, that is not the case. However, there is no real secret about what needs to be done. The commission report has put together a comprehensive agenda for Africa. It deals with debt, and aid, and trade, but it also deals with governance, and corruption, and conflict resolution; it deals with issues to do with health, and HIV-Aids, and malaria, and TB, and the killer diseases of Africa. In other words, it is a plan for the continent, and a plan shared by the leadership of Africa, and hopefully after the G8, with the leadership of the developed world as well.

The United Nations set out the Millennium Development Goals on poverty, on education, across a range of indicators for Africa. The whole of the United Nations voted for this. It is our duty to make sure that the commitments that we gave internationally then are translated into effect. If we keep on the present path, and do not change policy, they won't be met. We will have failed therefore in the obligations we undertook. So we have to do it, and I think it is possible to do. And when people sometimes today are cynical about politics, for reasons I understand, and people ask: Where are the great causes of the world? This is the biggest cause there could possibly be in our world today, and I want to make sure that at the G8 this year the leaders of the wealthy countries of the world come together and make sure that this is a cause we adopt, we agree to, and we then carry through.

Q&A

- The final result of the G8 summit may be little, compared to the expectations. Can you give your assurance that something big will happen, e.g. that something big like a collective agreement on debt is possible and is in the pipeline?

TB: I can't assure you that I am going to get the right result, what I can assure you of is that I am going to do my very utmost to achieve it.

- For historical reasons blame for the current debt situation lies in both the north and the south, but if we move on a country to country basis and apply different conditionalities, some countries may not enjoy the consultation, and it is the citizens that are going to suffer. Will there be a common framework agreed at the G8 that will avoid this problem?

TB: I hope we can get a common framework agreed for debt cancellation. It won't cover all the different countries, that is just the reality of the situation. The decision by the European Union Development Ministers the other day was very important though. The difference between the Commission for Africa plan and previous plans is that (i) for the first time everything is put together and (ii) there is real and genuine commitment on the part of African leadership to this.

I think this year is the year for Africa. If we do not do it this year, it will not be done, in my view. So this is the moment for decision. And very frankly, I have been involved in many international

decisions in the past 8 years, some have been very controversial, but when there has been a will to do something, the international community can do it. Now sometimes they agree with what is done, and sometimes they disagree, but my point is that if we can find the will to do some of the things that are very difficult and controversial, we could surely find the will to do something that most decent rational people can all agree upon, and that is why this should be done this year.

25 May 2005

Africa, 2005 & the G8 Summit at Gleneagles on 7th July

Hilary Benn, at Africa Day meeting convened by the African Union, Royal National Hotel, Russell Square, London

Yesterday in Brussels we had an historic breakthrough at the General Affairs Council. European member states have agreed to a deal which will almost double EU development assistance between 2004 and 2010 - an extra \$38 billion a year by that year, at least half of which will go to Africa. That adds up to about two-thirds of the extra amount required to meet the Commission recommendation that we need to double the amount of aid going to Sub-Saharan Africa by 2010.

Africa is changing, and there are reasons to be cheerful as well as to despair. Much of the change comes from the organisation that is piloting much of Africa's progress at the moment - the African Union. And within the AU, we celebrate NEPAD, and its Peer Review Mechanism in which 23 countries have pledged to look critically at each other, sharing the best methods of good government and economic development. Progress is happening but it is not easy. There are failures as well as successes. Change requires money. Economic growth. Capacity. Peace. Good governance. And above all, political will. So what can each of us do to make this happen?

The international community needs to deliver more and better aid, more debt relief and a fairer trade deal. But this is a partnership - in which each partner does their bit. And that means that Africa must show that it can make best use of that money, and that it can make best use of a fairer world trading system. It is for the AU and NEPAD to demonstrate that you have the strategies in place, and the plans to implement them. The AU Summit just before Gleneagles on 4-5 July, is well timed. There - and beforehand, and at Gleneagles itself - you need to put serious pressure on G8 members, all of us, to get the right result. They need to hear from *you* about the commitment of African Governments to promoting growth and to ending poverty. They need to hear from you about the action you are taking: Improving your governance; Rooting out corruption; Improving your capacity to absorb aid; Reducing barriers to regional trade; Generating your own new investment to complement new development assistance and debt relief.

Tell the G8 that aid works, and that you use it wisely. *Tell* the G8 that you are absolutely serious about establishing good governance and rooting out corruption. This is Africa Day - let's make it Africa's Year as well.

