

Speech

Date, Time	17/03/2005, 13.00-14.15
Venue	London – Overseas Development Institute
Speaker	Hilary Benn, UK Secretary of State for International Development
Event	ODI Seminar Series
Title or brief	The Commission for Africa Report and the UK Response
Drafting team	John Phillips - speechwriter Catherine Masterman, Andrew Jackson - policy lead, coordination

****1****

Good morning ladies and gentlemen, and thank you *all* for the work that you are doing to reverse what this document (*hold up*) calls ‘the greatest tragedy of our time’ – the poverty and stagnation on the continent of Africa.

We have had months of good debate on this subject. We will have more.

You heard the passion at last Friday’s launch of the commission for Africa Report, in the British Museum. If you didn’t actually hear Bob Geldof’s speech, I am sure you heard *about* it..(!) It was inspirational. It was complimentary about the two politicians sitting next to him on the podium. It was a reminder about what we need to do in the run-up to the Gleneagles Summit. It was also a special moment for Bob and for the PM: the originator of the idea of the Commission; and the political leader who made it happen.

Then you may have seen the discussion we had in the Commons on Monday. If ever you needed reminding of the fact that our subject - international development - is no longer at the margins of British politics and life, but right at the centre of it, then that was it. No doubt you have also seen the press coverage of the last week – its guarded optimism, and also the weight of its expectation.

So now I am very happy to discuss the Report further with you today – you who have put so much into it, and you who have your own role to play in ensuring that its recommendations become reality.

I am here today in two distinct capacities – as a Commissioner for Africa, and also as the UK’s Secretary of State for International Development.

As a Commissioner, I am proud of what so many people have achieved. I am also particularly thankful for the exceptional work of the Commission’s Secretariat.

As a UK Minister, I am delighted by what the Report says and I am also fully aware of the challenge that this country faces in taking the recommendations forward through our G8 and EU Presidencies this year.

I shall do two main things today: I'll set out the main elements of the Report and their significance; and I'll then talk about what the UK - and others - must do in response.

But before I do either, we should remember what people first had to say about the Commission. There was quite a bit of scepticism. Africans rightly said that they already had the AU and NEPAD. Donors said that they already had the 2002 G8 Action Plan for Africa. Others said 'but we already know what we have to do'....

So that's why I was very struck by the reasons given to me by NEPAD's Wiseman Nkuhlu, in Johannesburg at the end of February, for NEPAD's support for the Commission. He told me that since NEPAD's launch in 2001, Africa had been trying to communicate the message of change on the continent. They had been stating that progress was underway, and that Africa was a place of hope, and not of despair. But despite the growing body of evidence, Nkuhlu felt that no one in the developed world seemed to be listening. So he told me that he hoped that the Commission for Africa would argue the case for the reality of change in Africa in such a way that donors couldn't just continue with business as usual Instead, he wanted them to be challenged to make fundamental policy shifts, not just in their development policy, but in the entirety of their relationship with Africa.

Absolutely.

We set about writing the Commission's Report with three things clear in our minds. That Africa is making major progress; that it is now in a position where it stands a real chance of success; and that we as the international community now have a real opportunity to act in support of this. We held no illusions about the scale of the challenges that Africa faces. On current trends, we all know that it's the only continent which will fail to meet the Millennium Development Goals. Some it will miss by over 100 years. Unacceptable!

But we start from the assertion that there *is* change for the better all over Africa. Over the last decade, 16 countries have experienced growth rates of over 4%. The African Union, unlike the old OAU, has a policy of non-indifference towards Africa's problems, and has established the African Peer Review Mechanism within NEPAD – a mechanism through which a country puts itself forward for scrutiny by its peers. Over the last five years, governance has been improved in many countries, with more than two-thirds of countries in sub-Saharan Africa holding multi-party elections. Our Report is intended to get behind these African efforts, reinforcing and supporting the work of the African Union and NEPAD.

So this Report – the product of intensive consultation in 49 African countries, every G8 country, China, India, Europe, as well as 500 formal submissions like the one from Peckham.... – what does it say?

It's a call to action - and the action is needed right now.

It is unequivocal: Africa's future lies in the hands of Africans, and African leadership - particularly through the AU and NEPAD - is absolutely critical.

It reminds us very strongly that the international community needs to get behind African efforts, with a comprehensive package of support.

It sets out the goals we want to arrive at: an Africa which is an equal partner and a vibrant actor in the global community; an Africa achieving 7% annual growth.

It sets out the ways that aid - in fact, an extra \$75 billion a year for the next 10 years, funded by both donors and Africans themselves - can help.

It sets out the deal for a new relationship underpinning that aid, based on the principle of mutual accountability between the developed world and Africa. That means that 'we' deliver on what we promised, while Africa delivers on its own commitments.

The Report argues that the foundations of Africa's development lie in governance, in capacity, and in peace and security. It supports a strong package of measures for investing in people, for reducing poverty and for generating growth. I shall quickly analyse the six main elements which - it believes - can turn Africa round.

First of all, the quality of governance and the capacity to deliver it. We stress accountability, of the kind championed by the African Peer Review Mechanism. The Commission's starting point is that accountability requires ensuring that people are properly trained and paid to design and deliver the right policies in national and local government.

Second, peace and security – absolute prerequisites for progress. The Report focuses on practical actions for conflict prevention and resolution. Africans must take the lead, for example through the AU. But donors and Africans alike must all address the key causes of violent conflict, which lie in poverty, inequality, mismanaging natural resource revenues, and failing to control the flow and use of small arms.

Third, investing in people – above all, through education and health as individual rights, as vital MDG targets, and as the way to create growth. People are at the very centre of the Commission's approach.

Investing in people starts with guaranteeing basic education, and goes through to investment in higher education, particularly in science and technology.

It also means keeping them healthy. Preventable diseases can and must be eliminated, and - to do this - systems to deliver public health services must be rebuilt. Ending health fees should be backed up by donor aid. The decline in aid to water and sanitation must be reversed – immediately. HIV and AIDS is killing more people in Africa than the rest of the world. The systems which have been designed to deal with this catastrophe must be made to work effectively, and expanded quickly.

Fourth, very simply, economic growth. The Commission's recommendations will help tackle the barriers to growth. They cover the need for an improved investment climate (supporting NEPAD's good work in this area...) as well as investment in agriculture and other areas.

Let me take one example in particular: investment in infrastructure is a key priority. African transport networks have traditionally been designed to get goods *out* of the country, not *around* them. This has meant that transport costs have been ludicrously high within the continent itself. The Report also stresses that it is not simply the responsibility of the private sector to pay for the improvements which have to be made. Donors and governments have a role, too. This became a particular concern for me, largely thanks to a meeting with President Wade of Senegal in November.

But 'infrastructure' means more, of course, than just transport. It covers information and communications technology – and it also demands that growth be sustainable, with environmental and climate change considerations built into all donor programmes.

The challenge is to unleash the entrepreneurial spirit of Africa's people - from farmers to firms. Creating economic opportunities, especially for women and young people, is one of many areas where the Report calls the private sector to action.

Fifth, more and fairer trade. The Report is clear that Africa's growth must be rooted in an improved capacity to trade. That means actions to reduce internal barriers in Africa, ranging from transport to tariffs, from customs reform to regulation. This will also require a fairer international trade system, which makes development a priority throughout, and which puts an end to rich country subsidies and protection in agriculture. There are specific targets for 2005 here (for example, the need to remove all trade-distorting subsidies on cotton and sugar) which are just some of the areas on which we want decisions at this December's WTO meeting in Hong Kong.

The sixth of the cornerstones is where the international community comes into the picture – in providing the financial resources to support the first five. All of these actions will have to be backed by a doubling of aid, and - for countries which need it - the cancellation of all debts. And this must be accompanied by a radical change in the way donors deliver assistance. The fact is that

needs are high, and in the short run, there is no credible alternative other than aid and debt relief to finance Africa's development.

****5****

So let me turn to the question of how we, as the UK government, react to the Report.

You heard the Prime Minister on Friday: we welcome it absolutely. We welcome the fact that it really challenges all us richer countries about the way we do our business.

We also accept that there are areas in the Report's recommendations that go beyond current UK Government Policy. Many of these have already been pointed out in the UK media. On repatriation of assets and clamping down on the supply side of corruption, for example, we have work to do to ratify the UN Convention against corruption, and to pass legislation to enable the freezing of assets. On ensuring that trade liberalisation does not harm developing country economies, we support the Commission's recommendations, but we do need to spend time working out what this will mean in practice in our negotiations within the EC and through the World Trade Organisation.

As the Prime Minister said at the launch, the Report has set out where we are, and where we and others need to get to. Now, to narrow the gap....

There are several areas in which that gap is already narrowing. There is a great deal of synergy between what the Report recommends and what the UK is already doing.

The recommendations on improving aid quality and making better progress on harmonisation - which is of course one of NEPAD's top priorities for progress - reflect what the UK has been trying to achieve. They came to fruition earlier this month at the OECD DAC High Level Forum in Paris.

Our UK work on improving assistance to fragile states will be an important contribution to taking forward the Report's recommendations on the way that aid is allocated. It's reflected in our recent increases of assistance to populous poor countries with weaker governance, such as Sudan and the DRC.