24 May 2005

Trade facilitation and the development agenda

Ian Pearson, Minister for Trade, at Commonwealth Trade Policy Seminar, Department of Trade and Industry

Doha Round / Hong Kong Ministerial

The British Government is fully committed to working through its presidencies to ensure the most successful outcome possible at the Hong Kong Ministerial. We want to achieve an outcome that promotes trade liberalisation, including better access to markets for developing countries, and in particular for the poorest nations in the world. The Doha Development Agenda (DDA) has the potential to produce benefits amounting to between \$250 billion and \$600 billion annually. The World Bank estimates that a pro-poor DDA outcome could reduce the number of people living on less than \$2 a day by 144 million, with sub-Saharan Africa seeing the greatest reduction – over 60 million. However, we recognise that trade liberalisation is not a panacea and that trade reform

packages must be carefully designed and sequenced as part of a wider strategy for development and poverty reduction. Putting development at the heart of the Round also bring rewards to the industrialised world: as poor countries grow wealthier, they provide new export markets for rich nations.

Over the next couple of months, the UK will work closely with other European Member States, the European Commission, Commonwealth nations and others to prepare for the so called 'first approximations' of modalities at the end of July. These should form the basis for discussion of texts that will finally conclude with the ministerial text at Hong Kong. We want this text to contain sufficient detail to allow the Doha Round to be concluded within 2006 or early 2007. To reach that goal all dossiers should be at the same level of ambition by the Hong Kong Ministerial in December. This means working together to make progress on agriculture, non-agricultural market access, services and trade facilitation, which we will be discussing today. Meaningful Special and Differential Treatment must also be present in all these areas to ensure the needs and capabilities of developing countries are fully taken into account.

The role of the Commonwealth

With a population of 1.8 billion people, representing about one third of the WTO member states, it is crucial that Commonwealth nations engage fully in the WTO negotiations to ensure they have access to all the benefits of trade liberalisation. Trade is a political issue and no deal can be reached without real, sustained political impetus. The Commonwealth Heads of Government Meeting in November provides an ideal opportunity for Commonwealth countries to show their commitment to the Round, not least because it takes place merely three weeks before the Hong Kong ministerial.

Trade Facilitation

Today's meeting is focusing on trade facilitation: reducing the bureaucracy that hinders the movement of goods across international borders. Inefficient procedures impact on each and every consignment and transaction. The European Commission estimates that a Trade Facilitation agreement could result in savings of more than €300 billion per annum. Trade Facilitation is not only of importance for developing countries in terms of market access to developed country markets, but also in encouraging intra-regional trade. Freight security is of increasing (and justifiable) concern. We fully understand the concern that some countries, especially developing ones, have about taking on new commitments under the trade facilitation agreement. We are working closely with the European Commission and directly with a number of countries to ensure that the agreement takes the capabilities of developing countries fully into account, and appropriate technical assistance is available to help implement the agreement.

18 May 2005

Queen's speech debate on international affairs

Douglas Alexander, Foreign Office Minister for Europe, at House of Commons

These are the three priorities of the Government's foreign policy:

- Maintaining and strengthening the United Kingdom's role as a leading European power, shaping the future of a reforming European Union;
- Working to make the UK more secure by tackling threats such as terrorism and proliferation, and acting to resolve conflict;
- Commitment to the long-term engagement required to build the conditions for a safer and fairer world.

Under the second of these priorities, there is strong commitment to contribute to a peaceful resolution of the Middle East peace process. The Government will also continue to strongly support the African Union peace support mission in Darfur. The Government continues to maintain pressure on the Government of Zimbabwe, working with international partners, until there is positive and substantive commitment to pursuing a restoration of democracy, human rights and the rule of law. We welcome the ongoing progress on détente between India and Pakistan and will

continue to support this dialogue as they seek to make progress on the issue of Kashmir.

Under the third priority, this Government has done more than any other to make the United Kingdom's rules on arms exports among the very best in the world. Yet much more needs to be done to regulate the trade in conventional arms world-wide; and to tackle the easy availability of conventional arms, especially small arms, in countries vulnerable to conflict and instability. The Government will therefore lead international work to agree a global Arms Trade Treaty - the Foreign Secretary will take forward this work at the meeting of G8 Foreign Ministers later this month. The UK's commitment to the people of Afghanistan and Iraq remains strong as they work to defeat the men of violence and to build their democratic futures. The UK will continue to provide troops for as long as the Iraqi Government wants us to remain. But to build the conditions for wider global security and prosperity, we cannot just focus on the Middle East. This is why the Gleneagles Summit is focusing on Africa. The UN Millennium Review Summit is also an excellent opportunity to strengthen the UN and make it more effective – the Prime Minister will be attending as President of the G8 and EU.

12 May 2005

Ethical Trading - Shaping a New Agenda

Hilary Benn at Ethical Trading Initiative (ETI) biennial conference 2005, Novotel, Hammersmith, London

In two years the Ethical Trading Initiative (ETI) has consolidated its position as a leader in the field of ethical trade. The momentum for ethical trade is building: People in this country and abroad are increasingly demanding that the goods they buy come from reputable sources – sources which exploit neither people, nor the environment. We can see this from the rapid growth in the UK sales of fair trade goods, which increased by over 50% – to £140 million – in 2004 alone. Or in the amount we in the UK invest 'ethically' which, though still small, has doubled to just over £4 billion in the last five years. Companies are also responding: Your 34 ETI members now apply your 'Base Code' to well over 20,000 suppliers around the world. That's 50% more than when I spoke to this Conference two years ago.

There is still much to do but we can take action, and we are doing so. Last month's launch of the Gangmaster's Licensing Authority, for instance, saw the Government and the ETI working together to achieve better standards of employment for temporary workers in the food and agriculture industry. At DFID, we continue to encourage businesses investing in and trading with developing countries to adopt socially responsible approaches – approaches which support growth and reduce poverty. We have supported you, the ETI, since the very beginning. Our current agreement, worth £1.6 million, runs until March 2006.

So how then do we 'marry' commercial and ethical decision-making? When ETI was set up in 1998, the debate was about whether or not companies could adopt Codes of Conduct. Part of your success has been to make this a common practice among UK retailers and brands. But companies are now being challenged openly within ETI to ensure that their sound ethical policies are supported and not undermined by their other business decisions. We know that retailers are driven hard by their own shareholders to maximise profit and share value. The UK is an extremely tough competitive consumer market. But if the production lead times given to a supplier are so short that they have no option but to demand that their staff work overtime, then the retailer may be undermining the rights of workers and its own Code. Just as the Government and the international community is trying to be more 'joined up' to ensure that development is more effective, companies are now being challenged to ensure that their buyers' decisions work with their ethical commitments. Examples of real progress on this do exist. DFID stands ready to support ETI as it pushes this forward.

12 May 2005

Afghanistan: Beyond Bonn

Kim Howells, FCO Minister, at Wilton Park, Sussex

Afghanistan is at a critical juncture in its development. Huge political and social progress has been made over the past three years - successful Presidential elections last year, with women making up 40% of the voters; a new Afghan National Army and National Police force; great progress made on the demobilisation of militia; new opportunities for education for boys and girls; new healthcare facilities rebuilt and millions of children vaccinated against measles and polio. And the next important step forward in the democratic process - Parliamentary and Provincial elections – is less than four months away. Yet Afghanistan is still one of the world's poorest countries and insecurity and drugs remain formidable obstacles to further development. The UK is determined to support Afghanistan over the long term. The UK is the third largest bilateral donor to Afghanistan and the largest to the Afghanistan Reconstruction Trust Fund. Over £500 million have been pledged over the 5 year period from 2002 to 2007.

1. Security

Without peace and security rebuilding a country devastated by decades of war is impossible. The international security forces in Afghanistan are playing an important role but the long term answer must of course be the building up of an effective Afghan National Army and Police. Building the security forces has to be coupled with an effective programme of disarmament, demobilisation and reintegration for those who, for whatever reasons, have joined militias and armed groups in the past. But meaningful security for the citizens of Afghanistan goes wider than the question of security forces – they need to know that the rule of law in the wider sense prevails. Building an effective and accountable state which protects Afghan citizens and delivers the services they need – be these health, education or judicial – is also critical for Afghanistan's future stability. As the political process develops and democratic institutions are established, people's expectations rise. The government must be able to deliver.

2. Counter narcotics strategy

Working to eliminate the drugs trade is vital for Afghanistan's future. While the UK has the lead role in co-ordinating international support for the Afghan government, the complexity and scale of the task means that only a sustained and committed Afghan and international effort has any chance of making a difference. The Afghan Counter Narcotics Implementation Plan for 2005 underlines President Karzai's and his Government's commitment to stamping out the drugs trade. The eight pillars of the Plan point the way but it will take time and sustained international support and co-ordination to deliver success. As the lead nation, we are helping the Afghan government to develop a long-term counter narcotics strategy. We are well aware that there are no instant solutions, and no short cuts to success.

3. Regional cooperation

We are also developing ideas – with the Afghan government – for a G8 initiative to help to foster greater regional co-operation to expand trade flows across the region and of course to tackle the drugs trade. Afghanistan has the potential to become a 'land bridge' between Central Asia, South Asia and the Gulf. The economic benefits – in particular new markets for Afghan produce – could be immense.

The road ahead will not be an easy one. But I believe that, if we work together, there's every hope that Afghanistan will be a strong, prosperous nation, stable and democratic, within a region of growing economic opportunity.