The call for greater aid volumes and more predictable assistance is echoed in the UK's ten-year commitments to countries like Ethiopia and Sierra Leone.

And on the headline recommendations, of doubling aid and granting debt relief, the UK is also showing the way.

We are on track to meet the Commission's recommendation to double aid to Africa by 2010. Our spending of £650 million in Africa in 2003 rose to over

£830 million in 2004 and will be over £1 billion in 2005 – that's more than a 50% increase in 3 years. You will know that the Chancellor has also set out a timetable for us to meet the UN's 0.7% target by 2013. You will also know that his proposal for an International Finance Facility represents the most advanced and feasible option for frontloading the funds needed to meet the MDGs. The UK's proposal for Multilateral Debt Relief - launched on 1st January this year - means that we are unilaterally paying our share (that's 10%) of the multilateral debts of poor Africa countries.

UK development policy also matches the Report's conclusions in wanting to promote African ownership and leadership as the only way to bring about African development. That's why, at the beginning of March, I changed our policy on aid conditionality: we can't impose *our* policies, like liberalisation and privatisation – we have to follow (within reason) what Africans want to do. The Report states firmly that “the best way to deliver support is to put aid into African governments' budgets, and to let them prioritise spending it”. We agree: hence our growing use of what we call 'budget support'.

The UK also echoes the Report in endorsing the leadership provided by pan-African institutions. Especially the African Union – in Darfur and Togo of late, we have seen it providing African solutions to African problems. The UK continues to give its practical support: we hope to commit at least \$100 million over three years to supporting Pan-African institutions, including the AU and especially its Peace and Security Directorate.

****6****

But let's remember for a minute that the Commission for Africa's Report is not just a Report to the UK Government. It is a Report to the world.

The UK will now do its utmost to impress it on the rest of the world. But how can we get the G8 and EU to sign up to some of the recommendations that they have already opposed, particularly on those over-arching 'donor' issues of aid, trade and debt?

The good news is that the Report, and the UK's focus on Africa, has been welcomed in all G8 capitals. Now, we all have to agree definitively on our different roles. We are *not* asking the G8 to sign up to every one of the Commission's recommendations. But what really matters is that our joint efforts aren't those of the lowest common denominator. Taken as a whole, we want them to add up to the 'big push' that is called for in the Report.

There is no question that there will be difficult discussions on some of the issues, particularly financing and debt relief. But we are building up the foundations of support. France, Germany, Italy and Sweden support the IFF, and France will help us to launch the pilot IFF for immunisation. Canada is committed to supporting our multi-lateral debt relief initiative. And at April's World Bank and IMF Meetings in Washington, and June's High Level

Dialogue for Financing for Development in New York, we can build further consensus ahead of Gleneagles.

I think that the route to the Summit could be steep and even rocky in places, but I am optimistic that we will all get to the end point, whatever paths we choose to take on the way.

****7****

I said earlier that this is not just a Report for the UK Government. Nor is it just for Governments in general. It is for *everyone* with an interest in development, and anyone who shares the passion and commitment of the Commissioners. All of them have a role to play – statements of support will no longer suffice. The Report calls for action in all areas – action to be carried out by the people best placed for it. Sometimes that's you the NGOs, sometimes it's us the donors.

You at the Overseas Development Institute have clearly recognised this. I welcome the launch of your web resource portal to speed access to resources on Africa. You are right about the role that academics and development think tanks must play to keep us on the right track, to flesh out the detail of how we could take forward some of the recommendations, and to engage in this debate not only with the UK Government and institutions in this country, but with your colleagues and counterparts across the G8 and Africa. We ask you to continue to 'get out there' and argue your case.

Our UK government commitment to Africa is massively enhanced by our NGOs. I am deeply proud of this tradition in the UK - but it's sadly true that it is not something we share with our G8 counterparts. My colleagues in some countries tell me that they feel under no domestic pressure to do anything about Africa. If we are to generate real change, they need to know that this is not just a whim of the UK Government. No – there is a global head of steam which is making things happen. Doing nothing is not a viable option! This is where the Global Call to Action and the Make Poverty History Campaign have a vital role to play. I really commend what they are doing already, and I urge them to keep up their efforts across the G8 in this critical period between now and the Summit.

So this (*hold up*) is the roadmap. It's an exceptional document, and a brave venture. It makes history in that it's put forward by the Head of Government of the country which holds the current G8 Presidency. We are all conscious that we will be forever shamed if we don't act on it. No one doubts the challenge; but nor do they doubt that they have the means. You can read the Yoruba proverb on page 21, but I give you it now in English: '*With shoes, one can walk on thorns*'. Thank you.

ENDS 3154 words