PRESS RELEASES

25 May 2005

A **schools version** of the **Commission for Africa report** has been published. Its title is: 'Our Common Interest: What Does the Commission for Africa Report Say?' It will be **sent to every secondary school** in the UK, and is available at: www.learningafrica.org.uk

24 May 2005

Development Ministers from the **25 members** of the **European Union** met in Brussels and have **agreed a timetable to reach the UN 0.7% aid target**. The richest 15 Member States agreed that by 2010 they should each spend a minimum of 0.51% of their national budgets on Official Development Assistance. The newest 10 Member States who joined the Union last year agreed to strive to reach a parallel target of 0.17%. This means that collectively the European Union will spend at least 0.56% of their national budgets on aid by 2010, which will generate an estimated additional €20 billion (£14 billion) of new aid per year, compared to 2006 commitments.

The 15 also made an historic commitment to reach the UN target of 0.7% by 2015, with the 10 agreeing to strive towards 0.33% on the same timetable. For the newer Member States, this means a major shift to donor status despite having been until recently aid recipients themselves. It also means that EU aid will more than double in less than 10 years. The agreement also states that at least half of new aid should be spent in Africa.

Hilary Benn welcomed the agreement as groundbreaking in the fight against global poverty. "The EU provides over half of all global assistance. Today's agreement shows that Europe has put itself at the forefront of efforts to reduce global poverty. I very much hope that other donors will follow Europe's lead as soon as possible".

NEWS

31 May 2005

A **new paper 'Working with the EU: Objectives until end 2006'** sets out DFID's objectives and approach to working with the European Union (EU) until the end of 2006. During this period a number of policy, structural and budget reforms will take place. DFID will revise its strategy for working with the EU once the outcomes of these reforms are clear.

DFID's **overall goal** is set out in the Public Service Agreement (PSA) 2005-2008, which states that DFID will work to **ensure EC aid is more effective in reducing poverty** and to **increase the share of EC aid** allocated to **low-income countries**. DFID will work with the European Commission, European Parliament and other member states to achieve this by:

Backing those parts of EC aid that are performing best, such as the European Development Fund, and supporting further reform of the main EC budget, where development effectiveness and poverty focus need improvement;

Supporting continued reforms of systems, procedures and structures that will promote more effective EC aid;

Supporting EU policies that promote the interests of developing countries and ensuring that other policies take into account development objectives.

DFID will pursue its objectives and support EC development in three areas:

Policy framework (working towards a policy framework which promotes poverty eradication and supports it through the range of EU policies);

Structures and systems (putting in place effective structures for managing EC aid accompanied by simplified systems and procedures promoting best development practice);

Finances (encouraging more aid resources to go to the poorest countries and those most in need and an EC budget structure that better supports development spending).

Working with the Commission and other member states both in Brussels and at the country level DFID particularly promotes a focus on Africa.

Report available at: <http://www.dfid.gov.uk/pubs/files/dfid-eu-2006.pdf>

27 May 2005

Hilary Benn **responded to ActionAid's report** of 27th May, 2005, "**Real Aid - an agenda for making aid work**" by stating: "It's simply **nonsense** to suggest that a **third of UK aid is 'phantom'**... ActionAid's figures just don't stack up - it's absurd to argue that debt relief, or practical advice from technical experts, isn't real aid.... But we do recognise that there is a need for more and better aid. We've been saying this for some time and that's why we've doubled our aid since 1997. That's why the EU agreed on Tuesday to doubling its aid by 2010. In the UK, we're giving 90% of our aid to the very poorest countries, and working more closely with other donors to avoid duplication and waste."

ActionAid's report shows the extent to which the **official aid figures exaggerate rich countries' generosity**. By discounting for 'phantom aid', ActionAid calculated the amount of 'real aid' that is promoting basic rights in the poorest countries. The results highlight the urgent need for reform by the donor countries:

In 2003, real aid was only \$27bn, or just 0.1% of the donor countries' combined national income

For the United States and France, two of the world's largest aid donors, almost 90% of their contributions are phantom aid

ActionAid report: http://www.actionaid.org.uk/wps/content/documents/real_aid.pdf

25 May 2005

May 25, 2005 is Africa Day: a holiday in many parts of the continent; and the day on which, in 1963, the Organisation for African Unity was born. Much of the world marks the day. In the UK, **24 hours of BBC radio broadcasting is devoted to Africa**, including the broadcast of Radio 4's *Today* programme in Nigeria and the replacement - for one day - of the radio soap *The Archers* by its Rwandan equivalent, *Urunana*.

10 May 2005

The Prime Minister announced that **Gareth Thomas will return as Parliamentary Under-Secretary of State for International Development**.

9 May 2005

The Prime Minister announced that **Hilary Benn will return as Secretary of State for International Development**. On his return as Secretary of State for International Development Hilary Benn said: "I am delighted to be back as Secretary of State for DFID. At a time when it has become fashionable in some quarters to say that politics doesn't change anything, the work of DFID is living proof that this isn't true. We can change things, and that's why 2005 is such an important opportunity for us with the G8 meeting at Gleneagles, the Millennium Summit in New York and the WTO trade ministerial meeting in Hong Kong"